

TOWN OF BAYFIELD
SPECIAL WORKSESSION AND REGULAR BOARD MEETING
11 W. MILL STREET, BAYFIELD CO
MARCH 20, 2007

A workshop was held among Town Board, Marty Zwisler, and members of the Bayfield community at 5:30 p.m. to discuss architectural design of the new town hall.

Town Board present: Russ Jones, Carol Blatnick, Mayor James Harrmann, Rick Smith, and Tom Au.

Staff present: Justin Clifton, Town Manager, Pat Anselmo, Town Clerk.

The meeting was called to order at 5:45 p.m. It was immediately opened for public comments, opinions, and suggestions.

Justin informed the Board that Mr. Humphries would not be in attendance tonight as planned, his flight was cancelled. Justin will reschedule him again in the near future.

Carol Blatnick said she had submitted ideas to the architect herself. Russ, this is the third time the Town has met regarding the discussion.

Justin wondered if the architect understood what was originally presented by staff and council.

Rick said it would very very difficult, if not impossible to satisfy everyone in the community. It will not be an overnight accomplishment.

Laurie Thrasher, who lives on Park Street, spoke. She wondered if there had been input on tying in Mary's design on the drug store into the new town hall. The Mayor answered that they had, making special effort to include solar light and heat options.

The Board had specifically asked for an energy efficient building. Russ commented that the Board never intended to use regular red brick in the exterior design. The architect has designed in-floor heating. Bill Miller, a member of the Planning Commission, but speaking as a private citizen, spoke about the location of the parking lot on the south, which he felt maximizes safety factors concerning snow and ice.

Daryl arrived 6:10 p.m.

Dan Naiman, Bear Creek Road, spoke in defense of the architect saying 'He (Humphries) does not really understand small town Bayfield. We need to give him buzz words.'

Bob Cleveland, Bayfield, addressed the Board. He said that everyone he has talked to is concerned with the outside appearance, it does not reflect Bayfield.

Marty told the audience that the color pictures as originally presented didn't reflect the architect's visual concept very well.

The Mayor then added that it (the building) was also intended to be as low maintenance as possible.

Caroline Hull, North Street, Bayfield, commented 'Please remember the location of town hall, it should serve as the anchor of Mill Street'.

Maureen Cleveland, speaking as private citizen, said that she agrees with Caroline and Dan. She wanted to stress the importance of Mill Street's personality. She does not like the modern, artsy look.

Rick confirmed that the community's responses were basically a reflection of what has been expressed here tonight. It (the building) needs to be less dynamic, less spectacular, more 'Bayfield Park area' in its presentation.

Rick then emphasized that respectful dialog is the avenue to accomplish the desired goal. Marty sat down with Edward Martinez, a local artist, who offered to do some very simple sketches that he felt would more closely represent the Town's preference for the buildings' outward appearance. The pitched roof gives it a much more local design fit.

Marty said that Humphries Poli's firm has historically produced designs with a contemporary flair. His firm designed the new Dolores Library, which has a modernistic, contemporary style. However, it is constructed of wood and stone, which enables it to fit in with the surrounding environment.

Carol McWilliams, speaking as a private citizen, reasoned that no one anticipated such a modernistic design for consideration. The first rendition included a trapezoid, overhangs, she just did not care for the look of the roof design.

Herm does not want to feel pressured in making this decision, nor does he want to move forward too fast.

Justin will accumulate written direction for Humphries Poli. He felt that perhaps another work session in April may yield a final decision by the Board, reflecting the option B with roof modifications. The work session ended.

The Regular Town Board Meeting scheduled for March 20, 2007 was called to order at 7:10 p.m. by Mayor Harrmann.

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

Staff Present: Justin Clifton, Joe Crain, Pat Anselmo, Ron Saba, and Dirk Nelson.

Planning Commission: Robert Piccoli, Chair, Pamela Smith, Bill Miller.

Media Present: Carole McWilliams, Pine River Times

Approval of Minutes: Carol Blatnick asked that the minutes of March 6 be modified slightly. On page two, in the final paragraph of the sanitation district update, change "Reid Ross is willing to donate 'samples' (striking 'them') to the Town. With this modification, she moved to approve the minutes of March 6, 2007. Rick seconded. The vote was six in favor, motion carried.

General Public Input: David Black, 606 Buck Highway, spoke. He said he would like for the Board to acknowledge the presence of County Commissioner White this evening. In David's opinion the Town Board should use its capital projects money for a loan to the Sanitation District, at a fair interest rate of course. He also commented it would be nice if the town would buy a street sweeper to clean the streets.

