

**Town of Bayfield
Regular Town Board Meeting
December 3, 2013
1199 Bayfield Parkway, Bayfield CO 81122**

Town Board Members Present: Trustee Au, Trustee Davenport, Trustee Morlan, Trustee Nyberg, Trustee Renfro, Mayor Smith

Town Board Members Absent: Trustee Nelson

Staff Present: Chris La May (Town Manager), Kathleen Cathcart (Town Clerk), Joe McIntyre (Marshal), Dirk Nelson (Attorney)

Media Present: Carol McWilliams with the Pine River Times

The meeting was called to order @ approximately 7:00 p.m.

Roll Call: 6 present 1 absent

Pledge of Allegiance:

Approval of Minutes: Trustee Davenport stated that in paragraph four of Action Agenda #6, the word no was mistakenly spelled now. Trustee Renfro made a motion to approve the minutes from November 19th, 2013 as amended, Trustee Au seconded.

Motion passed unanimously.

Approval of Bills: Trustee Davenport made a motion to approve the bills dated November 20 through December 2, 2013, Trustee Renfro seconded.

Roll call: 6 – 0

Motion passed unanimously.

General Public Input: Mr. Hunter Swanson, 524 Dove Ranch Road, stated that he is concerned about traffic safety at the intersection of County Road 501 and Hwy. 160. Mayor Smith stated that this was an issue to be dealt with by C.D.O.T. Mayor Smith suggested that Mr. Swanson speak with Marshal McIntyre or Town Manager La May and they would refer him to the correct person at C.D.O.T. Mr. Teddy Jack, 542 W. North Street, stated that he was concerned about the quality of asphalt work that is being done in the Town of Bayfield. Town Manager La May explained that the project in question was done by L.A.P.L.A.W.D. and their subcontractor. The Town of Bayfield has not accepted the improvements at this point. Ms. Jessie Ramirez, 641 N. Mountain View Drive, stated that she was attending tonight's meeting to support curb side recycling.

Town Updates: Trustee Morlan asked about the plywood that was used to block the inlet pipe in the Highlands Detention Pond. Town Manager La May stated that he feels a plastic material would have been better but since the property is located in the County we do not have much control. Trustee Renfro asked about the Mercy Medical Clinic that was mentioned in the updates. Town Manager La May stated that Mercy Medical has signed a lease in the Bayfield Center Plaza and hope to open by February. Trustee Renfro asked about the progress in the search for Bridge Engineers. Town Manager La May stated that he had received five submittals.

Action Agenda Item #1: Consideration of Monthly Water Rate Schedule

Town Manager La May stated that the reason for an increase in water rates is to establish reserves for future minor capital improvements.

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Patrick O'Brien with Brilliam Engineering gave a Power Point presentation showing the various options of increasing water rates.

Town Manager La May stated that if rates were increased by 5% each year for the next three years our capital reserves account would be down by approximately \$45,000.00 in 2014. If rates were increased by 15% in 2014 there would be no other adjustments required for approximately five years. Staff feels that this is the best option. Another option that has been discussed is postponing an increase until 2015. This option puts us a year behind in funding the capital reserve account. Another thing to consider is our rate structure. The base fee will need to increase but so will the different tier levels.

Trustee Morlan asked if staff had any idea what percent of users only use the minimum 6,000 gallons.

Patrick O'Brien stated that approximately 50% of users only use the minimum 6,000 gallons.

Trustee Morlan stated that he would be in favor of an increase done all at one time.

Mayor Smith stated that one advantage of an increase done at one time rather than in incremental steps is that we stay ahead of the game.

Trustee Au agreed.

Trustee Renfro stated that in looking at the comparison of other local water districts the Town of Bayfield's rates are very low. She also stated that she would like to see some of the increase spread throughout the tiers in the water billing so that residents do have some control over their bill by reducing their usage.

Trustee Davenport stated that this is a comparatively small increase so she feels it should be done all at once.

Trustee Nyberg stated that he agrees with a one-time increase but would like to see it spread throughout the tiers.

Trustee Morlan stated that he would like to know how much of a reserve balance staff is anticipating and he would like to see this analysis worked from the anticipated figure backwards to find the percentage of increase needed to obtain that goal.

Trustee Renfro stated that she believed the graphs included in the packet showed the information that Trustee Morlan was looking for.

Patrick O'Brien stated that in doing this analysis he worked with the figures from both directions resulting in the graphs in his Power Point presentation.

Town Manager La May stated that our annual depreciation expense on the water system is approximately \$365,000.00. There will still be a gap that will have to be filled with grants but over time it will level out so that we do not have to make these drastic rate increases.

