

TOWN OF BAYFIELD
REGULAR TOWN BOARD MEETING
NOVEMBER 18th, 2008 7 P.M.
1199 Hwy 160 B. Bayfield, Colorado 81122

Town Board Present: Mayor Rick Smith, Justin Talbot, Debbi Renfro, Tom Au, and Dan Ford.

Staff Present: Justin Clifton, Town Manager, Dirk Nelson, Town Attorney, Joe Crain, Town Planner and Pat Anselmo, Clerk.

Media: Carole McWilliams, Pine River Times

Planning Commission: Joany Hanna, Chair

Mayor Rick Smith called the meeting to order at 7 P.M.

Approval of Minutes: Minutes of November 5, 2008:
Dan Ford moved to approve the minutes of November 5, 2008 as written. Tom Au seconded. The vote was five in favor. Motion carried.

General Public Input: The Mayor opened the meeting to the public for comment. None was received. This portion of the meeting closed.

Action Agenda Item # 1: Approval of Bills: Dan asked about the bill for an auditor for the Sanitation District. Justin explained that this statement was for the 2006-2007 Audit. It was received a couple of weeks ago. Their auditor had asked the State for an extension of the deadline because of the extenuating circumstances. Therefore, the bill arrived later than usual and the Town is responsible for this payment. Dan asked if the auditing firm was local. Justin was not sure. The return address on the invoice reflected a Grand Junction location. The audit {for the sanitation} will be covered under the Town's audit process from now on.

The invoice from Floyd Smith was for work done on behalf of the property owners of the land the Town anticipates pursuing for an access to the new sewer plant. The Town previously agreed to pay any legal fees for those property owners who, when the issue arose, sought the legal services of Mr. Smith.

Tom Au moved to approve the payment of bills as submitted, through November 14. Dan seconded. The vote was five in favor. Motion carried.

Action Agenda Item #2: Town Updates:

The Mayor asked if any Board members had questions for Joany regarding the Planning Commission report. No one responded.

He then asked if there were questions regarding the last four items listed under 'Updates'. No one had either comments or questions for Justin.

Action Agenda Item #3: Public Hearing/ Consideration Clover Building Business Town Homes Plat Amendment: 175 Clover Drive, Lot 4, Bayfield Industrial Park- Parcel #567712209004:

Several weeks ago the Board approved a plat for Clover Building Business Townhomes, which allowed for five separate lots. Since then, Garth Schultheis has had occasion to sell two of the units to a buyer who has requested they be consolidated into one unit. This request requires a plat amendment. The Mayor opened the meeting for public comment. No one responded. Joe commented that the Planning Commission has already reviewed the request. They recommend approval. Staff is recommending that the Board approve the plat amendment to reflect four units, rather than five. Joe Crain affirmed that the plat had not yet been recorded. He stated that staff has no problems with the reduction of units. Garth was present in the audience. The Board asked if the building inspector had approved this. Mike Shave submitted a letter stating that the required construction for additional fire-rate protection had been completed, with only a few minor areas that need re-inspecting. The Public Hearing portion of the meeting closed. *Consideration:* Tom Au made a motion to approve the request for a plat amendment for the Clover Building Business Town Homes, 175 Clover Place, Lot 4, Bayfield Industrial Park, Phase 1, Parcel #567712209004, to reflect four units instead of five. Debbi seconded. The vote was five in favor. Motion carried.

Action Agenda Item #4: Public Hearing/ Consideration: Amendment To The Bayfield Land Use Code:

Joe refreshed the Boards recollection saying that early in the year during the Economic Development Planning Councils general workshops, several changes to the Land Use Code were mentioned. One involved the PUD process. A PUD should be a meaningful tool for development. However, due to several circumstances, the existing requirement of 30% total land area for open space is not economically feasible. Staff would like to see the 30% clause removed, and replace it with ‘where appropriate, a negotiated amount. ‘Plazas in commercial development would be considered open space. The change will allow for more alternative applications for the achievement of open space. The Planning Commission approved this. The change in the Land Use Code will not affect the Planning Commissions review process, nor will it adversely affect the Town Boards ability to approve or deny developments.

The Mayor opened the meeting for a Public Hearing: Brad Elder, P. O. Box 450, Durango, Colorado said he supports the amendment, explaining ‘it was never really contemplated what the original requirement would impose. The PUD by its very nature would provide for parks, common spaces, etc.’

