

**The Town of Bayfield
Regular Town Board Meeting
1199 W. Hwy 160 B.
Bayfield, Colorado 81122**

October 6, 2009 7:00 P.M.

Town Board Present:

Mayor Rick Smith, Council Members Justin Talbot, Debbi Renfro, and Tom Au.

Town Staff Present:

Justin Clifton, Town Manager, Pat Anselmo, Clerk, Dirk Nelson, Attorney, Ron Saba, Public Works Director, Chris Choate, Deputy Marshal.

Mayor Smith called the meeting to order at 7:02 p.m.

The Mayor made a presentation of a plaque to Clara Piccoli in special remembrance of her husband Bob Piccoli, now deceased, who served the Town as a member of the Planning Commission and of the Town Council with both pride and honor. The plaque commemorates his years of service to the Town and relays the deep and sincere appreciation of the Town Board and staff for the sacrifice he was willing to give and for his years of dedication on it's behalf. The plaque will be displayed in a place of honor in the foyer of the new Town Hall.

Approval Of Minutes:

Tom Au had a question regarding the statement by Chief Graeber during the last Town Board meeting concerning the offer of money from the Upper Pine River Fire District to the Town to get the looping system done. Tom understood this \$100,000 would be a gift. Chief Graeber offered to loan the money to the Town during the last meeting but he did not discuss the re-payment requirements.

Justin Talbot moved to approve the minutes of the regular Town Board meeting held September 15, 2009 as written. Debbi seconded. The vote was four in favor, motion carried.

General Public Input:

Hunter Swanson, 524 Dove Ranch Road, addressed the Board, prefacing his statement by saying he believes Bayfield to be a wonderful place to live. The Town has made incredible strides, demonstrable improvements which he feels are unique to La Plata county. However, he has a serious problem caused by low water pressure in Dove Ranch. He expected the amount of water pressure to improve when the development was complete. It has not. His house is designed to run with a minimum amount of water pressure, which, if not available renders his heating system incapable of operating

correctly. They have in-floor radiant heat which requires a steady, constant amount of pressure. His heating system is in peril.

He thinks there is confusion on the part of staff on how to fix the problem. He doesn't care whose fault it is, he just wants it fixed.

Justin C. directed Hunters concern to Ron. Ron responded by explaining that the distribution line, which was installed in coordination with the developer, has several leaks. Ron is aware that there are at least three rolled gaskets causing the problem in water pressure. The developer is MIA. The annexation has never been finalized. Even though the leaking is occurring on the developer's property, Rick wants it addressed.

Justin C. believes the repairs can be done for a few thousand dollars.

Rick advised staff, please keep Mr. Swanson apprized of the progress on the situation.

Dirk mentioned the Town had procured easements on the properties, i.e., it can be worked on, legally. We will also have recourse to regain the money spent on the repairs. Dirk said he will look into it further.

Ron re-affirmed, the sections that are leaking were not installed by the Town. The responsibility of any problems belongs to the property owner. It (the work) does have a two year warranty on it.

Action Agenda:

Item #1: Approval of Bills:

Tom Au moved to approve payment of bills as presented in the packet delivered last Friday, October 2, 2009. Debbi seconded. The vote was four in favor. Motion carried.

Item #2: Town Updates:

Tom wondered if the Town could possibly get students from the high school to help with the recycling center since they were very eager to get a recycling program started. Debbi said the students are running their own recycling program and are having problems getting volunteers to show up on a regular basis to work. Justin C. said it would be a necessity to have someone who could be counted on, regularly, consistently, each day, every day it is scheduled to be open. And be on time! He said the high school was initially contacted. He agreed, they are struggling to get their kids to do the schools recycling program.

Justin C. continued, the recycling center will be set up as an enterprise fund, to be self supporting, with rates set to pay for the inevitable costs to provide such service.

Ron's crew have, in the past, always taken care of the fall clean up program using Public Works time, planning and coordinating efforts to be sure the endeavor was well staffed.

Justin C. added, it is imperative that this recycling program be self-sustaining.

Tom asked if Justin C. has touched base with the County about their weight restrictions on any equipment that would be used to plow the bike path. He answered he had contacted them but he does not yet have the particular weight requirement for a maintenance machine. He said he would get more information from the County.

Item # 3: International Fire Code Fire Flows:

Justin C. is trying to keep up with this situation, but admittedly has fallen slightly behind. 'We have to look at the gamut of options available for levels of service'.

He does not have anything further to add. He asked if the Board had questions that need to be addressed this evening. He suggested the Board set up a committee comprised of one or more Council members, the Fire Chief and perhaps one of the Upper Pine River Fire District Board members, Ron Saba, Mike Shave, and perhaps the Town engineer to address all of the information presented by the Fire District.

