

**Minutes**  
**Town Board Regular Meeting**  
**Town of Paonia, Colorado**  
**March 14, 2017**

**RECORD OF PROCEEDINGS**

The Regular Meeting of the Town Board of Trustees held Tuesday, March 14, 2017 was called to order at 7:00 PM by Mayor Charles Stewart, followed by the Pledge of Allegiance.

Trustees present were as follows:

Mayor Charles Stewart  
Trustee Bill Bear  
Trustee Chelsea Bookout  
Trustee David Bradford  
Trustee Bill Brunner  
Trustee Karen Budinger  
Trustee Suzanne Watson

Town Staff present were as follows:

Town Administrator Ken Knight  
Town Clerk Corinne Ferguson  
Finance Officer Cindy Jones  
Sergeant Neil Ferguson  
Public Works Director Travis Loberg

A quorum was present and Mayor Stewart proceeded with the meeting.

**Approval of Agenda**

Motion by Trustee Brunner, supported by Trustee Budinger to table item 7, Municode 2-5-30 – Chief of Police; Appointments & Duties to the next Board meeting. Discussion ensued regarding previous committee and staff discussions. Motion carried with roll call vote:

Trustee Bill Bear - Nay  
Trustee Chelsea Bookout - Aye  
Trustee David Bradford - Nay  
Trustee Bill Brunner - Aye  
Trustee Karen Budinger - Aye  
Trustee Suzanne Watson - Aye

Motion by Trustee Bear, supported by Trustee Bradford to approve agenda as amended. Motion carried with six (6) ayes and zero (0) nays.

**Announcements**

The Space to Create Creative Industries Division wishes to meet with Town representatives to discuss the intent to apply letter submittal. The deadline for final application submittal has been postponed until a meeting can be scheduled and occur.

The Town Planning Commission and Zoning Board have open seats for community volunteers.

**Visitors**

Dr. Ryan Marlin was present to provide information regarding the Delta County Memorial Hospital Paonia Clinic. Dr. Marlin noted the hospital awareness of the shortage of primary healthcare options within the North Fork Valley. A 10,000-square foot clinic is under construction, and the Paonia walk-in clinic has an anticipated opening date within a month. The walk-in clinic will address primarily emergency cases, and will offer evening and weekend

hours. The clinic will help any walk-in, but hopes to limit to the direct area population.

Paonia Elementary Recognition of Distinction – Paonia Elementary School Principal Sam Cox, staff members Tammy Benson, Bob Bushta, Emily Horn, Eileen Stewart, Jodi Simpson, and several members of the student council were present. Mayor Stewart recognized the hard work and diligence given to the students of Paonia Elementary by their staff and presented the school with a certificate of recognition for being consistently recognized for outstanding student academic growth, becoming the only western slope elementary school to continuously recognized for distinguished improvement by the State of Colorado over the last seven (7) years.

Tammie Benson was present on behalf of the Paonia High School graduating class of 2017. Each year following graduation the senior high school parents host a “grad night” shut-in at the high school for the senior students and a guest. The event provides a safe place for the senior students to celebrate together. Funds raised and donated to the event provide for snacks, games, entertainment, and gifts and prizes to help the students transition to college and the workforce. The grand night committee requests the Town continue their support with a \$250.00 donation.

Natasha Leger` - Interim Executive director of the Citizens for a Healthy Community was present and provided materials to the Board regarding the North Fork Master Development Plan proposed by Gunnison Energy. Ms. Leger` requested Board members and community members write in during the comment period that closes March 22, 2017. Discussion ensued regarding the possibility of water influence under the proposed program.

### **Unfinished Business**

None.

### **New Business**

#### **The Cirque – dba Remedy – Report of Changes & Manager’s Registration**

Trustee Bookout recused herself from the Board during this action, noting she is a party with financial interest in the proposed changes, and took a seat in the audience.

Mayor Stewart explained it is the obligation of all liquor license holders to report changes to the business or location structure to the local licensing authority prior to reporting to the State Liquor Board.

Trustee Bradford provided the reference to State Statute 31-4-404 (2)(3) regarding conflict of interest.

Motion by Trustee Bradford, supported by Trustee Budinger to approve the Cirque Cyclery – dba Remedy – Report of Changes. Motion carried with six (6) ayes and zero (0) nays.

