

Town of Bayfield
Regular Town Board Member
November 16th, 2010
1199 US Highway 160 B Bayfield, CO 81122

Town Board Members Present: Tom Au (Mayor Pro-Tem), Debbi Renfro, Dan Ford & Justin Talbot, Ed Morlan

Town Board Members Absent: Rick Smith (Mayor), Gabe Candelaria

Staff Present: Justin Clifton (Town Manager), Dirk Nelson (Town Attorney), Chris Choate (Marshal), Marianne Jones (Town Clerk), Dot Caton (Finance Director), Ron Saba (Director of Public Works)

Media Present: Carole McWilliams (Pine River Times), Patrick Young (Durango Herald)

A budget discussion was held from 5:00 p.m. to 6:45 p.m. Justin Clifton & Ron Saba presented the budget information for the Water Fund, Capital Fund, Sewer Fund & Public Works Department to the Board and a discussion was held regarding each budget.

The meeting was called to order @ 7:05 p.m.

Minutes: Ed made a motion to approve the minutes from the November 3rd, 2010 Regular Town Board meeting as submitted. Debbi seconded the motion. All were in favor except Justin & Tom, who abstained.

Public Input: None was offered so it was immediately closed.

Action Agenda Item #1: Approval of Bills

Dan made a motion to approve the bills dated November 12th, 2010 as submitted. Debbi seconded the motion. All were in favor, motion passed unanimously.

Action Agenda Item #2: Town Updates

Debbi asked which CDOT project is being referenced in the Town update from Justin Clifton.

Justin Clifton clarified that he was referring to the request to re-open the EIS (Environmental Impact Study) regarding the Highway 160/Highway 160B intersection. He has met CDOT to discuss moving forward with reconsideration of the Highway 160 EIS. Staff has the first phase of the project outlined, which will entail hiring a consultant to determine if the Town's preferred alternative meets the "purpose and need" of the highway system. Justin has a meeting with the landowners in the areas to see if they're ready to hire a consultant and move forward.

Debbi asked for an update on the Gem Village Lift Station.

Justin Clifton answered that he did not receive the response from Smith & Loveless on Monday as promised. Smith & Loveless has never formally responded to the Town's demands regarding the Lift Station project. Justin stated that he will continue to pursue an answer until the matter is resolved.

Ron Saba mentioned that one of the pump motors is starting to leak again on the Lift Station. Therefore, there continues to be an issue with the pumps that will need to be addressed by Smith & Loveless. He expressed that there are some real problems with this Lift Station and he encouraged the Board to do everything necessary to get the matter resolved.

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Debbi asked if Justin has received a response from CDOT regarding the Eastside Traffic Study.

Justin answered that he has spoken with Jim Horn regarding the Traffic Study but Jim has not had a chance to review it yet.

Justin stated that CDOT does hope to get a new draft of the Hwy 160B contract executed with the Town by the end of the year.

Action Agenda Item #3: Extension of Vested Rights – Highlands Subdivision

Justin gave his staff report. He stated that The Highlands subdivision was extended last November for a period of 12 months. In reviewing the minutes from that meeting the primary concern of the Board was that the drainage would still need to be approved by the Board before any work could begin. The Developer, through its agent, Jim Flint is requesting another 12 month extension. Jim submitted a letter from the Developer outlining the request.

Justin explained that there has been little change in the economic and banking climate since last year. However, he cautioned that the Board should be cautious about granting extensions of vested rights. At some point, so much time may elapse that the very nature of the approval should be reviewed to make sure the project is still compatible with current policy/precedent. Justin outlined the following questions that need to be answered before granting this extension.

- How long does the Developer intend to extend the project?
- What is the status of soil stabilization and the problem with erosion?
- What is the status of the final subdivision drainage?
- Is the developer willing to accept responsibility to cover the costs for the waterline repair completed by the Town?
- When should the Developer be expected to cover the costs for the waterline repair?

Justin also mentioned that he received an email from one of the developers (who he has never been in contact with before) inquiring about the subdivision and asking all of the same questions that the other developer already asked six months ago. Justin stated that he doesn't believe there is a lot of communication between all of the parties involved in this project.

Justin stated that the Board has the option to extend the vested rights without any contingencies, to grant it contingent upon getting some of these issues resolved or some sort of agreement made with the developers, or to deny the request.

Debbi stated that Shawn Harper did make the proper repairs to ensure the soil stabilization; however, it is not a permanent fix. State law requires that this sort of stabilization project has to be inspected every two weeks and she is not aware that those inspections are being done. Also, there has to be an active storm water permit on file with the State for the project. The validity of that permit would be based on following the restrictions of the permit and doing the bi-weekly inspections. It also has not been finalized with the State showing that it is permanently stabilized.

Tom Au suggested that it might be a good idea to request copies of their inspection reports as part of the vested right extension requirements.

Debbi also said that she has been in contact with the Division of Water Resources and they have conceptually agreed to allow the minor drainage from the Highlands Subdivision to go through Dove Ranch and for the major drainage to go to the east. However, none of the parties involved has done any final number analysis to figure out if it's feasible so there is not a final drainage solution actually in place yet except in concept.

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Ron mentioned that there is also a pipe that was installed behind the water tanks that needs to be dug up and removed because it is a flood hazard.

Debbi concurred that the pipe does need to be removed because it is definitely a potential problem.

Dan asked what agreements with the developer are currently in place.