The Mayor commented, he has given this proposal a lot of thought, saying the Town needs to address the situation the same way it did the construction standards. He agreed with the idea of a committee, get the chief and Ron, Justin C, and /or Jack, Mike Shave, the town engineer, perhaps even some community members. Follow the same pattern they used when developing the construction standards. Look at the codes in general, decide what fits, what can be made to fit. This way they can cover all the issues that need to be considered. Rick was adamant, 'we need experts involved'.

The rest of the Board agreed, but Justin T felt there should be an element of time included. Tom agreed, there needs to be a time frame set.

Rick spoke to Chief Graeber saying, the \$100,000 loan offer from the Upper Pine River Fire District was a very generous offer. Dan Ford said (during the last Board meeting, September 15) he was not sure the Town can pay it back. The Water Fund is heavily in debt as is.

Rick said he would also be very nervous about bringing in additional debt, 'it would have to run through the enterprise system. We have more debt than we have revenue coming in. The sewer fund is in the same predicament. The lack of two board members this evening is a factor. You may want to hold this in abeyance until you have a full Board'. Rick recommended that Dan Ford be chosen to sit on the panel. Tom Au said he would also help. Ron Saba will sit in, as will Chief Graeber, Mike Shave, and perhaps the town engineer. Justin C. will be involved as well. Rick re-affirmed, they would want people from the community involved, 'you need to bring in people from the private sector. This way the decisions will reflect the community's interest'.

Item # 4: Resolution #241: Rates & Charges for Sewer Service:

Justin prefaced the discussion with the fact that Bayfield is building a \$1,000,000 lift station out to Gem Village, which is being done with leveraged money, to the hilt. He knows that this increase will have a negative impact on the school districts and businesses. Although increases have been discussed in the past, the Town has delayed putting them into effect until now. However, the repayment of debt will now be part of the budget structure. It is not a matter of 'if we will need a rate increase, it is a matter of when it shall be instituted'. Justin C. requested the Boards input, saying he needs to know what day the Board wants the rate increase to be put into effect.

Debbi advised, 'if we let them know now, they could put it into their budgets for 2010'. Justin Talbot said there should be a sixty day window at the very least.

Justin C. said it would be possible to put a note on next months utility bills that the increase will go into effect, on what ever date the Board decides upon this evening. Tom Au said he is ok with choosing January 1, 2010 as the date of the increase to the monthly rate. He asked what the average bill would increase to. The increase proposed is for a monthly billing rate for sewer, at \$40 per ERT. (It is currently at \$30 per month).

Justin Talbot said he is 'ok' with using January 1, 2010 as the effective date. Rick agreed to January 1 as well.

Justin Talbot moved to approve Resolution # 241, a resolution of the Town of Bayfield, Colorado acting through the Bayfield Sewer Enterprise (hereafter the Town) amending Rates and Charges for Sewer Service Provided by the Town, as reflected in Exhibit A, Resolution No. 241, as written with the exception of 'said rates shall be effective January 1, 2010 (striking November 1, 2009). Debbi Renfro seconded.

During discussion, Tom said there have been comments made to him that the Town needs to be careful about 'how we throw money around'

Justin Talbot explained, it is money coming from outside sources. Tom said it is perception. The rate increase is affecting the people directly. The public does not understand why money spent on sidewalks or bike trails can't be spent on covering the enterprise funds instead of paying for special projects.

Justin C. countered 'we will certainly give the public the opportunity to be involved with the processes. The debt service needs to be covered by the rates charged'.

Justin said he could advertise a meeting to invite the public to give their input. 'But', he added 'People usually don't come to the meeting until after the billing rate has changed'. The Board asked that he prepare some data for presentation that reflects other community cost comparisons.

The vote was four in favor. Motion carried.

Item # 5: Resolution # 242- Amending Water Plant Investment Fees:

This resolution addresses an increase in water tap fees. The matter was discussed at the September 29, 2009 budget work session. It is for increase on the water tap fees only.

The Town of Bayfield did a comprehensive study last year. This increase is a result of an endeavor to have tap fees cover capital costs in the water fund.

The draft resolution suggests an effective date of November 1, 2009. The Board discussed setting an effective date for the rate increase.

After a short discussion, Justin Talbot moved to approve Resolution # 242, a resolution of the Town of Bayfield Colorado acting through the Bayfield Water Enterprise (hereinafter The Town) Amending Water Plant Investment Fees for Users of the Town's Water Utility, as reflected in Exhibit A, Resolution # 242, with prices of a ¾ in" tap increasing to \$6,600. However the effective date of this increase is changed to reflect an effective date of October 6, 2009 at midnight. Debbi Renfro seconded. The paperwork that is in process by the end the business day today will reflect the lower cost. Costs for water taps at 8 a.m. tomorrow morning will be the increased amount. When the Mayor opened the discussion portion for this agenda item, Tom Au commented, 'I am pondering...'