Public Input was closed.

Action Agenda #1: Approval of Bills:

The payment to Caselle for the balance of the Municipal Court software system prompted questions from the Board as to whether it was a worthwhile investment. Pat said that the number of summons being issued (as well as the amount of paperwork) has more than doubled in the past year. She then asked if the Board would consider charging for Deferrals. (A deferral brings in the same amount of revenue as a regular ticket. However,

the deferred cases have to be tracked anywhere from 90 days to a year. The defendant also receives a special advantage because the ticket is not recorded with the DMV, {no points are taken} and the violation is not reflected on the violators insurance). Dirk said he would research the possibilities and touch base with Marshal Harrington for input. Souder Miller had a substantial three month lag in submitting their bills. The amount due is, therefore, also substantial.

The Town *has* been billing for work done on the annexations, subdivisions, and commercial building permits according to agreements.

Daryl suggested not issuing C.O.'s until the developer pays every bill that is due the town.

Carol moved to approve the payment of bills as submitted. Tom seconded. The vote was six in favor, with Daryl abstaining to vote regarding the bill due his business. Motion carried.

Action Agenda #2: Planning Commission Update: Robert Picolli read his Planning Commission report to the Board. (It was included in the packet.)

He reconfirmed that the main focus is getting out from under the building restrictions, (as reflected in the update on the Sanitation District).

Action Agenda #3: Audit Report- Mike Branch:

Mike delivered Bayfield's annual audit for 2006 to the front office but it was not received in time for inclusion in the packet. Since the Board has not had sufficient time to review it, he will be available for a meeting sometime in the near future for discussion should the board have any questions.

The only real concern expressed by him was, at the time of the re-negotiation for garbage services, Waste Management historically had been billing two months in arrears. When the Town contracted with Transit Waste, they wanted pre-payment each month. This caused three months of billing to appear in a one month period.

He explained the nature and function of Enterprise Funds. He assured the Board that he had responded to the letter from the State Auditor that listed several items that needed his attention regarding the 2005 audit.

Action Agenda #4: Town Hall Update:

The architect was not able to attend tonight's meeting. His flight was cancelled.

Justin will make certain that the information, papers, and other pertinent documentation are delivered to the Board. Justin wants to move forward with financing and is requesting that the Board consider hiring a financial advisor for the town hall project to handle the financial aspects. Justin said staff could attempt to construct bids. He asked if the Board wanted to continue with the financing process. Ken Charles was in attendance. The Board asked 'Do you mean a financial advisor for bonding?' Justin replied it would most likely be a lease purchase, adding that because of time and resources, he felt it would be advisable to go with a financial advisor. He thinks the rate would be around \$15,000 to hire one for the town hall project.

Rick thinks it would be appropriate to pursue contracting with a financial advisor. Justin said he could write up a competitive proposal. Rick answered with 'please do so.' Justin will travel to Trinidad next Friday to submit the grant request for the new town hall.

Action Agenda #5: Sanitation Update:

Justin explained that last week he had to prepare for key meetings. He flew to Denver with Commissioner Riddle and Senator Isgar to plead for clemency from the State Department of Health. The update the Board had previously been given has not changed substantially. Justin has done his best to ensure healthy progress in the treatment facility as it now stands and will strive to improve efforts to meet State standards. The Sanitation District needs to improve its performance to increase the confidence levels with the State. Justin made the comment ‘ If they spend \$400,000 without means of recouping it, it would decrease the amount of money that they intend to spend on the next structure.’ He spoke of different methods of mitigating the BOD (Bio-chemical oxygen demand) and loading. He is hoping they will narrow the prerogatives down to two different methods at the meeting tomorrow night. If they come up with a proposal, it will then go back to the State in an effort to either lift or relax restrictions. According to Ron the strength of the loading during the first part of February was five times higher than it was this month.

The staff is involved in developing proposals for commercial contributors, requiring they install sampling ports to provide test results. The District has agreed, *in principal*, to help with commercial loaders pre-treatments. They may dedicate as much as \$50,000 that can be distributed to help install pre-treatment methods. Justin has submitted requests for federal appropriations to Senator Allard. He is asking for one million dollars. He has submitted a formal request to the Tribe, they are anxious to meet with the Town concerning the sanitation situation. Ron stated that hopefully Gem Village will be in compliance during the month of March. In January and February they were not. Justin said ‘Just for clarification, there is no moratorium in Gem Village presently. The preliminary engineering report will look at all possible solutions for them also.’ Daryl asked ‘why aren’t they being stopped?’ Justin replied that their plant is not at capacity. Justin re-affirmed that it is very evident that there is some commercial company that is causing the violations by continued illegal dumping, because of the spikes that occur.

