



551 Hot Springs Boulevard
Post Office Box 1859
Pagosa Springs, CO 81147
Phone: 970.264.4151
Fax: 970.264.4634

**TOWN COUNCIL SPECIAL MEETING MINUTES
THURSDAY, DECEMBER 12, 2013
Town Hall Council Chambers
12:00 P.M.**

I. CALL MEETING TO ORDER – Mayor Aragon, Council Member Bunning, Council Member Cotton, Council Member Lattin, Council Member Schanzenbaker, Council Member Volger

II. NEW BUSINESS

1. **Public Hearing on 2014 Budget** – Mayor Aragon opened the meeting to public comment on the 2014 budget. No public comment.
2. **Resolution 2013-27, Adopting 2014 Budget, Setting the Mill Levy and Appropriating Funds** – Sales tax receipts for 2013 have come in 4.5% higher than the 2012 year end receipts. 2013 ending General Fund Reserves are projected to be \$1,538,532. The proposed 2014 budget reflects a 1.9% cost of living increase for every employee. The mill levy will be set at 1.584 producing property tax revenue of \$75,856 based on County assessed valuations. 2013 ending Capital Fund reserves are projected to be \$1,496,663. The budget reflects an aggressive utilization of Capital Fund reserves to fund the Town's infrastructure. The County Commissioners are considering their budget on the 13th of December. They have not committed their funds to the proposed visitor center at this time, but staff is hopeful they will assist the Town in May 2014. Council Member Lattin said the County participated in the worksessions with the Chamber and were in favor of supporting the new visitor's center during those talks. Council Member Cotton said the funds are for advertising Pagosa Springs and doesn't think the County is able to do anything else with the funds but support the visitor center. Council Member Volger moved to approve Resolution 2013-27, adopting the 2014 budget, setting the mill levy, and appropriating sums of money, Council Member Bunning seconded, unanimously approved.
3. **Recreation Center** - At the December 3rd meeting, the council was in agreement to put the recreation center tax question on the April ballot but at the time a motion for this decision could not be made until this meeting. Council Member Lattin said the Monday evening public meeting went very well and they were able to answer questions for the public. Council Member Lattin said that the County Commissioners were given the information on the 1% sales tax, but they have not said they are interested in participating in the sales tax. Council Member Volger moved to have the town approve putting the issue of a 1% sales tax increase on the ballot for the April 2014 election and engage legal counsel to draft the ballot language, Council Member Lattin seconded, unanimously approved.
4. **Geothermal Electric Utility with Possible Executive Session Pursuant to C.R.S. 24-6-402(4)(b) for Conference with Town Attorney for the Purposes of Receiving Legal Advice Related to Geothermal Electric Utility and C.R.S. 24-6-402(4)(e) Determining Positions Relative to Matters that may be Subject to Negotiations,**

Developing Strategy for Negotiations, and Instructing Negotiators Concerning Geothermal Electric Utility

5. **Town Manager Annual Evaluation with Possible Executive Session per C.R.S. 24-6-402(4)(f) Personnel Matters** - Council Member Lattin asked Town Manager David Mitchem if he would prefer to enter executive session for discussion on his annual evaluation, he replied that he would prefer executive session. Council Member Lattin moved to go into executive session pursuant to C.R.S. 24-6-402(4)(b) for conference with Town attorney for the purposes of receiving legal advice related to geothermal electric utility and C.R.S. 24-6-402(4)(e) determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators concerning the geothermal electric utility, and per C.R.S. 24-6-402(4)(f) for discussion of a personnel matter involving the Town Manager, who was previously informed of the meeting, Council Member Volger seconded, unanimously approved. Mayor Aragon declared the meeting back in session at 3:39pm. Council Member Lattin moved to place the Geothermal Electric Utility item on the December 19th agenda, Council Member Volger seconded, unanimously approved. Council Member Volger moved to place the Town Manager cost of living increase on the December 19th agenda, Council Member Lattin seconded, motion carried with one nay (Council Member Cotton).

III. ADJOURNMENT – Upon motion duly made, the meeting adjourned at 3:40pm.

**Ross Aragón
Mayor**