

Minutes
Regular Town Board Meeting
Town of Paonia, Colorado
May 28, 2019

RECORD OF PROCEEDINGS

Roll Call

PRESENT

Mayor Charles Stewart
Mayor Pro-Tem Chelsea Bookout
Trustee Mary Bachran
Trustee William Bear
Trustee Karen Budinger
Trustee Samira Hart
Trustee Dave Knutson

Approval of Agenda

Motion made by Trustee Hart, Seconded by Mayor Pro-Tem Bookout to amend agenda removing Clark Avenue Sewer-line Bid Award. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Announcements

Administrator Knight is on vacation and out of the office until June 9th.

Recognition of Visitors & Guests

None.

Consent Agenda

The Board of Trustees were given five (5) minutes to review draft minutes from May 14, 2019. Trustee Knutson requested the removal of Consent Agenda Kid's Pasta Project Special Event Permit. Corrections noted for draft April 23rd minutes.

Consent Agenda – Work Session and Regular Minutes April 23, 2019
Consent Agenda – Regular Minutes May 14, 2019
Paonia Liquors, LLC - License Renewal

Motion made by Trustee Bachran, Seconded by Trustee Hart to approve consent agenda as amended. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Removed Consent Agenda Item - Special Event Permit - Kids Pasta Project - Edesia Kitchen Discussion ensued regarding the liquor license approval time, ending at 10pm. Edesia variance requires events stop service at 9pm. The liquor license must include the time for clean-up following the event. Clerk Ferguson will remind the event holder of the 9pm ending requirement.

Motion by Trustee Bear seconded by Trustee Knutson to approve Kids Pasta Project Special Event Permit at Edesia Kitchen. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Mayor's Report

Proclamation - Colorado Bike Month

Mayor Stewart read the Colorado Bike Month proclamation for the record.

Proclamation – Rural Philanthropy Days

Mayor Stewart read the Rural Philanthropy Days proclamation for the record declaring June 12-14, 2019 as Rural Philanthropy Days.

Staff Reports

Administrator's Report

In the absence of Administrator Knight Clerk Ferguson provided information regarding upcoming events and projects to the Board of Trustees.

Public Works Report

Spring Clean-up completed today. Most successful event.
Spilling approximately 700,000 gallons at 1mg plant.
Spilling approximately 200,000 gallons at 2mg plant.
Parks preparation continues. Difficult to mow in rainy weather.

Trustee Bear noted the parks look unkempt.

Police Department Report

Last day of school was May 24th.
Received only positive feedback regarding the SRO program.
The Paonia community Back the Badge presentation is set for June 19th.
Up over 100 incidents from this time last year.
Officer Vassel beginning bike training soon.

Town Treasurer Report

Reviewed payroll and disbursements.

Reviewed April fund balances.
Audit activity continues.
Continuing to investigate refinancing of existing USDA loan, including a request for additional funds for Stahl, Highway 133, and Price Road sewer line extension. Plan to bring before the Board at a future meeting.

Disbursements

Motion to approve disbursements as presented.
Motion made by Trustee Budinger, Seconded by Trustee Hart.
Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Unfinished Business

Ordinance 2019-04 Municipal Code Modification and Addition to Chapter 6, Article 1. – Alcoholic Beverage Licenses; an Ordinance Permitting Alcohol Beverage Tastings

Mayor Stewart read the title and opening statement for Ordinance 2019-04 for the record. This is the second reading of the ordinance.

Motion to approve the second reading of 2019-04, Municipal Code Modification and Addition to Chapter 6, Article 1. – Alcoholic Beverage Licenses; an Ordinance Permitting Alcohol Beverage Tastings.

Motion made by Trustee Bear, Seconded by Trustee Hart.
Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson

Colorado Code Consulting Contract – Collaborative Update of Building Code
Mayor Stewart noted concern with the proposed contract fee sections and requested clarification for paragraph 6 of the contract.

Motion made to table the contract to the next meeting.
Motion made by Trustee Hart, Seconded by Trustee Bachran.
Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

North Fork Ambulance District - Lease

Trustee Knutson recused himself from discussion and voting on this item, noting conflict of interest having worked as a consultant for the ambulance district.

Mayor Stewart provided an overview of the existing lease agreement and history of the NFAA location. Trustee Bear questioned the lease length of twenty (20) years and the rental amount.

Attorney Nerlin disclosed that J. David Reed PC serves as attorney for the NFAA but has made it clear that in respect to this agreement the firm represents the Town. A perpetual lease is in place and under negotiation with Hotchkiss as well.

Treasurer King noted 2 observations – the approval of a 5.25 mill levy and some consideration for managing the agreement and relationship with new NFAA should be considered.

Discussion ensued regarding lease length and fee.

Michelle Pattison - Second Street - asked if the low rent amount would be considered an in-kind contribution.

Bill Brunner - Second Street - Believes as a citizen it is not fair to give them free rent after the vote to increase their budget.

Motion to amend leases length to ten (10) years and five (5) year renewal periods after. Motion made by Trustee Bear, Seconded by Trustee Hart.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart.

