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**TOWN COUNCIL MEETING MINUTES  
THURSDAY, DECEMBER 20, 2012  
Town Hall Council Chambers  
12:00 P.M.**

- I. CALL MEETING TO ORDER** – Mayor Aragon, Council Member Alley, Council Member Bunning, Council Member Cotton, Council Member Lattin, Council Member Schanzenbaker, Council Member Volger
- II. APPROVAL of MEETING MINUTES FROM DECEMBER 4 & 13, 2012** – Minutes were approved as read.
- III. PUBLIC COMMENT** – None
- IV. DELEGATIONS**
  - 1. Pagosa Springs Center for the Arts – Laura Moore** – Mrs. Moore gave the council an example of her experience with starting a business in Pagosa Springs. She asks the town learn from prior mistakes and welcome new businesses with open arms. She said changing her building was a huge process and the town was not helpful. She said between poor locksmith work, poor HVAC workers, sewer back-up problems, and many other issues she has had a horrible experience getting her project going. She said that although the former building official is no longer employed, his boss is still employed by the town. She said that her liquor license was the only positive action completed by the town. She asked that town council bend over backwards for future business. Mayor Aragon said the town is very supportive of the Pagosa Center of the Arts. Council Member Lattin said they are changing items since the Arts Center was built, she is sorry the issues Mrs. Moore faced.
- V. NEW BUSINESS**
  - 1. Resolution 2012-21, Authorizing Town Staff to Petition for Annexation of Alpha Dr -** Resolution 2012-21 authorizes Town Staff to submit the annexation petition and to amend the plat, if necessary for the annexation of Alpha Drive. Council Member Lattin moved to approved Resolution 2012-21, authorizing Town Staff to take all actions necessary and appropriate to submit a petition for annexation of a portion of Alpha Drive and to amend the plat for the portion of Alpha Drive, Council Member Volger seconded, unanimously approved.
  - 2. Resolution 2012-22, Finding Alpha Drive Annexation Petition to be in Substantial Compliance with C.R.S. 31-12-107** – After approving and authorizing action through Resolution 2012-21, Resolution 2012-22 sets the date, time and place for a public hearing, to determine Alpha Drive’s eligibility for annexation and to show intent to annex. Council Member Lattin moved to approve Resolution 2012-22, a resolution of intent to annex certain real property known as Alpha Drive and finding the petition for annexation to be in substantial compliance with Colorado Revised Statute section 31-12-107, Council Member Bunning seconded, unanimously approved.