Brad Elder asked for permission to speak. He commented, if a contractor has a contract to build, this increase puts them in a tentative situation.

Ron replied, the rates were not instituted last year when it was discussed.. The people who were given the secondary system rates have cost the property owner and the Town.

Rick added, it was great in theory, but lacked in practicality. It was not a prudent decision. Tonight's issue is raising tap rates. If we delay, we would be short changing the water fund. He added, he was therefore in favor of instituting the increase in water tap fees, tonight.

Debbi contributed, 'we have put this off and put this off, it has been discussed several time in the past.

The Mayor called for a vote. The result was three in favor, with Tom Au casting a vote in opposition. Motion carried.

Item # 6: Traffic Study Statement of Qualifications:

Justin C. let the Board know that the contract has been issued. This was put on the agenda to provide for feedback from the Board. He asked if the Board wanted to appoint someone to be involved in the discussions. He said the stakeholders need to be involved. There will be work-sessions. The full Board could be involved, or, they could have one or two Board members involved. Rick said he definitely wants to be involved in the sessions, 'Bayfield's future hangs in the balance when it comes to CDOT's determinations'.

Justin C. said it always helps to have someone with 'punch' to represent Bayfield when meeting with CDOT.

Justin Talbot said he can come in one hour earlier (than Town Board regular session) to be included, Tom Au also made it known he wants to be involved.

Justin C. will bring in the consultant, at that point they can make the determination who all should be involved.

A short break was called at 8:10 p.m.

The meeting reconvened five minutes later.

Item # 7: 2010 Draft Budget:

Justin had submitted his draft of the 2010 budget, incorporating the changes approved by the Board to modify the percentages of sales tax taken to the general fund and to the capital fund. He also included the averaging of amounts to the CIP over the next few years. The \$161,550 (last item in the general fund) transfers were not included in his formula for total general fund expenditures. This resulted in overstating the ending balance in the General Fund. The total General Fund Expenditures should reflect \$1,761,180 instead of \$1,619,630. The ending balance in the General Fund was overstated in the draft budget that was sent out in packets. Now Justin needs to find a way to fill the extra deficit. Department heads are still involved in brainstorming to reduce costs, and/or ways to generate more revenue.

The budget has been cut thin. He said 'we have scrutinized literally every line item. Options may include one or more of the following, cut some services, raise some fees, cutting positions, and /or changing positions of existing employees.

There are some options. Nothing is off the table at this point.

Scott Key has cut Tuesdays activities out of his Senior Center budget.

Justin C. asked how many (budget) meetings the Board wants to schedule in the near future. Or, he asked, would you prefer to meet on a Saturday and do a day-long session? They could plan for additional evening meetings.

Rick asked if there will be a Planning Commission meeting next week. If there are plans to have it, Justin Talbot asked if it could possibly be cancelled.

Justin C. wants to have a meeting with the whole staff to let them know what is going on. But, he said, he needs to meet with the Board and Department heads before he meets with the staff.

Justin C. continued, the department heads are not going to discuss each line item. It will be more attuned to the discussion of generalities.

They should plan to spend one hour with each department head to discuss the levels of service, major goals, philosophies etc.

Justin C. said he will need at least one full week to prepare his data before numbers would be good to present to the Board for the second round of discussions.

The Board decided on Monday and Tuesday October 19, and October 20. They will start at 5 p.m.

Debbi summarized, perhaps there is good reasoning for having a slight surplus. It helps cover for years when money is tight.

Justin C. is working on building in an assumption of when the Town will receive the CDOT (taking over Highway 160 B) money.

Item # 8: Development Checklist:

Justin C. included the information that was requested during the last meeting. He also spoke with Dirk to see if they could include additional items for the checklist. The idea is not to micro-manage covenants, or to interfere with them. The checklist would only provide a mechanism to allow the Board to have input.

The Town would not require notification. The developer is ultimately in charge of setting the HOA stipulations.

This checklist could become an addendum, i.e., make it a permanent part of the covenants. The HOA handles the enforcements of the agreements.

Debbi questioned if there are State laws governing the construction process (including government or 3rd party subsidized projects). If there are, the Town is not required to list them separately. She cited the last three items on the draft checklist, saying they do not need to be on the list.

It is possible that HOA covenants could be more strict than the Town Code.

Rick said he felt very comfortable with including this document with the developer's preliminary plans. It would be in place at the inception of the phases. Therefore, it would also be in place when the HOA covenants are drafted.

This checklist is just a part of the covenant establishment. It would make sure the people involved are aware that changes could take place, but only after they involve the surrounding owners, developers, etc. through proper noticing procedures.

Tom Au wanted it clearly understood, the Town cannot force anyone to abide by an HOA covenant.

