

Town Council Regular Meeting
Town of Paonia, Colorado
January 14, 2014

RECORD OF PROCEEDINGS

The Regular Meeting of the Town Council held Tuesday, January 14, 2014 was called to order at 7:00 p.m. with the Pledge of Allegiance. Those present were Mayor Neal Schwieterman, Trustees Brian Ayers, Ross King, Amber Kleinman and Sarah Sauter; Attorney David Marek; Chief Scott Leon; Public Works Director Travis Loberg; Finance Officer Cindy Jones; Deputy Clerk Corinne Ferguson and Town Clerk Barbara Peterson. Trustee Larry Wissbeck was absent. Trustee Goold arrived later.

Mayor Schwieterman determined a quorum was present and proceeded with the meeting.

Approval of Agenda

Mayor Schwieterman suggested adding "Paonia High School Update" after "Approval of Agenda". Trustee King moved to approve the agenda as amended. Trustee Kleinman seconded and the motion passed unanimously.

Paonia High School Update

Jason Sturgis reported the football award ceremony is tonight. Wrestling has three (3) dual meets this week. Basketball will host Sirocco on Friday and Hayden on Saturday. Knowledge Bowl will be competing on January 25, 2014. The Speech Team heads to Central on Saturday. The pre-SAT tests were given out last week. It is Senior scholarship season. The Student Council is reviewing rules for dances and is evaluating starting a food drive. Mayor Schwieterman reported having the opportunity to attend the award ceremony tonight to read the proclamation for Eagle Football Appreciation.

Announcements

Mayor Schwieterman reported receiving notification from Charter Communications. Cable rates are increasing.

7:04 p.m. Trustee Goold arrived.

Visitors

None

Unfinished Business

None

New Business

Christmas Light Judging – Results

Mayor Schwieterman reported the holiday light winners as follows: Mike and Amanda Harman of 21 Alder won first place and \$50; Diana Phillips of 40 Main Ave, Apt 7 won second place and \$25, and Dave and Stevie Anderson of 37 Box Elder won third place and \$10. This was the first year an apartment dweller won. The Kids Choice went to Richard and Gio Garver of 418 Price Road. Kids Choice award is not bound by residency requirement. Mayor Schwieterman thanked Liane Mattson, Katya Schwieterman, Clerk Peterson, Deputy Clerk Ferguson and Ember Ferguson for being judges.

Resolution 2014-01 – Set Posting Place

Mayor Schwieterman read for visitor benefit designating Town Hall as the official posting place. Trustee King moved to adopt Resolution 2014-01 as presented. Trustee Ayers seconded and the motion passed unanimously.

Proclamation – Eagle Football Appreciation

Mayor Schwieterman read for visitor benefit proclaiming January 14, 2014 Paonia Eagle Football Appreciation Day, and honoring Brent McCrae as State Coach of the Year, as well as Taylor Walters as Paonia Football Player of the Year. The Paonia football team is the 1A State Champions for 2013.

Chamber of Commerce – Special Event Liquor License Request

Mike Drake was present on behalf of the Paonia Chamber of Commerce. The Chamber of Commerce is requesting a special event liquor license for two (2) music events and Superbowl Sunday to be held at the Paradise Theatre located at 215 Grand Avenue. The first event is scheduled for February 2, 2014 from 2:00 p.m. until 11:00 p.m., the second event is scheduled for February 15, 2014 from 6:00 p.m. until 11:00 p.m., and the third event is scheduled for March 21, 2014 from 6:00 p.m. until 11:00 p.m. The premise map does include the utility closet. Chief Leon indicated no issues. Trustee Kleinman moved to approve the special event liquor license request as presented. Trustee King seconded and the motion passed unanimously.

Stewart Mesa Water Company – Letter of Support Request

Mike Drake was present on behalf of the Stewart Mesa Water Company (SMWC). SMWC is the oldest water company that receives its potable water from the Town. The two (2) tasks slated for 2014 include installation of improvements and an engineering analysis, including a leak analysis. The water company is requesting grant funds from the Gunnison Basin Roundtable and the Colorado River District. The request for support does not include any request for money from the Town of Paonia. The water rights that were transferred to the Town in a 1906 agreement are senior rights. Trustee Sauter moved to approve sending a letter of support for the SMWC. Trustees Ayers and Kleinman seconded. Discussion regarding slight modification to the letter ensued as well as a recommendation to obtain a letter of support from the Fire District. Motion was brought to a vote and passed unanimously.