Main amended motion carried. Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart.

New Business

Colorado Detours, LLC – Commercial Use of Public Property

Jo Ann Jarreau was present on behalf of Colorado Detours, LLC. Ms. Jarreau presented the materials included in the packet requesting use of the Twin Lakes property to load and unload vehicles and carriages for guided tours.

Ms. Jarreau noted the benefits to the Town and commercial businesses in Paonia and added concern with the costs for use of the property, adding that they believe the costs would be prohibitive to the start-up business.

Discussion ensued regarding a license agreement, the maintenance and upkeep of the property, the tour route, and fees associated.

Motion to approve a fee of \$10 a day to be reviewed at 60 days following commencement of tours.

Motion made by Trustee Knutson, Seconded by Trustee Hart.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Motion to schedule follow-up and review of the license agreement at next regular meeting and to approve events until next Board meeting at \$10 per day.

Motion made by Trustee Bookout, seconded by Trustee Hart.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

A five (5) minute recess was called.

Water Incident After Action Report - Review and Acceptance

Mayor Stewart noted the receipt of the after-action report and the need to set a special meeting for public discussion for water related issues.

Discussion ensued regarding setting the special meeting for public discussion.

Motion to set special meeting for Monday, June 24, 2019 at 6pm.

Motion made by Trustee Bear, Seconded by Trustee Budinger.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Bill Brunner - suggested the Town invite WestWater Engineering to the after-action meeting.

Business Licensing - Discussion

Trustee Knutson provided an overview of the reasons for the need for a business license or tracking mechanism for a nominal business license/registration and fee.

Discussion ensued regarding the benefits and drawbacks of business licensing from the commercial user and Town staff side.

Treasurer King recommended the Board seriously consider implementing business licensing.

Michelle Pattison – Second Street - questioned how a new requirement at the Town level would differ from the State sales tax license and suggested businesses be incentivized by registering and being included on the Town website.

Mary DiFranco – Seventh Street - believes regulations can be cumbersome and stated she would be in support if the process was considerate of time to fill out paperwork.

Kathy Briggs - concerned regulations could become extensive.

Monica Foguth - suggested a fee scale based upon in-town residents and out-of-town residents.

Discussion ensued regarding process to put in to effect resolution vs. ordinance.

Trustee Hart suggested the Town be in front of the issue and suggests the Town address it now and move forward.

Motion to direct Town Attorney to prepare a draft ordinance for business licensing for Town of Paonia.

Motion made by Trustee Hart, Seconded by Trustee Budinger.

Trustee Knutson - suggested the Board have an additional meeting for discussion and ideas prior to ordinance drafting.

Motion to amend main motion by Trustee Knutson, Seconded by Trustee Bachran.

Motion to continue discussion at next meeting.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Short-Term Rental – (Airbnb, VRBO) – Discussion

Trustee Hart provided an overview of the need for a discussion regarding short-term rentals in Town. Trustee Knutson added a list of benefits and issues for homeowners and brick and mortar businesses.

The Governmental Affairs Committee is looking for Board direction.

Discussion ensued regarding short-term rental issues and lack of long-term rentals.

Ann Marie Gambino - Second Street – Realtor – stated taxes are being paid through the rental websites. In Durango they are licensed and only so many are available.

Town does not have a lodging tax but VRBO's are required to have and pay a sales tax.

Patrick McCarney - noted that AirBnB collects sales tax as do other companies, but renter to owner transactions and are harder to track. Suggested coming up with a balance.

Kathy Briggs noted it is easier to keep up maintenance on a short-term rental vs. a long-term rental and that short-term rentals attract tourists.

Monica Foguth - noted long-term rentals are difficult and there are demands, but thinks it is important to create space for those who work hard and want to live here as well. There needs to be a balance.

Mary DiFranco - stated it was a surprise to hear there is a long-term rental shortage when she had a property sit open because of a no pet requirement.

JoAnn Jarreau - Orchard Avenue - encouraged the Board to look at the master plan to discuss community planning in general.

Current Town Code restricts rooming houses to R-2 by special review and no commercial use in residential zones.

Trustee Hart stated there are multiple different viewpoints and believes the Board and community could find a balance.

Committee Reports

Finance & Personnel

None.

Public Works/Utilities/Facilities

Met May 20th to discuss:

Lining of 2mg tank.

Park tree trimming.

Meter installation.

Road annexations.

Alternative ways to deal with 2nd and Grand drainage issues near Ollies ice cream.

Reviewing trees along sidewalks.

Miner Wall Plaza dedication re-scheduled to July 4th.

Governmental Affairs/Public Safety

None.

Space to Create

Moving forward with master plan.

Tree Board

None.

Adjournment

Motion made by Trustee Hart, Seconded by Trustee Bachran.

Voting Yea: Mayor Pro-Tem Bookout, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Hart, Trustee Knutson.

Meeting adjourned at 9:15pm

J. Corinne Ferguson, Town Clerk

Charles Stewart, Mayor