Wally White said they (the commissioners) have submitted a letter in support of federal funding for the sanitation district project. Justin remarked that Commissioners White and Riddle have been extremely supportive in this matter.

In answer to David Blacks remark, Justin thinks it is totally inappropriate to use the Towns funds for the redemption of the Sanitation District. Rick concurred, saying the Sanitation Districts problems are not the towns responsibility, quote ‘We should not use tax dollars that were ear marked for our capital projects to cover their lack of financial planning.’ Their district board will meet tomorrow. Rick then remarked that Justin has done an outstanding job on behalf of the Sanitation District’s financial problems. He commended Justin, and the Board agreed wholeheartedly.

Action Agenda #6: Fox Farm: Introduction of Jen Lopez, Executive Director of RHA:

Jen was introduced as the new director of the Regional Housing Authority. She is a graduate of Fort Lewis College. She thanked the board for their past financial support of the affordable housing projects. RHA is in its second year. She came on board in September of last year. They are redesigning their housing opportunity strategic steps.

The redesign should be finalized by the middle of April. It includes the following: 1) they want to provide technical assistance to partners, 2) they will administer fair share agreements 3) they intend to launch homebuyers assistance, 4) they are in the process of raising funds for a housing trust for land acquisition and 5) they are trying to raise funds from local resources to be used for down payment assistance.

She invited the Town of Bayfield to use her as a resource.

She spoke concerning Fox Farm, saying that they can subsidize affordable housing by cross subsidizing, in other words, they use the profit on the higher priced homes to buoy up the lower profit units. Habitat for Humanity, CDC and Colorado Housing Inc. are the major players. Two of these three has had financial problems. Their economic model is not working as planned. They are trying to develop an economic model that will work. They are trying to fill the financial gap by asking for more resources. The average sales price of their affordable houses will run \$165,000, some may sell for around \$300,000. CDC has asked that Ken Charles, (DOLA) help them find additional financing. They think Energy Impact funds may be available. They have approached HUD for federal appropriations, and are scanning the horizon for other financing sources. Ken Charles received a call from CDC asking about funding for Fox Farm. He said that DOLA is only geared for financial aid for local governments. If the town is conducive to the idea, Bayfield could finance the project by carrying a grant on behalf of RHA, using the grant money (approximately \$177,000) to pay for water and sewer taps for the project. The Division of Housing supports the project. Ken said this would be an appropriate use of grant funds, the Town would own the infrastructure. Grant money can only be awarded for assets owned by the Town or the Sanitation District. The town could waive \$400,000 between sewer and water taps. Justin said Senator Isgar really wants this project to proceed. Justin re-confirmed that this would not be an additional commitment of the Towns resources. The Town would only carry the grant.

Rick revisited the issue, saying 'we started saying we would not join RHA. We would support it as a town, but not as another authority. It would be advisable to continue down this path, without initiating a commitment to any other entities for this kind of housing opportunities for our community. The Town should file for a grant.'

Ken said their may be discussion because of the two concurrent energy impact funding requests for projects for the Town of Bayfield. He does not think the Town should allow the 'two grant' issue to prevent this project from going forward. It is not uncommon to have two grant applications in at the same time. They simply rate the two projects, #1 and #2 in this case. Since they are both collaborative projects he assumes that the Fox Farm grant application would be the #2. The Division of Housing is supportive of this project, DOLA would therefore look to them for advice if the grant would be appropriated. Neil asked if the 'self help' fund gets assistance. Jen said no. Some houses may sell for \$200,000. They still feel this is affordable housing. Neil then asked if it will be the same people qualifying for the housing. Herm questioned the resale staying at affordable rates. Jen said this would be called a land trust. She did not have a direct answer for Herm.

The question was posed, 'Who would administer this program over the 99 years. Does the Town want to stay with the model?' Niel said 'yes'. Justin could not say what the model would be, working with current available accommodations. Rick said he wants an

affirmation from the Board to have Justin go ahead, and have Jen come back with workable solutions.

The Town hall grant is in the December grant cycle, the Senior Center is in the April cycle.

Rick moved to instruct staff to construct a grant to ask for Energy Impact Funds to offset costs of sanitation and water tap fees on behalf of the Fox Farm project. Carol seconded. The vote was six in favor, motion carried.