Paonia High School Facilities Committee – Letter of Support Request

Cindy Schwartzenruber was present on behalf of the Paonia High School Facilities Committee. Mayor Schwieterman noted a draft of the letter was provided in the packets. Ms. Schwartzenruber provided an update, noting finalization of the planning grant and the beginning of getting construction grant applications together. The Committee has raised nearly \$30,000 from the brick fundraiser. Colorado Grand has provided a \$10,000 grant towards the project. This request is for a grant from Rural Development to install storm drains as part of the first phase of construction. The grant is based on economic need and could provide ten to fifteen jobs, making it advantageous to Paonia considering the recent mine layoffs. Trustee King moved to approve signing the letter of request as presented. Trustee Goold seconded and the motion passed unanimously.

North Fork Valley Airport – Memorandum of Understanding Addendum

Mayor Schwieterman noted there is an existing Memorandum of Understanding (MOU) with Delta County detailing responsibilities on how the airport operates. Delta County handles all operational aspects. Capital improvements are cost shared based on ownership. SB Towers is interested in installing a cell tower on the property. The existing MOU does not address this type of revenue stream. The addendum will split the revenue from the cell tower based on property ownership; 75% to the Town of Paonia and 25% to Delta County. The addendum also stipulates that funds received for the Town will be held separately for any future airport capital improvement requests. Delta County will be able to use their portion of the revenue for any purpose. The anticipated revenue is approximated at \$10,000 per year. Trustee King opined that the airport is an asset with no return, and this revenue stream should be modified so a portion may be directed to the Town's General Fund. Furthermore, the users of the airport should pay for all capital improvements. Larry Garrett noted that although the current fixed assets at the airport are in good condition, the pilots are planning on adding another taxiway and hangers with the owners providing matching funds for grant requests for those specific projects. Mayor Schwieterman noted that this Board wanted a revenue stream to provide for future capital improvements. If money is directed to the General Fund, Boards see a pot of money and spend it. Then when there is a need, the money is not there. This is an opportunity to generate funding for capital improvements without interference. Mayor Schwieterman professed a preference to leave as dedicated funds for the airport. Mr. Garrett noted that there are forty-five (45) people who get paid for running the airport; it is not just a rich person's playground. Trustee Ayers also clarified that Delta County may receive all of the funding, but also bears all of the operational expenses. Trustee King moved to amend the MOU Addendum to limit \$33,000 to be dedicated to the airport and any additional revenue be directed to the General Fund for the Town of Paonia. Trustee Goold seconded. Motion was brought to a vote and failed with Trustees Goold and King voting "aye" and Trustees Ayers, Kleinman and Sauter voting "nay". Trustee Sauter moved to approve the MOU Addendum as presented. Trustee Ayers seconded. Motion was brought to a vote and passed with Trustees Ayers, Kleinman and Sauter voting "aye", and Trustees Goold and King voting "nay".

Delta County – Election Intergovernmental Agreement

Mayor Schwieterman noted this is the standard agreement for the Town to have a mail ballot election in April. TABOR notices are not applicable for this election because TABOR issues may only be on a November ballot. "City" needs to be changed to "Town" in the first section 9, as well as renumbering all the sections to delete duplicate numbers. Trustee King moved to approve the agreement as amended. Trustee Kleinman seconded and the motion passed unanimously.

Town Attorney – Agreement for Services

This agreement finalizes Attorney Marek's appointment as Town Attorney and sets parameters for services and compensation. Trustee King moved to approve the agreement as presented. Trustee Kleinman seconded and the motion passed unanimously. Mayor Schwieterman thanked Trustees King and Kleinman for assisting in attorney selection, as well as Clerk Peterson for drafting an agreement that needed few legal changes.