Trustee Renfro stated that the Town still has some Asbestos Concrete water lines and other antiquated lines that need to be replaced.

Town Manager La May stated that it is important to recognize that a couple of years ago the Town of Bayfield signed an agreement with L.A.P.L.A.W.D. and they are paying for the upgrades and expansion of our Water Treatment Facility. Our rate increase would be much higher if the Town was paying for those expenses.

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Mayor Smith stated that everyone was in agreement with a 15% increase done at one time. He asked staff to come to the next meeting with an example of the increase on just the base rate and an example of the rate distributed among the usage tiers.

Action Agenda Item #2: Consideration of Monthly Sewer Rate Schedule

Town Manager La May stated that staff is looking at a 15% increase for sewer rates. The question is do we make the increase all at once or over a period of three to five years.

Trustee Renfro stated that at one point the Board had discussed tying the sewer rates to water usage.

Patrick O' Brien stated that was something that was being addressed in this rate study.

Trustee Renfro stated that she would like to see the sewer rates based on water usage.

Mayor Smith stated that he would be in favor of a 15% sewer rate increase because facility maintenance expenses do not go away.

Trustee Davenport asked if we tied the sewer rate to water consumption would there still be a base rate.

Town Manager La May stated that customers would be billed on their water consumption during the months of December, January and February. The water usage for the three months would be averaged and the customer would be billed a fixed rate for the next 12 months. This process would be repeated annually.

Trustee Morlan stated that just like the water rate study, he would like to see this analysis worked from the funds needed backwards to what it will take to reach that goal.

Trustee Renfro stated that she felt in looking at the graphs that a 10% rate increase would be more favorable.

Trustee Davenport asked if inflation was accounted for in projecting expenses.

Patrick O'Brien stated that inflation was taken into consideration.

Town Manager La May stated that he understood the Board wanted staff to take another approach at the sewer study and come back with a more accurate percentage of increase.

Action Agenda Item #3: Consideration of Curbside Recycling – Transit Waste

Mayor Smith stated that the reason this issue is on the agenda is to give Trustee Davenport a chance to voice her opinion. The Board took a vote that failed. That vote stands unless the prevailing side wants to revote.

Trustee Davenport asked why those who voted against curbside recycling voted that way.

Mayor Smith stated that he voted against because there is no option for those who do not want to participate. Everyone will have to pay for the service whether they use it or not.

Trustee Au stated that all who voted against were in agreement with the Mayor's statement.

Trustee Davenport stated that she has heard several comments from people who are disappointed that our Recycling Center was closed and according to the survey that was taken a majority of people want this service available in Bayfield. She also stated that she had not personally spoken with anyone not in favor of this option.

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Mayor Smith stated that at this time unless Trustee Renfro or Trustee Au wanted to ask for another vote, the previous vote would stand.

Trustee Nyberg stated that out of all the increases being proposed this is the least amount.

Mayor Smith, Trustee Au and Trustee Renfro agreed that they were not inclined to change their votes.

Action Agenda Item #4: Consideration of Resolution 305, A Resolution of the Town of Bayfield, Colorado Adopting a Budget for the Calendar Year Beginning the First Day of January 2014 and Ending the Last Day of December 2014

Town Manager La May stated that we are prepared to adopt the budget tonight. There are three actions that need to take place. The first action is to adopt the budget for the calendar year 2014 the second action would be to appropriate sums of money and third would be to certify the Mill Levy for property taxes. The Budget as it is written includes a 5% rate increase in water and sewer. The Budget can be amended at a later date to reflect the revenue figures in those line items. Staff recommends moving forward at this time by adopting the Budget for calendar year 2014.

Trustee Morlan asked what Mill Levy was assumed for the 2014 Budget.

Town Manager La May replied 5.950.

Trustee Morlan asked if that was the current Mill Levy.

Town Manager La May stated that 5.950 is the current Mill Levy. He also stated that the Town of Bayfield voted in 2003 to set the Mill Levy rate at 5.950, so that figure does not fluctuate.

Town Attorney Nelson stated that the Mill Levy is a fixed rate and cannot be changed without a vote.

Trustee Renfro made a motion to adopt Resolution #305, a resolution of the Town of Bayfield, Colorado adopting a budget for the calendar year beginning the first day of January 2014 and ending the last day of December 2014, Trustee Au seconded.

Roll call: 6-0

Motion passed unanimously.

