

Town Council Regular Meeting
Town of Paonia, Colorado
September 23, 2014

RECORD OF PROCEEDINGS

The Regular Meeting of the Town Council held Tuesday, September 23, 2014 was called to order at 7:00 p.m. with the Pledge of Allegiance. Those present were Mayor Neal Schwieterman, Trustees Eric Goold, Ross King, Amber Kleinman, David Bradford, Charles Stewart and Suzanne Watson; Interim Town Manager Steve Rabe; Chief Scott Leon; Public Works Director Travis Loberg; Attorney David Marek; Finance Officer Cindy Jones; Deputy Clerk Corinne Ferguson; and Town Clerk Barbara Peterson.

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

Approval of Agenda

At the request of Attorney Marek, Mayor Schwieterman suggested removing the Executive Session for legal advice regarding former Finance Officer Kristin Chesnik. Trustee King moved to approve the agenda as amended. Trustee Stewart seconded and the motion passed unanimously.

Announcements

Mayor Schwieterman read an acknowledgment of receipt of the 2014 dues from the Paonia Chamber of Commerce. The Chamber added that any direction on how the Chamber can better serve the community is always welcome.

Visitors

Stacey Cole was present as representative for the Paonia/Hotchkiss High School Speech and Debate Team. Ms. Cole asked for a letter of support from the Board of Trustees to submit to the Cocker Kids foundation as part of a grant request. Trustee King read a draft letter provided. Trustee Bradford moved to approve a letter of support as requested. Trustee Goold seconded and the motion passed unanimously.

Unfinished Business

Ordinance 2014-04 - Codification

Mayor Schwieterman noted the Interim Town Manager is working on amendments and a draft version is expected to be ready for the Board by October 28, 2014.

New Business

Two Million Gallon (2MG) Project Update – Public Hearing

Town contract engineer Steve LaBonde and Kelly Knowles of WestWater Engineering were present to give background and conduct a public hearing on the 2MG water treatment project. A brief description of both Town water treatment plants was given, as well as a brief history on the one million gallon (1MG) treatment plant upgrade and the circumstances that made the 2MG water treatment plant upgrade necessary. In 2012 the Colorado Water Quality Control Division (WQCD) reclassified the Town water to ground water under direct influence of surface water, which caused the current filtration system to become obsolete, thereby requiring an upgrade. In response the Town had a preliminary engineering report (PER) completed to identify options. To increase reliability and redundancy between both the upgraded 1MG and 2MG treatment plant the Town decided on a four (4) part improvement plan.

1. Upgrade the 2MG filtration system;
2. Extend the raw water line to the 2MG treatment plant;
3. Incorporate a new 2MG steel water storage tank at the 2MG treatment site; and
4. Rehab the existing half million gallon (½ MG) underground storage tank.

The project cost is estimated at 5.5 million dollars and was approved by the WQCD December, 2012. The following year, 2013, several grants and loans were applied for and received to secure financing for the project. In 2014 project implementation began. The membrane filters and raw water line are under construction. The ½ MG rehab has been delayed due to increased costs. The 2MG water treatment plant upgrade and 2MG storage tank are out for final design approval with construction slated to begin in early spring, 2015.

Mayor Schwieterman opened the hearing for public comment.

Patricia Walsh-Oenick questioned the stability of the water rates. Discussion ensued regarding debt services, current water rates, operations and maintenance costs, and the feasibility of including hydro electricity options in the future.

Mr. LaBonde added that two (2) parts of the project are under budget and that no surprises are expected in the environmental assessment. Mr. LaBonde expects a finding of no significant impact and anticipates a public hearing regarding the environmental assessment will be held in December of this year. Trustee Stewart asked, if it became necessary, is there a way to scale back the four (4) part project. Mr. LaBonde reiterated that because of funding there are restrictions in how the project can be altered, but the first priority remains getting the 2MG treatment plant up to current required standards. Discussion ensued regarding how much stored water would be available in an emergency and the amount of Public Works staff time will be utilized on the project. Mayor Schwieterman closed the public hearing at 7:45pm.