No one else had comments. The Public Hearing portion closed.

Consideration: Dan moved to approve the amendment to the Land Use Code, to change the ‘30% of the total land area for open space’ to a ‘requirement recommended and negotiated amount under the Land Use Code.’ Dirk told the Board they would need to pass an ordinance to change the Land Use Code. The Mayor asked for a motion to authorize staff to proceed with this course of action. Tom so moved. Debbi seconded. The vote was five in favor. Motion carried.

Marty Zwisler arrived. Rick asked if the Board had questions for Marty. No one did. He asked Marty if there were any items that needed discussion. Marty replied that there were not.

Action Agenda Item # 5: Morlan Easement Vacation & Boundary Adjustment:

Morlan Easement is requesting a re-location of a greenbelt that lies between two pieces of property owned by him. Please refer to Ed's letter and the copy of the survey he had done. Ed is basically asking for an exchange of the Towns greenbelt for an area the same size but a little to the north. He wants to add on to the parcel that has the mobile home on it. The change would only affect Brad. Mr. Elder spoke, saying he had no problem with the vacation and re-location. He knows it needs to be done properly. Joe wanted the issue to come before the Board for approval before Ed incurs the cost of survey and re-platting. Joe took it to the Planning Commission last week. No one had objections at that time. Dan asked if it was a fee simple greenbelt. Joe confirmed that it was. Tom disclosed he may have plans to do more work for Ed Morlan doing survey work. Debbi walked the area. She thinks it would be better if the areas were exchanged. Brad has no problem with it. It would be the optimal trail alignment for the grade. Joe Crain asked if any one could deliver the message to Ed and move forward on this. Debbi said she will have Ed talk with Brad.

**Action Agenda Item # 5.5 Sufficiency Determination & Setting of Public Hearing:
Homestead Trails Subdivision:**

Joe advised the Board that the Town has received a petition for annexation from Homestead Trails Subdivision. According to the Land Use Code the petition for annexation must go to the Board for a Sufficiency Hearing at the next Town Board meeting. The Board will, at that time, find that both the petition and property meet criteria outlined in State statutes regarding contiguity. There are seven annexations required to get to the Homestead property using the CDOT rights of way situated along Hwy 160. The Land Use Code specifies that this annexation process must come before the Board to determine whether they (Homestead) meet all criteria. If the Board succeeds in finding the petition and contiguity sufficient, they will at that time set a date for a public hearing.

Joe recommended setting the public hearing in 89 days, which will be February 17, 2009. He will take the petition to the Planning Commission on December 9, 2008. The Planning Commission would render their recommendation on January 13, 2009. Staff is requesting the Board to set February 17, 2009 for the public hearing. Grant Richards was present to represent the Homestead Developers. Grant asked if they could have a little more time since there is so much that has to be done. At this juncture Joe suggested that they set it to go before the Planning Commission on February 10, 2009.

The Statute stipulates that because the annexation is along right of way, all owners must receive notice. Those involved could choose to file a petition to annex no sooner than 45 days, and no later than January 1, 2009 or the next business day. The property to be annexed runs along the main highway, not highway 160B.

Justin T. made a motion to approve the documents sufficiency and annexation plats (7) for The Homestead at Bayfield Subdivision, and to set the public hearing date for this annexation request on February 17, 2009. Dan Ford seconded. During discussion Tom

Au felt he needed to disclose, for the record, that he did the annexation plat work for the property. Dirk suggested if Tom felt he had a conflict of interest, he could recuse himself. The vote was four in favor; Tom Au recused himself from the vote. Motion carried.

Action Agenda Item # 6: Review Draft Budget:

Justin said he and Pat still have some numbers that will change somewhat. He continued, 'we are using the October financials to get much closer'.

Justin asked if the Board had any questions. He re-classed the cost of the land for the water salesman facility into the Capital fund, saying 'it is not part of the enterprise fund. It was shown in the amended budget correctly'.

He continued, 'the RHA estimate was originally set at \$6,000. It is going to be closer to \$8,300. We estimate conservatively, less revenue and little more in expense'.

The priority concerns are the big capital projects. The General Fund balance gets a little smaller each year. He has shifted an extra 5% of the county sales tax and 5% of the city sales tax into the General Fund. Of course, this reduced the amount that goes into the Capital Fund.