Action Agenda Item #5: Consideration of Ordinance 383, An Ordinance Appropriating Sums of Money To the Various Funds, in the Amounts and For the Purpose as Set Forth, for the Town for the 2014 Budget Year

Trustee Davenport made a motion to adopt Ordinance #383, an ordinance appropriating sums of money to the various funds, in the amounts and for the purpose as set forth, for the Town for the 2014 Budget Year, Trustee Renfro seconded.

Roll call: 6-0

Motion passed unanimously.

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Action Agenda Item #6: Consideration of Resolution 306, A Resolution of the Town of Bayfield, Colorado to Set the Mill Levy for the Year 2014 to Help Defray the Costs of Government for the 2014 Budget Year

Town Manager La May stated that by approving this resolution we are establishing the Mill Levy at 5.950 for property taxes.

Trustee Davenport asked if we could change the Mill Levy at a later time.

Town Attorney Nelson stated that Tabor questions can be put on the ballot during our regular election in April or in November.

Trustee Renfro made a motion to adopt Resolution #306, a resolution of the Town of Bayfield, Colorado to set the Mill Levy for the year 2014 to help defray the costs of government for the 2014 Budget Year, Trustee Davenport seconded.

Roll call: 6-0

Motion passed unanimously.

Action Agenda Item #7: Consideration of Resolution 307, a Resolution Designating “No Parking” Zones on Certain Sections of N. Mountain View Drive

Town Manager La May stated that this resolution will help reduce parking on N. Mountain View Drive between Lakeside and Cedar Drives.

Trustee Davenport stated that she understands and supports this issue but would like to know what the options are for people needing to park for Middle School events.

Town Manager La May stated that some options would be to park at the parking lot located at the Middle School, the overflow lot located across from the Baseball Field and there is usually parking available along Mountain View going South and on Oak going East.

Trustee Au asked about the parking issue on Dakota Drive.

Town Manager La May stated that as the Town Code is written “Snow Routes” can be designated by the Town Manager.

Trustee Davenport made a motion to approve Resolution #307, a resolution designating “No Parking” Zones on certain sections of N. Mountain View Drive, Trustee Renfro seconded.

Trustee Morlan asked if the School District has been consulted regarding this issue.

Town Manager La May stated that he had not consulted the School District.

Marshal McIntyre stated that some of the complaints regarding this parking problem have actually come from the School District.

Roll call: 6-0

Motion passed unanimously.

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Action Agenda Item #8: Consideration of Third Amendment to Town Manager's Employment Agreement

Mayor Smith stated that this amendment is based on the evaluation that was completed at the last Board meeting.

Trustee Renfro made a motion to approve the third amendment to the Town Manager's Employment Agreement, Trustee Au seconded.

Roll call: 6-0

Motion passed unanimously.

Action Agenda Item #9: Board Reports (SWCCOG, LPCEA, RHA, SWTPR, Region 9, Other)

Town Manager La May stated that SWCCOG will meet this coming Friday.

Mayor Smith stated that LPCEA will meet next week.

Trustee Davenport stated that RHA will meet tomorrow.

Trustee Renfro stated that SWTPR will meet this coming Friday.

Trustee Morlan stated that Region 9 will meet next month.

Trustee Nyberg stated that the Planning Commission will meet next week.

Action Agenda Item #10: New/Unfinished Business

Trustee Nyberg stated that the lights on the sign at County Road 516 and Bayfield Parkway are not working.

Trustee Au asked if Dakota Drive should be designated "No Parking" instead of being a "Snow Route".

Town Manager La May stated the main problem on Dakota Drive is that residents from the Mini Mansions Trailer Park are using Dakota Drive for overflow parking.

Mayor Smith stated that Dakota Drive is a Bus Stop so he doesn't feel it should be designated as "No Parking".

Trustee Au stated that he felt Mr. Teddy Jack might have a valid point regarding the paving problems.

Town Manager La May stated that he has consulted with Trautner Geotech regarding the paving.

Trustee Au stated that he just wanted to be sure the paving contractor was following proper procedures.

Trustee Renfro stated that "Second Saturday" will be December 14th at the Old Middle School from 6:00 to 9:00 pm.

Trustee Au made a motion to move to Executive Session in accordance with C.R.S. 24-6-402(4)(a) related to the purchase, acquisition, lease, transfer, or sale of any real or personal property interest for a Park Maintenance Facility and include Town Manager La May and Town Attorney Nelson, Trustee Davenport seconded.

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Roll call: 6-0

Motion passed unanimously.

Meeting was adjourned to Executive Session at 8:20 pm.

The Board came out of Executive Session at approximately 8:35 pm.

Meeting was adjourned at approximately 8:37 pm.