#### **DMEA – Telecommunications Memorandum of Understanding (MOU)**

Mark Kurtz was present on behalf of DMEA. Mayor Stewart noted the absence of Treasurer King, the Town lead regarding research of Town franchise agreements, and question Town Attorney Marek had regarding the agreement.

Mr. Kurtz provided a summary of the need for the MOU from each community. Initially it was believed that County representatives could sign an MOU with DMEA for the communities within Delta County. After reviewing, the County determined it could not speak on behalf of the town. DMEA is requesting the Town approve signing the MOU, which will keep any potential internet company connections at carrier neutral locations only.

Discussion ensued regarding the co-op business model and any Town interest in operating an ISP.

Motion by Trustee Bradford, supported by Trustee Watson to table the DMEA MOU until the next regular Board meeting.. Motion carried with six (6) ayes and zero (0) nays.

## Ordinance 2017-02 Off-Highway Vehicles Within the Town of Paonia

Mayor Stewart provided a brief history of the off-highway vehicle (OHV) ordinance. Attorney Marek stated the proposed ordinance effectively adopts the model of other community ordinances.

Sergeant Ferguson reiterated the ordinance follows Delta County's proposed ordinance which is based on the States law change making it legal for OHV's to cross state highways. Communities have shown interest in allowing OHV's on the roadways, with stipulations and requirements, including penalty assessments.

Motion by Trustee Bear, supported by Trustee Bradford, to approve Ordinance 2017-02, amending and adding to the Municipal Code concerning the operation of off-highway vehicles within the Town of Paonia.

Trustees Bear and Bradford noted support over-all, but a few issues with the presented ordinance.

Constantine Hirschfeld – 336 Rio Grande – voiced support for the allowance of OHV's on the roads, adding that OHV's typically have headlights, taillights, and are required to be insured. Hand signals should be used in the same fashion as those riding bikes on roadways.

Motion by Trustee Bradford, supported by Trustee Brunner to table discussion and refer to Public Safety committee for the next regular board meeting. Motion carried with six (6) ayes and zero (0) nays.

## In-Town Waterline Project Contract Award

Public Works Director Travis Loberg provided a brief over-view of the project and the materials included in the packet. Bids were reviewed with engineers from SGM. SGM recommends awarding the three segments to the same contractor, TSM Construction.

Motion by Trustee Bradford, supported by Trustee Bear to award the In-Town Waterline project segment 1, to TSM Construction in the amount of \$300,670.89; segment 2, to TSM Construction in the amount of \$181,397.51; & segment 3 to TSM Construction in the amount of \$262,085.26, with a 10% contingency.

Discussion ensued regarding the individual bid amounts and the lack of information provided within the proposals.

Motion by Trustee Bradford, supported by Trustee Bookout to table discussion for the next regular board meeting and requested the engineers be present. Motion carried with six (6) ayes and zero (0) nays

## 1MG & 2MG Fence Approval Request

Public Works Director Loberg provided three (3) estimates for two types of fencing for the water treatment plants.

Trustee Bradford stated he reviewed the locations and recommends the selections provided by Director Loberg.

Motion by Trustee Bradford, supported by Trustee Bear to approve fence installation at the 1MG treatment plant to England Fencing in the amount of \$6,800.00 and fence installation at the 2MG treatment plant to Alpine Fencing in the amount of \$12,199.00. Motion carried with six (6) ayes and zero (0) nays.

## Leaf-Vac Purchase Approval Request

Public Works Director Loberg provided three (3) bids for the purchase of a new leaf-vac from two (2) different companies. The three different machines are nearly identical. Director Loberg requested the Board approve the purchase of the lowest bid at \$42,444.00.

Trustee Bradford gave his strong support of the purchase, stating possible issues with storm water infiltration from debris entering the storm sewer.

Trustee Brunner believes there may be a less expensive option.

Discussion ensued regarding the old Town leaf-vac, why commercial and self-contained equipment is more efficient and less time-consuming, and the need for proper maintenance to keep Town machines in good form.

Trustee Bradford called for the question.

Motion by Trustee Bradford, supported by Trustee Watson to authorize the purchase of a SCL800TM Kubota leaf-vac in the amount of \$42,444.00. Motion carried with six (6) ayes and zero (0) nays.