He spoke of the vehicle replacement program. 'For the most part this will be an investment mechanism for future years.

To fully fund the Towns current vehicle needs, we would need to invest \$290,000 the first year. Over the following year it would stabilize at \$100,000 each year.

We want to invest enough to be sustainable over several years'.

Road projects may happen when the water tank and the senior center are closed out.

The Board needs to take a serious look at rates and tap fees for water and sewer. The Water and Sewer funds need to do their annual upkeep with incoming revenues.

Jack has been working on pro-formats, who constitute the customer base, how much they use, the time of year for high usage, etc.

The engineering plan consolidates the Sanitation project with the Gem Village project.

That is why there is only one section to cover Sanitation and Gem Village. We will double check to be sure that the consolidated numbers include everything.

Justin continued, 'because we are being conservative, there may be a deficit occurring in one fund. We are not going to get the 5 year plans included before the final budget is approved.

Our health insurance provider is going to change from Rocky Mountain Health. They are raising their rates 15 to 18% for next year. The Town may have to reduce the benefit to the family (spouse and children). No solution is going to be painless.

RMHMO has increased their rates over 30% in the last two years.

The Town has, in the past, offered to pay 90% of the premiums for employees, spouses and children. This will not be sustainable if pay raises are given.

The Board would like to see all department heads come to the December 2, 2008 budget approval meeting. Each would be give ten to fifteen minutes to present their portion of the budget. The agenda for the December 2 meeting will reflect the earlier time.

Food will be provided.

Action Agenda Item # 7: RHA Funding Agreement:

Justin C. explained that what we originally thought would be \$16,000 has dropped to \$13,000. The decrease represents progress toward the goal of becoming self sustaining. Tom Au moved to approve the Fourth Intergovernmental Funding Agreement For The Regional Housing Alliance of La Plata County. Debbi seconded. The vote was five in favor. Motion carried.

Action Agenda Item # 8: Road Impact Fee:

The Town Board has discussed this subject several times. Justin C. compared his original analysis with the revised. The revised version was 'bare bones'. The original included projects the Town would more than likely not undertake. It projected a 1.4 million dollar cost for the east intersection (Highway 160). When you add certain projects, delete certain projects, factor in negotiation of fees, etc., in the grand scheme of things you do not have to be concerned about meeting 100% of fees. What you are doing is making a decision on the level of service the Town would want to be able to provide and what it would cost the Town and the developer to attain that level of service.

What we really need are impact fees that will cover the maintenance of roads which will carry the increased capacity generated by growth. Rick created a spreadsheet to reflect short term revenue generated at varying levels of impact fees. The Board reviewed it and then discussed it at length.

Rick stated, 'if we believe in commercial growth, we have to give staff room to negotiate the fees'. His spreadsheet does not reflect any split that may be negotiated between a developer and the Town. However, he emphatically commented 'the costs should be shared between developers and the Town'.

Discussion ensued on how to determine the project the Board wants to fund. Their decision would be directly related to the requisite addition in the width of roads, maintenance vehicles needed to plow, extra roads and bridges required. "If you decide you want to do the west end development, these numbers will change".

Rick explained that reducing fees on commercial is a reflection of the contemplation of increase in tax revenues.

Justin C. said the Board could use the single family fee as the bench mark. The County does not charge road impact fee yet. The spreadsheet reflects the lowest impact fees of surrounding communities.

The impact fee is not calculated on the square footage of a building.

The extension of Colorado Drive may come into play in the dynamics.

Dove Ranch Road may also be a critical part of the equation. The impact fee for Commercial is based on 1,000 sq ft.

Justin C. said 'we can charge a fee that is calculated / attributable to new growth that necessitates new maintenance equipment'.

Dan said he would to see the Town adopt the matrix that was submitted by Rick. Dirk cautioned that this needs to be in the form of a motion to direct staff to bring back an ordinance for road impact fees. Dan so moved. The motion failed for lack of a second.

Debbi said she feels they (the fees reflected on the matrix) are too high.

Rick interjected, 'if you don't implement fees, you are backsliding for maintenance and manpower'.

Dan countered, 'if you don't choose to adopt the matrix tonight, the Board needs to revisit the services they want to be able to give'.