Action Agenda #7: Water Tank update:

Justin noted that the Town has talked a few times about a second water tank, more specifically, a concrete tank. The initial estimates were high. Since the initial estimates were received, Justin and Ron have been discussing other options. He asked if the Board would consider erecting a second glass lined tank, which would be significantly cheaper than the concrete tank. Ron explained that the aluminum on the roof of the new tank will fade over time. The second tank will be located below the ridge line. It will blend in perfectly. Ron confirmed that the second tank will only be sixteen feet high at the dome but have a bigger diameter. They (Engineering America) really want to build another tank for the Town. They have agreed to do so for a cost of \$1 a gallon. According to Ron, a concrete tank will run at least \$150,000 more. The money is not there for a concrete tank. The new tank will be for 150 new houses. The homes that are up there now are not getting sufficient flow the way it is.

Justin said he is, once again, considering water tap fees and rate fees for the next twenty years.

Rick said that according to his best recollection, when the board talked about tanks, they initially anticipated one tank far north and letting it drain. Now there is a large tank on the existing site, and plans for a smaller tank on the Row property. Joe explained that it took a segregated line all the way up to Yucca Estates. The Town wanted a buried concrete tank, but the cost is prohibitive. Justin asked if the town wants to spend the extra money to make the tank more invisible. Carol explained that, when she saw the new tank, she almost lost it. 'It is honking big. We were talking about hiding the second tank. We have negated the issue of having a non-visible tank.' Ron estimated that the glass lined tank will last fifty years. It will take \$6000 to have good cost estimates on a concrete tank. He explained that the concrete needs will sway according to the dirt base at the foundation location. Ron said the geotech costs will be higher also, ending with 'We are probably not going to build the second tank this year.'

Neil feels the Town is compromising what they want because of lack of money. The money is supposed to come from developers. It would take 50 homes at \$4334 to pay for the tank.

Ron expects both existing tanks will need \$50,000 each to renovate. Considerable discussion followed. Justin then asked 'Does the board want to pursue cost estimates for the concrete tank, knowing that concrete will run \$600,000 as opposed to \$400,000 for the steel tank? Daryl made a motion to pursue costs of a concrete tank.

Niel seconded. The vote was Daryl Yost, Carol Blatnick, and Neil Hieb.in favor. Those voting in opposition were Rick, Tom, and Russ. The Mayor was called on to vote. He is in favor of pursuing costs for a concrete tank, citing longevity. The motion carried.

A ten minute break was called.

**Action Agenda #8: Public Hearing/ Consideration Dove Ranch Subdivision:
Unit 1, Phase 3, Preliminary Plat:**

Joe Crain explained that Dove has brought in the portion of development around the park. The lots range from 10,000 square feet to 125,000 square feet.

Brad brought this through initially on August 17, 2006. It originally had increased lots. The higher density homes will run along C.R. 501. The eastern lots would be lowest density with the mid-range of density in between the east and west.

This is consistent with the approved plans. The major issue involves the second water tank. The area above the hypotenuse is dependent upon a new tank for water flow. The lower portion of the triangle will be gravity fed. When the Planning Commission discussed this (recalling the history for need of second tank) Jack Row's property will also need the second tank. Pumps will have to be installed to pump water up to the second tank. Joe does not think pumping water up to serve homes is conventional wisdom. He expounded, 'If pumps go down because of a lack of electricity, there will be no fire flow, and they will have no domestic water'. The Planning Commission modified paragraph #5 to say that 'when a new area comes in', they will revisit it.

Joe suggests that Unit 1, Phase 3 be accepted contingent upon the six conditions as given. Brad wants Ron to close the main valve on Mountain View. Ron said he cannot close valve on Mountain View, if he did there would be no gravity feed water to all the houses below the PRV. It would put 40 homes in danger of having no fire flow. Also, if he shuts the Mountain View valve, there is no loop.

The lower area cannot go to final plat before the Sanitation District problem is solved and Sewer service is available.

The upper area will have to go back to the Planning Commission and then come back to the Town board for approval, see verbiage on paragraph 5. (All areas above and east of the park area).

Debbie argued that Jeff Pillus was responsible for making the determination on the location of the PRV (pressure reduction valve). She said they are doing the best they can with what they have.

Brad made the statement that 'You can't put new infrastructure in and solve old problems'.

He also said this will be demand building. If there is no demand, there will be no building.