Dirk explained, it should be made clear that this checklist remains a guideline only. It would ensure that the HOA is still in control and that any anticipated changes must be noticed, following due process.

He added, covenants typically cover just one phase at a time.

He summarized, 'the checklist is only a guideline for the HOA to follow, we are not requiring anything in the covenants, we only want the involved people to be noticed.

The Town would only exert its influence'.

Dirk and Justin C. will put together a checklist, listing what kind of changes would require noticing. They will make sure the checklist is appropriate. Debbi asked that the checklist reflect a caveat that the HOA agreements need to be read entirely.

Item # 9: Construction Trailers:

This situation had not come up prior to the last Town Board meeting. It has not been addressed nor discussed previously. Justin C. said the current Land Use Code is vague. Section 8-22: Temporary Uses says ‘temporary uses are uses which will take place for less than six months.

Section 8- 23 : Temporary Real Estate Offices says ‘residential structure may be used as a combined real estate office/ model home’.

It has always been understood that when construction is underway, there will be a construction trailer there. When the construction is done, the trailer should be gone. Justin C. agreed, ultimately, the Land Use Code should list the conditions when construction trailers are allowed. The SIA should also address this. We need a policy that covers all possibilities.

Rick concurred, it definitely needs to be spelled out. A construction trailer is a commercial unit that is allowed in a subdivision as it is being built.

The Mayor does not believe that construction trailers should remain in the subdivision when the subdivision is done.

“If you want a sales office, it should be in a house that can be used as a sales office, the Code allows for this in the model home provision’.

The current wording is not technically applicable for construction trailers.

Tom Au commented, you need to define them all (sales offices, model homes, construction trailers).

Justin C. these definitions need to be unambiguous. A necessary amendment to the current Land Use Code is apparent. Take the issue to the Planning Commission. They can hash it out.

Debbi argued that their trailer is where it is because there has been a lull in building and they are between phases. The trailer follows the phases, the next phase has not occurred, so the trailer has not moved.

She contends that the SIA needs to be loosely constructed to cover the circumstances.

Justin Talbot said the Town realizes she is providing a service where the construction trailer now sits, but the people who have property around it are the ones who are complaining.

Rick interjected, in order to deal with the current problem, (he addressed Brad directly), can you move the trailer to the next phase? The preference by the Board is to have you move it’.

Justin C. will take this issue to the Planning Commission asap.

Item # 10: Standard on Pavement Width:

Justin C. turned this item over to Debbi. There was a lengthy discussion on the pros and cons of wider versus narrower streets. Unfortunately, the Fire Chief had left the meeting earlier and was not available for comment.

Rick said the Town would need to classify its roads for the Construction Standards. Some existing roads have distinct widths, not all are consistent. Ron Saba said that narrow roads make snowplowing extremely difficult.

Tom brought out the point that emergency medical vehicles need a certain road width to be able to serve the community. 'Debbi may say narrow streets are safer, but the Fire Chief may have different opinion'. This discussion was continued to a future date.

Item # 11: New/ Unfinished Business:

Rick asked which member of the Board would be sitting in on the Planning Commission meeting next week. Justin C. replied that Marianne will let them know.

Justin C. handed out a confidential document to members of the Board, pertinent to Personnel Matters, stating that it may be critical when they are called to be an Appeals Board, 'so they would not be compromised'.

Debbi asked about the weight restrictions on equipment (anticipated) to maintain the trail.

Justin C. replied he has not got that particular information yet.

She also asked about Use Tax. Justin replied that he has been extremely busy with the budget process. He does not have the information on Use Tax as yet.

He has not touched base with the Heritage Society.

The Town needs to adopt FEMA in the near future.

Debbi said she was having second thoughts on her initial definition of local preference.

Justin Talbot asked what the time frame was on getting anything on the ballot. Dirk said it is already past for this coming November, and if the Town anticipated getting anything on the April election, they need to start the process almost immediately. Dirk added, it usually takes six months of preparation, at the least.

Justin C. will definitely put use tax on the next agenda.

Justin Talbot said it is imperative that the Town fix the lines that are adversely affecting Hunter Swanson.

Justin C. said Rons crew is stretched to the limit. Dirk will have to look at the agreement to see what recourse the Town has. Justin C., 'there is a profound probability that we won't see a reimbursement of our costs'.

Rick mentioned that he would like to ask Gabe Candalaria to fill Bob Piccoli's vacancy on Town Council.

Brett Clough has officially resigned his seat on the Board, effective September 29, 2009. Brett was appointed to fill a vacancy. Bob Piccoli was elected in 2008 for a four year term. The Town has not advertised for the newest vacancy. The first vacancy needs to be filled first. Rick highly recommends Gabe for Bobs seat.

Motion to adjourn, 10:05 p.m..

Approved as corrected, October 20, 2009