

**THE TOWN OF BAYFIELD
REGULAR MEETING OF THE
BAYFIELD TOWN BOARD
11 W. Mill Street, Bayfield Co 81122
October 2, 2007 7 p.m.**

Town Board Present: Rick Smith, Russ Jones, Carol Blatnick, Mayor James Harrmann, Tom Au, Daryl Yost and Niel Hieb.

Staff Present: Justin Clifton, Pat Anselmo, Joe Crain, and Dirk Nelson. Marty Zwisler, Project Manager was also present.

The meeting was called to order at 7:07 p.m. by Mayor Harrmann.

Approval of Minutes: Carol moved to approve the minutes of August 21, 2007 as written. Rick seconded. The vote was six in favor. Motion carried. Carol made a motion to approve the minutes of September 18, 2007 as written. Rick seconded. The vote was six in favor. Motion carried.

General Public Input: None was given.

Agenda Item #1: Approval of Bills: Carol moved to approve the payment of bills as presented. Tom seconded. The vote was six in favor, motion carried.

Agenda Item #2: Town Updates:

Justin asked if any of the Board members had specific questions about his packet memos. Herm asked if they were working on getting the senior center down to the original budget level, commenting 'It is over budget before the shovel hits the ground'.

Regarding the new Water Salesman, the concrete was poured last Friday. The construction on the roof remains unfinished and electricity needs to be run to the site. The Town will be encroaching a small distance on Carey Caron's property when they do the electric installation. The town meets with Cary tomorrow concerning this.

FCI is shooting for completion on or before October 15, maybe a week later. Russ asked how is the outside is going to be finished...'it is pretty ugly as is'.

Ron discussed staining the cement.

The easements (per Dirk) weren't recorded when the plat was recorded. The Town is going to stay on the Routledge side of the property. The fence does not represent the property line. Russ said he can get a bid on stucco. Justin said the total cost of the improvements will run \$110,000.

Justin is still pursuing the IGA agreement with the County.

Concerning the meeting schedule, the Board had requested a meeting on October 17 to discuss road impact fees and economic incentive options. Justin recommended they start at 6 p.m.

The Budget meeting will be this Thursday, October 4, at 5 p.m.

When questioned, Justin confirmed that the town does not have ownership of the Jack Roe property.

Cinnamon Heights: Daryl wanted to know what they have not done. Justin has issued a punch list of twenty items. Some of the major unfinished items include the retention pond and the connection of street lights.

They had established a letter of credit. The Town did not act on it in a timely manner and it expired. It took two and a half months to get it replaced. They are not completing any work. 'No progress whatsoever', per Justin. It is a civil matter, (to get the developers to clean up). They have left construction junk lying around.

Daryl said 'We can find them in default, call the letter of credit and go ahead and fix it'. Justin commented that it was an administrative mistake that we let the initial letter of credit expire. 'It won't happen again' he said.

Daryl asked that Justin be sure and watch when the current letter of credit expires, 'stay on top of it'.

Tom Au asked 'how are we doing on getting the 3 phase?' (electrical to the sanitation treatment site). Justin explained that the bridges were part of the issue. The second bridge is still under construction. The town will have to do something temporary in the meantime. Tom then queried 'Completion on bridge?' Brad Elder said it is 'in process'. Tom spoke about work on the town hall site. FCI has been asking him to do the staking on it. None of the board has concerns about Tom doing the staking. Rick commented '...if it is disclosed that we hired the contractor, and they hire subs, the indiscretion issue fades away'. As long as it is above board, Rick said it should not be a problem. He did emphasize that perception is important. He asked if any of the board members object. They replied 'No' but they think that Tom did the right thing in not accepting the offer. Marty showed the remaining samples of the stone for the new town hall. He said it was not imperative that the board make a decision tonight.