WSSC – Great Outdoors Colorado Grant

Sarah Sauter was present on behalf of the Western Slope Conservation Center. The Conservation Center is requesting that the Town partner in a grant application. The grant will help fund a two week work crew to come and participate in several projects. No funding is needed from the Town in the partnership and all planning and supervision will be provided by the Western Slope Conservation Center. Trustee Watson provided her input regarding proper weed mitigation and chemical weed kill application. Trustee King moved to approve the partnership and submittal of the GOCO grant application with the Western Slope Conservation Center. Trustee Kleinman seconded and the motion passed unanimously. If the grant is awarded, the project is slated for spring, 2015.

Marston – Refund Request

Trustee Bradford stated the Streets Committee met to discuss Mr. Ed Marston's refund request for funds paid to facilitate extra parking availability as part of the Harvester Building upgrades. Trustee Bradford moved that the Board of Trustees deny the refund request based on the statute of limitations having expired. Trustee King seconded the motion and added that the Board's responsibility is to insure existing codes and ordinances are followed and is incapable of addressing previous Council's methodology. Trustee Stewart added that while he agrees with the motion he strongly suggests that the current Board be diligent in correcting problems in current ordinances that cause these situations to occur. Trustee Bradford added that the staff needs to prepare a response to Mr. Marston addressing the points of his letter. Trustee King stated his second on the motion still stood. The motion was brought to a vote and passed unanimously.

Fiesta Vallarta dba Sol Margaritas – Liquor License Renewal

No one was present on behalf of Sol Margaritas. The Board reviewed the application requesting a liquor license renewal. Chief Leon noted no negative reports. Attorney Marek informed the Board that a box was incorrectly marked on the application. Trustee Stewart moved to approve the liquor license renewal for Sol Margaritas provided the applicant corrects the application. Trustee Watson seconded and the motion passed unanimously.

Town Manager – Finalists Recommendation

Interim Manager Steve Rabe stated that the Board was fully updated at the work session prior to the regular meeting this evening. The Town received twenty-eight (28) applications for the Town Manager position. Eight (8) semi-finalists were interviewed by Mr. Rabe and the Department of Local Affairs (DOLA) representative, Elyse Ackerman-Casselberry. Mr. Rabe informed the Board that time was of the essence in making the list public due to statute publication requirements prior to the interviews and suggested the list of the finalists be read for the record. Mayor Schwieterman read the names of the four (4) finalists. Jane Berry of Cowdrey, CO; Steve Cottrell of Dunedin, FL; Catherine Green of Monument, CO; and Jerry L'Estrange of Buena Vista, CO. Trustee Stewart moved to approve the list of finalists. Trustee Bradford seconded the motion. Trustee Gould questioned whether Clerk Peterson applied for the position. Mr. Rabe stated it is not legal to divulge that information. The motion was brought to a vote and passed unanimously.

Additional Business

Mayor's Report: Mayor Schwieterman reported that the Colorado Municipal League (CML) district meeting was the week prior. The CML meetings are a good opportunity to meet and share with other municipalities. Mayor Schwieterman added that informative discussions were had regarding the recreational marijuana vote within local communities as well as towns that are allowing recreational facilities and how they are regulating them.

Century Link offers technology grants for teachers. While this area does not receive services from Century Link, the information has been passed along to the Paonia High Technology teacher. DOLA discussed Disaster Management Plans in light of the substantial flooding that occurred last year in Colorado. Mayor Schwieterman stated the Town plan is a good plan, but does not address the needs in situations like the flooding last year. The information has been passed on to Chief Leon.

Town Manager: Manager Rabe submitted a written report. As stated earlier, Mr. Rabe plans to have the Town code amendments completed and to the Board by the October 28, 2014 regular meeting, with a vote likely at the first regular meeting in November.

Public Works: Director Loberg reported that a pressure reducing valve failure caused a water leak that affected the Paonia Care and Rehab center on Wednesday. The repair was completed and water restored within an hour. On Friday a leak was detected on Third Street. The leak has been repaired and concrete is scheduled to be poured this week with the road re-opened by Friday.

