

Minutes
Town Board Regular Meeting
Town of Paonia, Colorado
October 25, 2016

RECORD OF PROCEEDINGS

The Regular Meeting of the Town Board of Trustees held Tuesday, October 25, 2016 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 – 7:05PM
Trustee Karen Budinger
Trustee Suzanne Watson

Town Staff present were as follows:

Town Manager Dan Dean
Town Clerk Corinne Ferguson
Sergeant Neil Ferguson
Finance Officer Cindy Jones
Public Works Director Travis Loberg
Treasurer Ross King

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

Approval of Agenda

Motion by Trustee Bear, Supported by Trustee Budinger to approve agenda as presented. Motion carried with six (6) ayes and zero (0) nays.

Announcements

None

Visitors

None

Unfinished Business

None

New Business

Approval of BLM Resource Management Plan (RMP) Response Letter

Mayor Stewart gave an overview of the history regarding the prepared letter to the BLM.

Motion by Trustee Bradford, Supported by Trustee Watson to accept the addition of a paragraph regarding livestock grazing and the paragraph placement between paragraph seven (7) and eight (8). Motion carried with six (6) ayes and zero (0) nays.

Discussion ensued regarding multiple additions including atmospheric inversion and research claims to paragraph six (6).

Motion by Trustee Watson, Supported by Trustee Brunner to approve paragraph six (6) as written.

Motion by Trustee Bear, Supported by Trustee Bradford to amend original motion, striking sentences six (6) through nine (9) from paragraph six (6). Motion failed with two (2) ayes and four (4) nays from trustees Bookout, Brunner, Budinger, and Watson.

Motion by Trustee Bookout, Supported by Trustee Budinger to amend original motion, striking sentences six (6) and seven (7) from paragraph six (6). Motion carried with six (6) ayes and zero (0) nays.

Motion by Trustee Budinger, Supported by Trustee Bookout to amend original motion, striking “*particularly during periods of atmospheric inversion...*” changing “*In the words of the lead researcher*” to *In the words of a researcher*, and creating a new paragraph from “*the Town is very concerned about potential...*” in paragraph six (6)). Motion carried with four (4) ayes and two (2) nays from Trustees Brunner and Watson.

Original amended motion by Trustee Bear, Supported by Trustee Bradford, to accept paragraph six (6) with approved amendments. Motion carried with five (5) ayes and One (1) nay from Trustee Bradford.

Motion by Trustee Bradford, Supported by Trustee Bookout to accept sentence one (1) change in paragraph eight (8). Motion carried with six (6) ayes and zero (0) nays.

Motion by Trustee Bradford, Supported by Trustee Bookout to accept sentence two (2) change in paragraph eight (8). Motion carried with six (6) ayes and zero (0) nays.

Motion by Trustee Bookout, Supported by Trustee Budinger to authorize Mayor Stewart to sign final BLM letter on behalf of the Board of Trustees. Motion carried with six (6) ayes and zero (0) nays.

Out-of-Town Water Distribution Reconstruction Project Bid Contract Award

Town Administrator Dean provided a brief overview regarding the bid schedule summary provided in the packet. Discussion ensued regarding cost differences and complications should individual schedules be awarded to multiple contractors.

Motion by Trustee Bear, Supported by Trustee Bradford to award Bid Schedules A, B, C, D, and M to Pitt Construction in the amount of \$701,507.38. Motion carried with six (6) ayes, and zero (0) nays.

Approval of Town Employee Health Plan Renewal and Change of Agent of Record

A memo provided four (4) alternative health plan options for the renewal of the Town employee health plan with Rocky Mountain Health Care. Staff recommends alternative A, HMO Silver deductible \$1,500 with a Town contribution of 80%, \$5,005.32.

Trustee Bear noted a conflict of interest and did not participate in discussion or motion.

Motion by Trustee Bookout, Supported by Trustee Budinger to accept Rocky Mountain Health Care Alternative A. Motion carried with five (5) ayes and zero (0) nays.

Motion by Trustee Budinger, Supported by Trustee Bradford to change health plan agent of record from Golenda Insurance to Kim Burckert, with Home Loan Insurance. Motion carried with six (6) ayes and zero (0) nays.

Approval of Town Employee Life Insurance Renewal

A memo was provided for the renewal of the Town employee life insurance renewal with MetLife through Home Loan Insurance.

Motion by Trustee Bradford, Supported by Trustee Budinger to accept the Town 2017 life

insurance renewal with Home Loan Insurance. Motion carried with six (6) ayes and zero (0) nays.

Resolution 2016-06 Closing Water Storage Account

Mayor Stewart read Resolution 2016-06 for the record.

Motion by Trustee Bear, Supported by Trustee Budinger to adopt Resolution 2016-06, closing the water storage account at First State Bank. Motion carried with six (6) ayes and zero (0) nays.

Approval of Town Administrator Recruitment Process

Interim Town Administrator Dan Dean submitted the proposed Town Administrator recruitment calendar and updated job description for review. All applications are to be submitted to the Town Clerk by end of business November 15, 2016.

Motion by Trustee Bradford, Supported by Trustee Budinger to approve the Town administrator job description and recruitment calendar. Motion carried with six (6) ayes and zero (0) nays.

Approval of Internet Provider Contract - Elevate

TDS is the current internet provider for the Town offices. The TDS/Town contract expired July, 2016. Town staff recommend contracting with DMEA – Elevate for a \$0.95 increase in cost and a one-time installation fee of \$100.