Agenda Item # 3: Regional Housing Authority Membership/ Budget request: Jen Lopez, speaking on behalf of RHA approached the board asking that they consider establishing membership and participate in funding. Justin went over some pros and cons. He submitted a memo covering the advantages, disadvantages, etc. The Town could tap into RHA resources, financially speaking. Justin said that other communities have inquired concerning the Towns membership in RHA. He commented 'there is something to be said about our participation, on a political plane'. The 'con' is that the fee is a lot of money and the budget is TIGHT. Affordability of housing is not that much of an issue in Bayfield. Justin emphasized that the board would have to actively participate in any increase in tax; i.e., nothing could be passed without the Boards authorization. They have 18 unsold lots. CDC intends to dissolve after the development is finished.

Joe Crain explained that the authority does not have taxing ability unless there is an agreement among those who belong. He thinks it would be worthwhile to belong. He does not think Fox Farm is going to proceed much further without some financial assistance.

The Mayor turned the meeting over to Jen Lopez for her presentation. She handed out packets to the Board, which included their increased budget, an action plan, and a proposed IGA. They serve at the pleasure of the entities that participate. She then passed

out a list of things that they can do for Bayfield. The State has given them \$250,000 for down payment assistance. These monies are only available for people who have a certain income. They also have applied for private funding. Their money will be available on a first come, first serve basis. It is not based on population.

Herm asked if they would allow mobile homes. Jen replied that they allow anything that has a permanent foundation. Since mobile homes require permanent foundations, they would be allowed. Herm said his problem with mobile homes is that they do not generate local money, they don't help people here build a house.

She introduced Balty Quintana, who sits on their Board. He said, if he had his preference, he would ask the employers to raise the salaries so that people can afford to build a house. Speaking realistically, he said, he knows this will not happen. The work force needs to be taken care of, which includes better pay. An increase in salary would allow them to build, to get away from the affordable and go on to the attainable.

Joelle Riddle, La Plata County Commissioner, spoke. They see the growth pockets as Bayfield, Ignacio, and Durango. High priority items include the sanitation project and child care. They (RHA) are asking for \$15,943.00. Affordable housing should be all communities concerns. They (RHA) are changing their name. "Authority" has a negative connotation. They have decided on 'Regional Housing Alliance', their goal is to bring together both public and private, non profits, buyers, sellers. If they can generate revenue, they will use it to build affordable housing. They *may* not ever need to tax. They want to concentrate on policy development.

Rick Smith asked, 'if the county and town have different policies, who overrides?'

Balty replied that this would need to be addressed in any document. Joelle stated that the county would work closely with the towns to come to a determination that meets everyone's expectations. They (the RHA) want to become self sufficient. In order to do this, they need to generate a revolving fund, and let the government entities fall back out. Rick said, 'first we have to find the \$14,000'. Russ mentioned that Bayfield has been supporting affordable homes for a long time, 'The sanitation cost is just another outlay that Bayfield is coming up with to support affordable housing'.

The RHA did not expect a vote tonight. Daryl asked if the IGA has a sunset clause.

Dirk is to review the IGA closely. Joelle said if Bayfield doesn't come to the table, it can never go to a vote. Jeff Wadsworth, Dove Ranch Road, spoke. He thinks this is viable for Durango, not Bayfield. Durango has said 'lets shut the door to affordable housing, let other communities take it'. This is not a Bayfield issue, it is a Durango issue. It was his stance that the \$14,000 can be used other places. There are already affordable houses around town.

Agenda Item # 4: Energy Impact Grant: Justin asked that the Board please approve this. Carol moved to approve the Energy Impact Grant as presented. Rick seconded. The vote was six in favor. Motion carried.

Agenda Item #5: Sunrise Estates: Justin supplied a packet memo. He thinks there has been insufficient effort by the developer. However, he was just handed a letter this evening from Ken Golden, Sunrise attorney. Justin asked that the Board take time to read it.

Dirk then handed out a letter from Jeff Robbins, a representative from the HOA. Dirk had told Mr. Robbins he would hand out his letter this evening.

The board reviewed both documents.

Rick Smith said the board wants to hear first from the developer. Ken Golden said the base terms are set forth as presented in their letter.