Justin C. suggested the Board could use the 50% column dollar amount, if there are no negotiating reductions, and subsequently increase the fee each year for future years. He emphasized that statistics show lower impact fees do not help to increase wealth in a community. These fees pay for improved services, they provide for the development of the community.

Rick is agreeable to starting with the 50%. Dan said 'we need to go back to the drawing board'. Debbie said the Town can attain the level of service with the 50% for 2009, and leave it open for discussion. Then they could address the incremental increase of 10% each year.

She suggested starting at \$1928 for the single family home. It was noted that there will be a public hearing when the consideration of the ordinance occurs.

The Town will need to track abatements, forecasting of projects, and other related data over a period of 24 months.

The impact will affect Mesa Meadows and Homestead. Dan commented 'the developer is off the hook. This fee will inure to the homebuilder'.

Dan moved to approve the matrix submitted by the Mayor and directed staff to develop an appropriate ordinance representing the 50% figure (of the original matrix) for the year 2009. Debbi seconded. During discussion Justin T. said 'we have discussed increasing the water rates, the sewer taps, and now impact fees. This is definitely going to have an adverse trickle down effect on growth'.

Justin C. said it would be preferable to have consensus from the Board rather than expediency at this point.

Dirk commented, 'we still have to negotiate with Homestead on February 17. There is no urgency'.

The vote was two in favor, Rick Smith and Dan Ford. The three opposing votes were cast by Tom Au, Debbi Renfro and Justin Talbot. Motion failed.

Action Agenda Item # 9: TV Franchise Agreement:

Justin C. asked if the Board wants to go out with an RFP. Dirk said the current agreement requires that they must serve subdivisions. They have not complying with the agreement.

Staff was directed to get a RFP out. Debbi asked if any other bidding company would be aware that there are some subdivisions currently not being served. Dirk re-emphasized, 'they should comply with the current agreement'.

Action Agenda Item # 10: Garbage Contract:

The Town is currently under contract with Transit Waste. Justin commented 'we went with Transit Waste because it was the best price'. He has been watching the complaint log. 'The number of complaints has decreased considerably and the manner of service has improved. The service representatives have gone out of their way to see that the Town has been served well. We have established a good communication protocol with the company. We have already been working on recycling'. He is confident that this is the best price, and the best company. He is recommending the contract with WCA be extended. All agreements include nominal incremental increases. Justin C. said when the Town builds a recycling facility; they will have to pass the costs along.

Tom Au moved to renew the five year contract with WCA as presented. Debbi seconded. The vote was five in favor. Motion carried.

Action Agenda Item # 11: New/ Unfinished Business:

Tom Au questioned Ron's operation report. 'Ron does not seem to have a plan'. Justin C. thought the prior ordinance (snowplowing) covered the issue.

Tom then questioned, 'do we need to get pipes ditched through town?' Justin C. replied that most of the infiltration that occurs is a result of irrigation ditch seepage. This is on the back burner because of the other capital projects that have been going on. Justin C. is not in favor of purchasing a camera 'until we make a more finite determination where the infiltration is originating'. Justin said the ditches are part of the problem, but not all.

Mesa Meadows road problems were discussed. Most of this area is in expired warranty.

Debbi asked about charging people for water as soon as the building permit is issued.

Justin replied that the Town has been doing this according to ordinance. 'People are being charged for the availability to use water, whether or not they use it. This is in the code. When you get the tap, you are getting the service'.

Town Board Vacancy: The applications that have been received are included in the manila envelopes placed on the dais this evening. The Board will not have to make a decision until Dec 2. The criteria will be used to rate the candidates.

Rick Smith asked that Pat send the criteria via e-mail to the board members tomorrow morning, and that this issue will be on the next agenda. Those involved should be invited to the next meeting in order for the chosen person to be sworn in that evening. The appointment will occur after the department heads budget portion of the meeting.

Action Agenda Item # 12: Executive Session: C.R.S. Section 24-6-402 (4) (e):

Sunrise Estates:

Tom Au moved to go into Executive Session citing C. R. S. Section 24- 6- 402 (4) (e) and asked that it include Dirk Nelson and Justin C. Dan seconded. The vote was five in favor, motion carried. The Board moved into Executive Session at 9:02 p.m.

The regular meeting re-convened.

Motion to adjourn.