The bids received for the IMG storage tank roof repair came in substantially over expectations. WestWater Engineering worked on alternatives to bring down the costs. Mr. LaBonde and Kelly Knowles recommend the Town approve an alternative bid from Alpine using a pre-engineered building with short walls to replace the failing roof structure over the IMG storage tank. Including demolition the new bid comes in at \$382,000. The Town currently has \$350,000 allocated, with \$200,000 coming from DOLA. Discussion ensued regarding the overages, how the Town planned to cover the \$32,000 difference between the monies allocated and the estimated cost, and whether the sum could be negotiated down further. Mr. LaBonde stated he will go back to Alpine to see if there is any room to bring the \$382,000 estimate down and whether DOLA could allocate any additional funds to offset the difference. Trustee King moved to approve WestWater Engineering to negotiate the final agreement with Alpine in an amount not to exceed \$382,000 for the reconstruction of the IMG storage tank roof. Trustee Kleinman seconded and the motion passed unanimously.

Police Report: Chief Leon submitted a written report. There are four (4) thefts listed in the report.

1. Civil dispute with family/caretaker over missing items.
2. A stolen propane tank from a yard.
3. Extra newspapers taken from Don's Market.
4. Prescription medications stolen.

The police department has enlisted a few task forces to assist with the library and liquor store burglaries. The suspects are no longer residing in the North Fork area. Trustee Gould asked if there has been an increase in vandalism at the Town Park. Chief Leon stated no, there has not been an increase in vandalism at the Town Park and that the parks contractor has made no attempts to contact or report any illegal activity to the police department.

Finance Report: Trustees Stewart and Bradford continue to meet and review all financials. Town Attorney Marek has submitted a request for the Town to reimburse him the costs for the annual CML law seminar and two (2) nights lodging. The cost for the seminar is \$245 and \$240 for lodging. Finance Officer Jones stated there is money budgeted for continuing education and training, but she was not sure what remained. Trustee King moved to approve up to \$500 for Attorney Marek to attend the CML municipal law conference. Trustee Kleinman seconded and the motion passed unanimously.

Trustee Stewart reported that due to the failure of the former Finance Officer Kristin Chesnik to perform her duties and file 941 payroll tax returns and 1099 forms, the Town owes taxes and tax penalties totaling \$25,426.86. Trustee Bradford and Stewart commended Finance Officer Cindy Jones on working with the Internal Revenue Service (IRS) to substantially decrease the tax penalties and assessments. Trustee King asked for a breakdown of the costs. Trustee Bradford Stated \$6,574.96 was owed for withholding and \$16,651.90 was owed for failing to file. Trustee Stewart asked for clarification that all the vendors have been verified. Finance Officer Jones stated all vendors and payments were verified with copies of the checks and invoices provided to the IRS. Trustee King moved to pay the taxes and penalties to the IRS. Trustee Bradford seconded and the motion passed unanimously.

Trustee Bradford provided a draft ordinance addressing Trustee compensation. The item will be on the October 14, 2014 agenda.

Parks Report: Nothing to report.

Personnel Report: Nothing to report.

Public Safety Report: Nothing to report.

Street Report: Trustees Bradford and King are planning to review policies for street lights in Town following a citizen complaint. Trustee Watson stated goat-head thorns are a concern for cyclists and dogs. Trustee Watson believes the Town needs a more aggressive policy regarding Town intervention when not handled promptly by citizens.

Water/Sewer Report: Trustee King plans to meet with the Delta County Administrator to discuss the airport and would like input from the Board of Trustees regarding the airport. The next airport advisory committee meeting is scheduled for October 16, 2014.

Minutes:

Trustee Stewart moved to accept the minutes of September 9, 2014. Trustee Bradford seconded and the motion passed unanimously.

Disbursements:

Trustee Stewart moved to pay the bills through September 23, 2014. Trustee Bradford seconded and the motion passed unanimously.

8:50 p.m. Meeting adjourned.

Town Deputy Clerk, Corinne Ferguson

Mayor, Neal Schwieterman