Joe responded that it is all based on the Sanitation District problem being solved. Brad gave his presentation. He commented that the whole world around us is totally different now. It is a tough situation for everyone. He had to do the intersection, he worked on the bathrooms, he was involved in the ball park. Now he is on terminal hold. He has not worked in a year. It is all because of the sewer situation. The situation is horrific. He has spent 25 million. Rick retorted, 'the situation was not in the towns hands. Be aware that whatever you bring back will go no further until the sanitation situation is solved.' Brad said he still has to drop \$200,000 on the park. He wants to change the 231 units. 'We need to pull together, figure out how to make it work.' He explained his vision of the park upon Carol McWilliam's request.

The park was required to go in a year ago. Neil suggested that perhaps the Town can delay the park situation if it would help Brad out financially. Neil then asked what Brad meant about the 231 lots. Joe replied that the problem in the initial annexation was that it

called for 294 units on 106 acres. The 231 lots came from maps that Brad had turned in later. The 231 was the number in the remaining zones.

Justin then confirmed that the 231 is a fictitious number. It will be closer to 271. Joe would like to see Brad bring in something that truthfully and accurately reflects the real number. Joe, (regarding Mike Shave's concerns) confirmed that the Town does not, in its code, allow homes to be placed in the 20 feet easement. The corner lots of the area being considered tonight need to be larger lots, to accommodate a twenty foot set back, no matter how the building is situated on the lots. Brad said he will watch this carefully.

Public Hearing: Debbi Renfro made some comments.

Consideration: Carol Blatnick recommended that the Board approve Unit One, Phase 3, subject to the six conditions as listed. Russ seconded. Daryl would still like paragraph #6 amended. He wants water pressure assured. He wants Dove Ranch to come up with solutions to solve the water pressure issues. Herm queried, 'who pays for pumping?' The answer was 'the Town'. Carol then amended the language to reflect 'to be served by adequate water pressure'. Russ was o.k. with the amendment in his second. Brad said it would allow for a minimum of 40 psi. The vote was six in favor, motion carried

Action Agenda # 9: Annexation Request, Set Public Hearing for David and Linda Hardy:

**823 County Road 501 NW ¼ of SW ½ of Sec 2, T 34 N,R 7 W,NMPM
Parcel #567702400070**

The main issue is the contiguity. The Bayfield Highschool is right across the street. It meets more than the one/sixth requirement. David is also asking for a subdivision. He is aware that the Town can take it through the annexation process, but not the subdivision until the sewer tap situation is solved. They are currently served by private water well and septic. Joe asked the Board to consider if it meets basic criteria. If so, they should set a hearing no sooner than 40 days.

Dirk agreed. May 1 would be the closest date possible. Rick so moved, Niel seconded. The vote was six in favor. Motion carried.

Action Agenda #10 Town Updates:

1) Recycling: The students from the High school are hosting a meeting this Thursday night at 7 p.m. They are working hard to solve the problem. Justin is going to Trinidad, so he won't be at the meeting.

There is sensitive information concerning the Towns bank accounts. Justin would like frank conversation, and requested the Board go into executive session. He would also like to discuss the property for the water salesmen.

The Board decided to go to Agenda #12: New Business before the Executive Session. Justins annual review is due in April. He asked that the Board to give him a definitive date, April 2 or April 16. Rick said it should be done the second meeting in April. The work on the ball field has started already. Justin has asked for cash flow on projects. Carol McWilliams said people take their dogs down at the park, and the dogs leave their biological waste in the grass. It makes it very unpleasant for children and adults alike. Please do something about signage for picking up after your dogs.

Niel said he knows the Public Works staff is extremely busy, but, there are a lot of streets with a lot of problems. Ron replied that they can't get hot mix until April.

Niel asked that Justin get a list of commercial establishments that have stepped up to help with pre-treatment. They should be recognized.

Pat said June Bugs has not filed for a modification of premises. Tom Au said they (June Bugs) have a refrigerator that has set out for several weeks. It is a major safety issue.

Daryl spoke about the traffic sign just north of his shop, Public Works changed the yield sign to a stop sign. However, it doesn't face the correct direction. He asked that Ron's crew fix it.

Herm received a check from B. P. for \$100.

Rick moved to go into executive session, citing C.R.S. Section 24-6-402 (4) (e) for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators. He asked that they include the Town attorney and town manager. Tom seconded. Vote was vote was six in favor. Motion carried.

The Board entered Executive Session at 10:30 p.m.

Executive sessions ended 10:40 p.m.

Rick moved to go out of executive session.

Rick made a motion to go where the Town can earn the most interest on their accounts.

Carol seconded. The vote was six in favor. Motion carried.

Motion to adjourn, 10:45 p.m.