Town Manager – Department of Local Affairs Grant Agreement

Mayor Schwieterman noted the standard agreement was provided in the packets and the addendums were e-mailed for Board review. This grant agreement is for the sole purpose of hiring a Town Manager, providing funds in the amount of \$199,422.00. The Town provides a matching amount for salary, benefits and expenses directly related to the new position. Trustee King moved to approve the grant agreement as presented. Trustee Sauter seconded. The effective date of the contract is when the State executes the agreement. Motion was brought to a vote and passed unanimously.

Additional Business

Mayor's Report: Mayor Schwieterman and Clerk Peterson will be attending a Colorado Water Conservation Board (CWCB) meeting on either January 27 or 28, 2014 for additional grant funding for the upper treatment water project.

The Development and Review Committee approved a minor subdivision for the property located at 1350 Third Street. Clerk Peterson is developing the Memorandum of Acceptance.

On January 8, 2014, a pressure-reducing valve (PRV) failed on the water line serving primarily the northeast end of town. Steve Baxter had some water damage and submitted a request for reimbursement. Typically, the Town's insurance carrier does not cover these situations and the amount is less than the Town's deductible. The Town would like to be good neighbors and if there are no objections, it is recommended to pay Mr. Baxter's reimbursement request. No objections noted. If there are additional claims that come forth, the Town may still submit this one for consideration by the insurance carrier.

Public Works: Director Loberg reported the PRV failure caused another water leak in the Meadowbrook area, which has been fixed. This is the third leak since the beginning of the year.

Deputy Clerk Ferguson is working with the insurance carrier regarding the lower water tank roof as it started to deteriorate, most likely due to snow load on the outside coupled with condensation on the inside. Mayor Schwieterman noted that once we have more information from the insurance carrier, the Board would need to make other decisions related to the project.

SGM, engineers for the Third Street project are available to provide a presentation in order to obtain community input on the street project. There are many rumors about the project and this would be a great time for citizens to hear first hand about the project and offer opinions. After discussion, the presentation was set for Tuesday, February 4, 2014 from 6:00 to 8:00 p.m. here at Town Hall.

Police Report: Chief Leon reported receiving a letter of resignation from Nick Rogers. Chief Leon has spoken with the Personnel Committee and advertised for a replacement.

Finance Report: Trustee Ayers had nothing to report.

Parks Report: Trustees Kleinman announced that the Parks Committee would be meeting next week with representatives from Town festivals regarding special events applications and processes. If things go well, there may be a new revenue stream for parks.

Public Safety Report: Trustees Ayers and Goold had nothing to report.

Street Report: Trustees King suggested forming a citizen group to prioritize sidewalk improvement projects to determine the most critical areas. After discussion, Mayor Schwieterman will contact Mr. Bob McHugh in anticipation that Mr. McHugh may be willing to revive the sidewalk group that provided the Town with the Pathway Report to make recommendations to the Board of Trustees.

Water/Sewer Report: Trustees King reported that in 2012 the Town was advised by the State Health Department to improve the upper water treatment system. The Town began mitigation efforts to accommodate the new ground water classification. The Town has been diligent these last 18 months including hiring an engineer for the preliminary engineering report and submitting funding requests to various entities. The Town received a letter dated December 27, 2013 requiring the Town to send notification to its water users of a deficiency in treatment requirements no later than January 28, 2014. There is nothing wrong with the water. The Town has, and continues to filter its water. This is not a water quality violation.

Personnel Report: Trustee Sauter reported receiving approximately thirty (30) applications for the Town Manager position. The application period closes tomorrow. The screening committee will be meeting on January 21 to review and make recommendations as outlined at the December work session. Applicants from all over the state, country and one from outside the country have been submitted for consideration.

Minutes:

Corrections noted. Trustee Kleinman moved to accept the minutes for December 10, 2013 as amended. Trustee Sauter seconded and the motion passed unanimously.

Disbursements:

Trustee Ayers moved to pay the bills through January 14, 2014. Trustee Kleinman seconded and the motion passed unanimously.

8:26 p.m. Meeting adjourned.

Town Clerk, Barbara Peterson

Mayor, Neal Schwieterman