Justin Clifton answered that the Town has an agreement that was included with the water line easements that states that the developer would provide the easement for the water tank, the waterline & the road to the water tank.

Dirk said that the agreement states that once the plat is recorded the property will be deeded to the Town; however, until that time the easements are in place to ensure the Town has access to the tank and the waterline as needed. The agreement also states that the developer will construct the waterline. The claim that the Town has at this point is a warranty claim because the work was not done satisfactorily and needed to be fixed. Since the developer was not available to do the work, the Town was forced to make the repairs and now the developer is liable for those costs. Dirk also cautioned that if the Town waits too long, statute of limitations could come into play and the Town will be unable to collect for those repairs. He suggested that it would be a good idea for the Town to renew that obligation in some written agreement.

Dan stated that he thinks that the developer needs to perform in some fashion in consideration of the extension. He does not think that the Town should continue to grant extensions without some formal agreements addressing the outstanding issues.

Justin Clifton mentioned that it might be possible to use some language that says "the developer needs to satisfactorily address the following items: reimbursement to the Town for the waterline repairs, the temporary drainage detention & storm water management." He feels that this type of language could encompass the pipe that needs to be removed, the soil stabilization, and the state permit. Justin said he would like to see some sort of engineering that says the drainage & soil stabilization is going to work as promised.

Debbi clarified that the current improvements that were done by Shawn Harper do not direct the water into that pipe or into the pond. However, any significant rainfall or snowfall does fill up that area and could cause issues.

Ed made a motion to extend the vested rights for the Highlands Subdivision for 60 days in order to address reimbursement to the Town for the waterline repairs, the temporary drainage detention (including the removal of the pipe) and storm water management. Dan seconded the motion. All were in favor, motion passed unanimously.

Action Agenda Item #5: Draft Budget Presentation

Justin gave his staff report. He stated that this is the opportunity for the Board to review the draft budget and make any changes before a final budget is presented for approval at the next meeting. He explained that the Board has the chance to review all components of the budget and he mentioned that there have been few changes since the first draft. The biggest change is that the employee bonus pool has been increased to \$25,000 per the Board's approval. He also stated that the \$10,000.00 for server upgrades was moved from the 2011 budget to the 2010 budget (since there is a slight surplus in 2010) so it helps make things look a little more balanced. He has spoken with the Town's IT person and he has committed to getting those upgrades done in 2010.

Ed asked if any of the County sales tax is allotted to the Capital Improvement Fund.

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Justin Clifton answered that none of the County sales tax will be going to the Capital Fund in 2011. 50% of the City Sales Tax is obligated to the Capital Fund and that is the only tax money that is being put in at this time because the Town needs the additional revenue to fund priorities such as the new deputy position.

Dan asked for confirmation that the bonus pool for employees is \$25,000.00 in the budget.

Justin Clifton answered that it is \$25,000.00 and it equates to about 2.88% of total salaries so the employees will receive a bonus of approximately 1-3.0% depending on time of work, salary adjustments, merit, etc.

Justin Talbot asked if there is a need for new vehicles in the Public Works department.

Dot answered that vehicle replacement is in the Vehicle Replacement Fund.

Justin explained that there are needs. The Vehicle Replacement Fund was just started and so the Town is still in the process of "catching up". The Marshals Office is currently the only department that has relatively new vehicles and is within the replacement program time-frame. The other departments are still catching up and there is still some very old inventory. Parks & Recreation still needs to purchase an RTV this year according to the replacement program. That fund does provide for the Town's needs so staff has not requested any additional vehicles.

Justin Talbot asked if a cover for the sludge at the Sewer Plant is budgeted in 2011.

Ron answered that he is going to use some money that is still available in repairs & maintenance in the Sewer fund to do the cover.

Justin Clifton said that the biggest priority in the Sewer fund is the purchase of the camera and infiltration. The second priority is the needed cover. However, the staff is being mindful that it is possible that the State will tell the Town that the decommissioning of the Bayfield lagoons has to be done right away. That is a very expensive endeavor and the staff is being very hesitant about spending in anticipation of that project.

The Board decided to move to Action Agenda item #6 and then come back to Item #5.

Action Agenda Item #6: New/Unfinished Business

Justin mentioned that Community Connections is having a VIP party for funders and the Town Board has been invited. He stated he would send out an email letting them know all of the details.

Debbi stated that the High School art club is looking for opportunities to paint murals. She asked if it might be possible for them to do a mural on the water tanks and who the art club teacher should contact regarding that possibility.

Justin Clifton answered that Debbi should have her contact him and he will forward it out to the Department Heads.

Action Agenda Item #5: Executive Session: C.R.S 24-6-402(2)(f)
Personnel

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Dan made a motion to go into executive session for discussion of a personnel matter under C.R.S. 24-6-402(2)(f) and requested that Justin Clifton be included in the discussion. Ed seconded the motion. All were in favor, motion passed unanimously.

The Board came out of executive session and resumed the regular meeting.

Debbi made a motion to increase the bonus pool to \$30,000, to give \$4,000.00 of that pool to the Town Manager and to increase the vehicle stipend for the Town Manager by \$1,000.00 for 2010. Dan seconded the motion. All were in favor, motion passed unanimously.

The meeting was adjourned.

Minutes were approved as amended on December 7th, 2010.

Approved:

Rick K. Smith
Mayor

Marianne Jones
Town Clerk