3. **Resolution 2012-23, Finding the Sawmill Place Annexation Petition to be in Substantial Compliance with C.R.S. 31-12-107** - Resolution 2012-23 sets the date, time and place for a public hearing, to determine whether the area is eligible for annexation. LUDC section 11.5 outlines the procedures for processing an Annexation petition. The applicant, Andrew Schlaefli, has submitted an application and a petition for annexation. If approved for annexation, the applicant intends to consolidate the property into his proposed Sawmill Place Development, currently approved as a Preliminary Plan. Council Member Volger moved to approve Resolution 2012-23, a resolution of intent to annex certain real property known as the Sawmill Place Annexation and finding the petition for annexation to be in substantial compliance with Colorado Revised Statute section 31-12-107, Council Member Cotton seconded, unanimously approved.
4. **Request for extension of Sawmill Place Preliminary Plan** - The applicant, Andrew Schlaefli of the Sawmill Place Development, has requested a one year extension for the Preliminary PUD Plan previously approved by Town Council on November 5, 2008. TC approved one year extension requests on January 21, 2010, again on January 4, 2011 and again on January 19, 2012, extending the Sawmill Place Preliminary PUD Plan until January 19, 2013. The applicant has recently purchased the red house west of the proposed development along Hwy 160. This purchase allows the applicant to close off the Hwy access to the house, as originally requested by CDOT as part of a new access permit application for the development. This access permit application expired in 2011 and the applicant now intends resubmit an access permit application with CDOT, accommodating the closure of the red house Hwy access. The applicant has indicated that he intends to begin preparing the Final Plan application and documents for submission this year, which includes a USACE wetland permit application. Council Member Volger moved to approve a one year extension for the previously approved Sawmill Place Preliminary Plan, Council Member Cotton seconded, unanimously approved.
5. **Resolution 2012-24, 2012 Budget Amendment** – During 2012, the Town Council approved several changes to the 2012 budget in order to accommodate, projects, increases in costs, and more. Resolution 2012-24 amends the 2012 budget in the General Fund, Capital Fund and Geothermal fund for those changes. An addition to the budget in 2012 but will not affect the expenditures is a records management system refund and purchase for the police and court departments. Council Member Lattin moved to approve Resolution 2012-24 amending the Town’s 2012 approved budget to include increases in revenue and expense items, thereby decreasing budgeted reserves in the General Fund by \$30,000, Capital Fund by \$220,785, and the Geothermal Fund by \$3,300, Council Member Volger seconded, unanimously approved.
6. **Ordinance 781, First Reading, Setting Ballot Title and Calling a Special Election** - On October 26, 2012 the town clerk’s office received a statement of intent to circulate a petition to amend the Town’s Home Rule Charter regarding construction on Reservoir Hill Park. The petition form was approved for circulation on November 9<sup>th</sup>, 2012. The petition required 112 signatures, 10% of the number of town electors registered to vote on October 26<sup>th</sup> (1,123 voters). On November 27, 2012 the petition was returned to the clerk’s office with 276 signatures. The town clerk has certified 212 of those signatures as registered town electors and determined the petition satisfactory. The 2012 election cost the taxpayers over \$2,300. Mr. Bob Cole said there was a helpful suggestion regarding the ballot title. The 2013 budget has \$2,000 budgeted for this special election. Mr. Matt Roane thanked the Council for the ordinance drafted and asked the council to consider a date that is closest to the date of February 28<sup>th</sup>. Town Clerk Hessman asked the Council consider setting the election date for April 23, 2013. She stated a notice of intent to circulate a petition to counter the first petition was received today, December 20, 2012. She asked that although March 12<sup>th</sup> is the earliest date, her first of the year workload, along with the costs of a possible second election and wise use of public fund, she asked to set the date in April within the 90 day requirements. Council Member Schanzenbaker moved to approve Ordinance 781, first reading, an ordinance of the town of Pagosa Springs, Colorado, calling for a special election of the Town to be held March 12, 2013 as a polling place election and setting the ballot title for a proposed amendment to the home

rule charter requiring voter approval prior to construction or operation of any amusement rides in the Reservoir Hill Recreation Area, Council Member Alley seconded, motion failed with five nays (Council Members Volger, Cotton, Lattin, Bunning and Mayor Aragon. Council Member Volger moved to approve Ordinance 781, first reading, an ordinance of the town of Pagosa Springs, Colorado, setting a ballot title for a proposed amendment to the home rule charter to prohibit amusement rides in the Reservoir Hill recreation area and calling for a special election of the registered electors of the Town to be held on April 23, 2013 as a polling place election, and taking Town Attorney Cole's recommendation to add the word approving in Section III second paragraph fourth line of the ballot title to read voting thereon approving for the construction or operation of, Council Member Lattin seconded, motion approved with two nays (Council Members Alley and Schanzenbaker). Mr. Bill Hudson said that to have two items on the ballot will only set to confuse the voters. Council Member Volger said that he would hope the ballot will be clear as not to confuse the voters. Town Clerk Hessman said the new petition would need to be received in her office by 24<sup>th</sup> of January in order to be put on the April 23, 2013 ballot. Mr. Hart asked to make a statement regarding Reservoir Hill, Mayor Aragon denied his request saying that this procedure is stressful dealing with mis-information and false accusations.