Rick Loether, the secretary for the Sunrise HOA, wanted the record to reflect that they were not notified.

Rick Smith moved to go into Executive Session, to confer with the Town Attorney for the purpose of receiving legal advice on specific legal questions, citing C. R. S. Section 24-6-402 (4)(b). Russ seconded. The vote was six in favor. Motion carried.

The Board went into executive session at 9:20 p.m.

The Board reconvened in regular session at 9:50 p.m.

Rick Smith moved to turn down the offer provided by CATOF's (Sunrise) attorney. Niel seconded. The vote was six in favor. Motion carried.

Daryl moved to instruct staff to contact their bonding company and call the bond. Rick seconded. The vote was five in favor, with one vote in opposition cast by Tom Au. Motion carried.

Agenda Item # 6: Sanitation District Update: Justin spoke, relaying information pertaining to the land deal with the school. He outlined where the town is going generally. They need to arrive at an agreement for one acre at fair market value. It gets a little more complicated. The Town would need to compensate for land associated with a road and the line relocation. The town will have to purchase the land if the ballot issue is successful. Questions have arisen as to whose utilities will be in the easement. The town would have to acquire an easement from the owner. Niel asked who would have rights to be on that easement to get from point A to point B. If it were strictly a utility easement, it would be different. Dirk replied that these are usually set up as a non-exclusive easement; the town could use it and the school could use it. Justin asked the Board, 'do you want an access easement or a dedicated right of way?' The Town would need thirty feet for an easement.

Justin asked for a little more detailed direction from the board. He is applying for a block grant, and would need a deed for the property to do so.

Neil noted, the school has to understand the capital constraints the town is under. The Board needs to do what is fiscally responsible. Rick replied, 'they have gone to bat with the sanitation district pre-treatment problems'. The access road is not essential, but it would make life a lot easier. They understand that if the town vacates one easement they should not have to pay full price for a second one.

Rick moved to go into executive session, for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C. R. S. Section 24-6-402 (4)(e). He asked that the session include the town manager, the town attorney, and Joe Crain. Russ seconded.

The vote was six in favor. Motion carried. The Board went into executive session at 10:05 p.m.

The regular meeting reconvened at 10:15 p.m.

Carol moved to accept the recommendations submitted by the town manager for acquiring land from the school. Daryl seconded. Justin is to give every detail to the board before proceeding. The vote was six in favor. Motion carried.

Agenda Item # 7: Water Billing Ordinance: Staff is requesting that the Town be allowed to issue one bill for one meter. Currently the utilities department is dividing up some of the water bills among renters, tenants, etc. (as requested by property owners/property managers). If the request is allowed, the Town would not be responsible for splitting bills for the customer's convenience. The landlord will pay the statement and then separate the bill among his tenants. The town also needs clarification on the reduced rates for the elderly. The ordinance pertaining to reduced rates was passed several years ago, but the staff wants to use a certain index, and needs board participation to set the rates. Rick moved to approve Ordinance #323, an ordinance of the Town of Bayfield, Colorado amending Section 15-75 and 15-78 of the Town Code regarding water billing. Niel seconded. The vote was six in favor. Motion carried.

Agenda Item # 8: New/Unfinished Business: The trail on C. R. 501 will be in the 2008 budget.

Region 9 Economic Development just held their annual meeting. The San Juan bio diesel project got their requested financial support. They support regional housing to implement affordable housing.

Carol asked what information was being disseminated to the public, to educate them regarding the issue that will be on the ballot this November.

Justin remarked, 'we are currently working on the fall newsletter. There will be important information included in it regarding the sanitation district project'. Beautiful Bayfield is the theme for the newsletter.

The board asked about the progress of the warning sign (slow, children playing) at the crest on Meadow Circle, (at the corner of Meadow Circle and Clover).

Also, at the corner of Meadow Circle and Clover, the stop sign is totally covered with tree branches.

Herm had some concerns about the height of signs at the corner of Mill Street and 160B.

Agenda Item # 9: Motion to adjourn at 10:30 p.m.