### Town Board Committee Structure

Town Administrator Ken Knight stated six (6) committees are difficult to navigate in a community with substantial projects that require ample trustee, administrative, and staff time. Administrator Knight recommends the consolidation of the committee structure to three (3) committees with standing monthly meeting times.

#### **Current Committee Structure**

**Finance and Personnel** (Review claims, fiscal policies, general finance, personnel issues)

**Public Works** (Streets, Water, Sewer/WWTP, Storm water)

**Public Safety** (Police, Fire/Emergency Services)

**Governmental Affairs** (Rules, policies, intergovernmental agreements and relationships, ordinances and statutes)

**Services and Recreation** (Parks and Recreation, Refuse Service)

**Facilities and Development** (Town facilities/buildings/properties, Airport, Planning and Zoning, Economic/Community Development)

#### **Proposed Committee Structure**

**Finance and Personnel** (Review claims, fiscal policies, general finance, personnel issues)

Staff resources – Town Administrator/Finance Officer and Treasurer

Regular scheduled meetings – twice a month to review bills and payroll – & As necessary

**Public Works/Utilities/Facilities** (Streets, Water, Sewer/WWTP, Storm water, Refuse Service, Facilities, Parks and Recreation, & Airport)

Staff resources – Town Administrator/Public Works Director and possibly the Parks Contractor. Regular scheduled meetings – once a month TBD – & As necessary

**Governmental Affairs/Public Safety** (Rules, policies, intergovernmental agreements and relationships, ordinances and statutes **NOT** covered by another committee, Police, Fire/Emergency Services)

Staff resources – Town Administrator and possibly the Police Chief and Town Clerk.

Regular Scheduled meetings – once a month TBD – & As necessary

**NOTE:** Planning and Zoning belongs to the P&Z and not to a Board sub-committee. Economic and Community Development are normally one-time or very specific activities that do not belong at the committee structure.

Trustees Brunner and Watson stated they believe the airport should remain under governmental Affairs; the Public Works/Utilities/Facilities committee is already heavily tasked. Trustee Brunner added that he believes committee meetings should be posted and open to the public and other trustees.

Discussion ensued regarding potential statute violations with open work sessions and committee member numbers.

Motion by Trustee Bradford, supported by Trustee Bookout to approve the suggested changes to the Board of Trustee committee structure for the Town of Paonia.

Motion by Trustee Brunner, supported by Trustee Watson to amend the original motion, moving personnel and airport to Governmental Affairs and to notice and open committee meetings to the public and other trustees. Motion failed. Roll call vote:

Trustee Bill Bear: Nay  
Trustee Chelsea Bookout: Nay  
Trustee David Bradford: Nay  
Trustee Bill Brunner: Aye  
Trustee Karen Budinger: Nay  
Trustee Suzanne Watson: Nay

Discussion ensued regarding the need to keep some personnel and finance discussions private, better utilization of staff time, and the smaller committee structure allowing for time to work on neglected projects.

Motion by Trustee Budinger, supported by Trustee Watson to move the airport to the Governmental Affairs committee. Motion carried with five (5) ayes and one (1) nay from Trustee Bear.

Amended Motion by Trustee Bradford, supported by Trustee Bookout to approve the suggested changes to the Board of Trustee committee structure for the Town of Paonia and moving airport to Governmental Affairs. Motion carried with six (6) ayes and zero (0) nays.

#### Town Purchasing Policy

A draft Town purchasing policy was provided to the Board. Discussion ensued regarding the language within the purchasing policy.

Motion by Trustee Bradford, supported by Trustee Watson to amend the purchasing amounts \$1,501. to \$2,500, and informal bidding from \$5,000. To \$25,000. Motion carried with six (6) ayes and zero (0) nays.

Motion by Trustee Brunner, supported by Trustee Watson to amend the formal bidding section to state the Board of Trustees may waive certain bidding requirements. Motion failed with one (1) aye and five (5) nays.

Motion by Trustee Brunner, supported by Trustee Bradford change *should* to *shall* on the last page of the policy. Motion carried with six (6) ayes and zero (0) nays.

Motion by Trustee Bradford, supported by Trustee Budinger approve the updated Purchasing Policy, as amended. Motion carried with six (6) ayes and zero (0) nays.