7. **Ordinance 782, First Reading, Adopting Amendments to the Impact Fees** - In 2006, the Town and County jointly participated in funding an Impact Fee Analysis report, prepared by EPS (Economic and Planning Services), resulting in a Final Report dated May 2006. The Town Adopted the Final 2006 Joint Impact Fee Analysis via Ordinance No. 662 and began collecting Impact Fees for all new developments. Currently impact fees are collected for Public Facilities, a new County Administration Building, and Recreation Facility, a new Public Recreation Center. The County doesn't collect fees for their proposed county administration building. Town Staff has identified two new categories to replace these two original identified buildings/facilities, the Town Maintenance Shop and Recreation Amenities. Staff is requesting direction for moving forward in preparation for considering the First Reading of Ordinance No. 782 at the January 08, 2013 TC meeting. Council Member Schanzenbaker asked about the original EPS study and the refund of the funds collected up through today. Attorney Bob Cole explained how the EPS study set a methodology along with the town's capital improvement plan to set the fees and where they should be applied. He said he is working with staff to take the original methodology along with the current capital improvement plan to reconsider and redistribute where the funds are distributed. This ordinance will be brought back on January 8<sup>th</sup>.

## VI. OLD BUSINESS

1. **Ordinance 780, Second Reading, Vacation of Town Right of Way for Bryn Mawr St and Berwyn St** – The first reading was passed on December 4<sup>th</sup>, 2012. This ordinance is for the vacation of Public Right of Way of a portion of Bryn Mawr Street north of Berwyn Street and a portion of Berwyn Street east of Bryn Mawr Street. Council Member Lattin moved to approve the second reading of Ordinance No. 780, vacating the portion of Bryn Mawr Street north of Berwyn Street and the portion of Berwyn Street east of Bryn Mawr Street, contingent on an approved final plat for lot consolidation of at least, Lot 1 of Block 13, Lots 1-5 of Block 12 and Lot A of Block 11, Council Member Alley seconded, unanimously approved.
2. **Sales Tax Brief** – Sales tax revenues for December increased by .18% over 2011 revenues bringing the year end total up 2.58% or \$80,387 compared to 2011. Lodgers tax revenues are up 4.2% year to date compared to 2011.
3. **Discussion Regarding Rader et.al. v. Town of Pagosa Springs et.al. with Possible Executive Session to Receive Legal Advice per Section 24-6-402(4)(b)** – This item will be moved to the end of the meeting.

## VII. DEPARTMENT HEAD REPORTS

1. **Community Center Report** - The 7<sup>th</sup> Annual Festival of Trees was a huge success. The attendance for Festival of Trees increased from 110 people in 2011 to 187 people in 2012.

A total of \$8,886.00 was raised for 18 different Archuleta County, non-profit organizations and five trees were donated to needy families.