Motion by Trustee Bradford, Supported by Trustee Bookout to approve the DMEA – Elevate contract, installation fee of \$100, and increase in monthly bill. Motion carried with six (6) ayes and zero (0) nays.

Cruz & Associates Presentation of Water Rate Study

Town Administrator Dean provided an overview of the water rate study and Public Works Committee review process. The Public Works Committee suggests a 2% increase to all water related charges and to amend the Water Ordinance to increase rates via resolution.

Motion by Trustee Bradford, Supported by Trustee Budinger to direct the Town Attorney to draft a revised water ordinance changing rates via resolution. Motion carried with five (5) ayes and one (1) nay from Trustee Watson.

Motion by Trustee Brunner, Supported by Trustee Watson to make the water rate study open to the public. Motion carried with six (6) ayes and zero (0) nays.

Motion by Trustee Bradford, Supported by Trustee Bear to direct the Town Attorney to draft a resolution increasing water charges by 2%. Motion carried with four (4) ayes and two (2) nays from Trustees Brunner and Watson.

Discussion ensued regarding the need to increase reserves and the need for clarified policies regarding billing adjustments.

Regular Business

Mayor's Report: Mayor Charles Stewart reported:

1. A meeting is sent in Washington D.C. for October 27, 2016 with the Office of Management of Budget regarding Colorado Roadless Rule. Trustee Bradford as agreed to attend on behalf of the Board of Trustees. In 2014 the Board provided a formal letter supporting the Colorado Roadless Rule exemption specific to West Elk Mine expansion. All cost are paid for by the National Mining Association. Trustee Bookout read the 2014 letter for the record.

Town Administrator's Report: Town Administrator Dan Dean reported:

1. A written report was provided in the packet.
2. Easement descriptions have been received from Wilmore & Associates which are being incorporated in as property easements regarding the out-of-town waterline project.
3. A meeting is scheduled for November 3, 2016 at 7PM to meet with the property owners to discuss the easements.
4. The Town is only being billed for Codification page updates.
5. The Space to Create location tour is October 26, 2016 at 9AM.
6. Trustee Bookout is attending the Community Builders Leadership Training November 2-4, 2016 in Durango. Transportation costs only for the Town.
7. Town Attorney Marek will have a recommendation for the Board regarding the Hawks Haven road agreement in the near future.

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

1. Street patching work is complete.
2. North Fork Avenue was re-paved from Fifth Street to Seventh Street.
3. Minor water leak repairs are scheduled.
4. The old wastewater treatment site cleanup continues.
5. Fencing quotes for the water treatment plants have been requested.
6. IMG roof gutter repair is complete, including snow-stop installation.

Police Department Report: Sergeant Neil Ferguson reported:

1. A written report was provided in the packet.
2. The October 22, 2016 Drug Takeback event was successful, resulting in approximately 6.5 pounds of prescription medications turned in for proper disposal.

Treasurer's Report: Town Treasurer Ross King reported:

1. Disbursements have been reviewed.
2. Continuing the review of the Elevate Fiber Franchise Agreement in conjunction with the Montrose County Attorney and CCUA.
3. Reviewed the USDA loan agreement on the sewer treatment plant. A number of options for consideration will be presented soon.

Committee Reports

1. Finance and Personnel: Met with Town Administrator Dean to analyze the 2017 proposed budget and discuss the administrator hire process.
2. Public Works: Working with West Elk regarding waterline installation, requested time for a tour of Town shop and treatment facilities.
3. Governmental Affairs: Nothing to report.
4. Services & Recreation: Met to discuss Town Park request for proposal (RFP). The RFP will be available for the next Board meeting.
5. Facilities & Development: Nothing to report.
6. Public Safety: Met with Town Administrator Dean for discussion regarding the Chief of Police position. Discussions will continue.

Minutes

Motion by Trustee Bradford, Supported by Trustee Bookout to approve the Regular Town Board Meeting Minutes as amended for October 11, 2016. Motion carried with six (6) ayes and zero (0) nays.

Motion by Trustee Bradford, Supported by Trustee Budinger to approve the Special Town Board Meeting Minutes as submitted for October 5, 2016. 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 with the Town Treasurer Ross King, in the amounts of

\$77,414.83 for accounts payable, \$11,671.70 for WPA loan payment, \$8,877.42 for payroll taxes, and \$18,117.67 for payroll. Motion carried with six (6) ayes and zero (0) nays.

Executive Session

Motion by Trustee Bradford, supported by Trustee Bookout to go in to executive session to discuss the sale of real property and to determine positions, develop strategy for negotiators, and instruct negotiators regarding the sale of real property pursuant to C.R.S. 24-6-402(a)&(e) - Regarding the Marsh Road property. Motion carried with six (6) ayes, and zero (0) nays.

The Town Board entered Executive Session at 9:35PM.

The Board returned to open session at 10:05PM.

As provided by Town Administrator Dan Dean:

Executive session concluded at 10:05 p.m. In attendance were Charles Stewart, David Bradford, Bill Bear, Suzanne Watson, Karen Budinger, Chelsea Bookout, Bill Brunner, Dan Dean, and Ross King.

Karen Budinger made a motion to authorize Mayor Stewart to sign a counter proposal on the property located at 28784 Marsh Road for the listing price of \$249,000 and that the Town would remove the house and concrete debris for an amount not to exceed \$20,000. After the motion was seconded by Chelsea Bookout it was approved.

Adjournment

The meeting was adjourned by Mayor Charles Stewart at 10:10 PM

_____/s/_____
J. Corinne Ferguson, Town Clerk

_____/s/_____
Charles Stewart, Mayor