#### Billing Procedure Summary

A summary of current billing and office procedures were provided to the Board.

Discussion ensued regarding late fees, the lien process and timeline, and current delinquent accounts.

Motion by Trustee Bear, supported by Trustee Bookout to accept the Utility Billing Procedures Summary as presented. Motion carried with six (6) ayes and zero (0) nays.

#### Regular Business

Mayor's Report: Mayor Charles Stewart reported:

1. The Town received a letter of thanks from the Paonia Senior Center for the approved 2017 donation.

Town Administrator's Report: Town Administrator Ken Knight reported:

1. Will be out of the office April 4, 2017 at noon to attend the CIRSA orientation.
2. Registered to attend the annual CML meeting June 20<sup>th</sup> through the 23<sup>rd</sup>, and encourages Board members to register to attend if possible.
3. Met with Delta County representative to discuss potential increases to the Delta County Landfill tipping fees. Multiple community representatives requested a slower increase over several years.

Public Works Department Report: Public Works Director Travis Loberg reported:

1. Staff is currently working to flush manholes.
2. Out-of-Town waterline schedule B is substantially completed.
3. Some water flow inconsistencies and water loss may occur next week during final line tie-in.
4. Schedule D is underway, with an expected completion in three (3) weeks.
5. Multiple remote read meters have been installed.
6. Working with the parks contractor on several projects at Town Park.

Police Department Report: Sergeant Neil Ferguson reported:

1. A written report and statement was provided in the packet.
2. The new Officer In Training (O.I.T.) will begin his field training March 27, 2017, after completion of firearms.

Treasurer's Report: Town Treasurer Ross King was unavailable. Finance Officer Cindy Jones reported:

1. Disbursements have been reviewed.
2. Payroll funds have been transferred.
3. Reviewed 2016 year-end documents with the Finance Committee.
4. Auditing materials are being completed for submittal.
5. The Auditors have requested submittal of questions in advance, so their time can be utilized more efficiently.
6. Ms. Jones will be out of the office June 15 through 25, 2017.

**Committee Reports**

1. Finance and Personnel: Met to review expenditures and year-end documents.
2. Public Works: Met twice over the last week. Site visits have begun to narrow down the sidewalk repair suggestions for the 2017 season. Toured the 1MG and 2MG reservoirs, and are working to prioritize the parks projects for 2017.
3. Governmental Affairs: Nothing to report.
4. Services & Recreation: Nothing to report.
5. Facilities & Development: Nothing to report.
6. Public Safety: Nothing to report.

**Minutes**

Motion by Trustee Bradford, supported by Trustee Budinger to approve the Regular Meeting Minutes for February 28, 2017 as amended. Motion carried with six (6) ayes and zero (0) nays.

**Disbursements**

Motion by Trustee Bear, supported by Trustee Budinger to authorize the disbursements as reviewed by the Finance Committee for March 09, 2017, in the amounts of, \$57,281.04 for accounts payable, \$6,551.43 for payroll taxes, and \$17,187.26 for payroll. Motion carried with six (6) ayes and zero (0) nays.

**Executive Session**

Motion by Trustee Bear, supported by Trustee Bookout to enter executive session to receive legal advice on specific legal questions under C.R.S. Section 24-6-402(a) & (e); specific to 38976 Hwy 133. Motion carried with six (6) ayes, and zero (0) nays.

The Town Board entered Executive Session at 10:49PM.

*The following as given by Administrator Knight:*

The Board returned to open session at 11:02PM.

In attendance were Mayor Charles Stewart, Administrator Ken Knight, Trustees David Bradford, Bill Bear, Suzanne Watson, Karen Budinger, Bill Brunner, Chelsea Bookout, and Town Attorney David Marek.

No issues were noted.

Motion by Trustee Bradford, supported by Trustee Bookout to approve the counter offer on property at 38976 Hwy 133 for \$165,000; subject to the disillusion of the existing purchase contract. Motion carried with six (6) ayes, and zero (0) nays.

**Adjournment**

The meeting was adjourned by Mayor Charles Stewart at 11:05 PM

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s/s  
J. Corinne Ferguson, Town Clerk

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s/s  
Charles Stewart, Mayor