2. **Parks and Recreation Department Report** - Installation of security cameras at Yamaguchi Park and Town Park was completed last week, and activities at the parks are currently being monitored and recorded via a closed-circuit network. The parks crew has been assisting with the river improvements project and monitoring the ice depth at the River Center skating pond.
3. **Town Tourism Committee Report** - Lodgers tax collections were down 11.08% in October 2012, as compared to October 2011, a decrease of \$3,396.04. Year to date, lodger's tax collections are up 4.2% over 2011, or an increase of \$14,201.09. Unfortunately, warm weather and lack of snow in October contributed to reduced numbers, with November and December following similar patterns, a decrease in lodging tax is anticipated. November 2011, Wolf Creek was the only ski area in CO with snow, whereas 2012, the ski area barely opened prior to Thanksgiving. Year to date, visitor center traffic at both locations is down 1.52% compared to 2011 (or 610 visitors). As a result of the winter activity press release, Endless Vacation/AAA Magazine is sending a writer to Pagosa Jan 6<sup>th</sup> – 10<sup>th</sup> for a feature that will be published in fall 2013 for 2013/2014 winter season. TTC Director attended a CTO-hosted media reception in Denver on November 29<sup>th</sup> and met the PR rep for Durango Area Tourism. After agreeing to work together, DATO has since passed an opportunity to the Town with the Northwest Cable News ([www.nwcn.com](http://www.nwcn.com)), a 24-hour cable news station in the Pacific NW with over 2.5 million viewers. They will now be in Pagosa filming a ski segment Jan 31<sup>st</sup> – Feb 2<sup>nd</sup>, including hot springs and Wolf Creek.
4. **Planning Department Report** - Street light poles have been installed on the 100 block of Pagosa Street. LED lights should arrive by end of year. Wiring of the new lights should be complete by December 20. Staff is coordinating with CDOT ordering the new pedestrian crossing equipment for the new 2nd Street push button/flashing light crossing. A Builders Committee has been meeting for a couple of years now, specifically with the county until about 6 months ago when the Town began to also participate, also with the goal of providing consistency to the development community. Many discussions have occurred regarding the utilization of our limited resources and ways to improve service to the development community by having the two building departments working together as much as possible. The Building Official Zach Richardson was successful in identifying a Fire Code section that allowed us to enforce the removal of the propane trucks that have been recently parking in the Aspen Village subdivision and before that around other areas of town. The BOCC would like to have a worksession with the Town Council, Mayor Aragon set the 17<sup>th</sup> of January at 12noon to meet. Walmart has submitted the lot consolidation application, and anticipates building permit application submission in February, breaking ground in summer 2013 with opening in spring of 2014. Council Member Schanzenbaker will attend a savings places historic preservation conference in February 2013. The Lewis Street project is almost complete; the town has completed a punch list including a 5% retainage until complete. Staff recommends extending the 2 year warranty bond to 5 years to ensure replacement or correction to some items. Council Member Schanzenbaker said to be fair to the contractor it may not be worth holding back \$3,300 for some damage to the curb/gutter.
5. **Town Manager Report** – Several town departments have deployed projects in 2012, including pedestrian crossings at midtown and 200 block Pagosa Street, new trailhead signage around town, new restrooms and whitewater features, completion of sidewalks and paving along Lewis Street, and improvements to the facilities at the community center. Mayor Aragon said he likes what the Pagosa Springs Center for the Arts is doing in the community, but feels that Mrs. Moore's comments were unfair and would like to be made aware of delegations items.

**VIII. APPROVAL OF NOVEMBER FINANCIAL STATEMENT AND ACCOMPANYING PAYMENTS** – Council Member Volger moved to approve the November financials and accompanying payments, Council Member Bunning seconded, unanimously approved.

**IX. PUBLIC COMMENT** – Mr. Bob Hart asked to set the record straight. He stated he is working on the TTC to increase tourism to create a healthier community for all. Keeping tourists in Pagosa longer is the TTC's goal. He said that Hart Construction has worked hard for the town, donating labor and equipment and successfully won bid on many jobs. He said that Hart Construction will not bid on any work or services on any work that has to do with the amenities that are being proposed for Reservoir Hill. Chief Rockensock said that his officers are completing security checks in the school and make the administration aware of security plans. The police and sheriff's offices have evacuation plans, and plans for all situations that might occur at our schools. Eventually a school resource office is needed at the schools with funding from the town.

**X. NEXT TOWN COUNCIL MEETING JANUARY 8, 2013 AT 5:00PM**

The Mayor recessed the meeting of the Town Council at 2:08 pm in order to conduct the Sanitation District meeting. The Mayor reconvened the Town Council meeting at 2:30pm.

**VI.3 Continue with item.** Council Member Cotton moved to go into executive session regarding Rader et.a. v. Town of Pagosa Springs to receive legal advice per section 24-6-402(4)(b), and include Town Council, Mr. Dickhoff, Mr. Mitchem, Mrs. Hessman, Mr. Steven Dawes, and Mr. Bob Cole, Council Member Bunning seconded, unanimously approved. Mayor Aragon called the meeting back in session at 3:30pm.

**XI. ADJOURNMENT** – Upon motion duly made, the meeting adjourned at 3:30 pm.

**Ross Aragón  
Mayor**