

Minutes
Special Town Board Meeting
Town of Paonia, Colorado
July 15, 2019

RECORD OF PROCEEDINGS

Roll Call

1. Roll Call

PRESENT

Mayor Charles Stewart

Trustee Mary Bachran

Trustee William Bear

Trustee Dave Knutson

ABSENT

Mayor Pro-Tem Chelsea Bookout

Trustee Karen Budinger

Trustee Samira Hart

Approval of Agenda

1. Approval of Agenda

Discussion ensued regarding Mr. Brunner request to amend the agenda to include tap moratorium.

Motion made to approve the agenda as presented.

Motion made by Trustee Bear, Seconded by Trustee Knutson.

Voting Yea: Trustee Bachran, Trustee Bear, Trustee Knutson.

Unfinished Business

1. Continued Discussion – Water System

Mayor Stewart provided an outline to guide Staff, Board, and public discussion.

Public Works Director Loberg is absent due to a water leak and will return as soon as possible.

Administrator Knight presented information from the request for proposal (RFP) based on direction given at the previous special meeting, including the items requested, date deadlines, and preliminary report schedules.

Administrator Knight suggested the Board consider soliciting bids from engineering firms who are not familiar with the system and may be able to come to the Town with a reference based on the current situation, not based on old data or assumptions from previous involvement on Town projects.

Mayor Stewart added that engineers who have worked on the system in the past have a knowledge that may equate to cost-savings and a quicker outcome.

Trustee Knutson trusts the Administrator and Public Works Committee recommendation.

Trustee Bear agrees with Administrator Knight's suggestion to solicit new engineering firms.

Trustee Bachran questioned how the Town will solicit new firms?

Discussion ensued regarding solicitation of bids and scope of services.

Trustee Bear requested an analysis of the water event and preventative measures as well as additions to the water plant process.

Motion made to include analysis of water failure and preventative measures.

Motion made by Trustee Bear, seconded by Trustee Bachran. Unanimous.

Motion made to include a monitoring program of water flows and other critical data.

Motion made by Trustee Bear, seconded by Trustee Bachran. Unanimous.

Motion made to include an analysis and study of a cross-connection plan from Reynolds Creek to the upper system.

Motion made by Trustee Bear, seconded by Trustee Bachran. Unanimous.

Motion made to request each item be individually priced to allow the Board to pick which services to move forward with.

Motion made by Trustee Bear, seconded by Trustee Bachran. Unanimous.

Motion made to add the additional verbiage and required competencies.

Motion made by Trustee Knutson, seconded by Trustee Bachran. Unanimous.

Trustee Bookout joined the meeting at 6:33pm.

Mike Drake - Stewart Mesa Water Company Board member- questioned the staff ability to correctly operate a water model and how the bids will be evaluated. Mr. Drake added that training an inadequately educated staff member won't make them able to run the model.

Bill Brunner – 2nd Street – suggested the Town request the engineer run the model for the Town and ask the engineer to review what the Town has for flow data and include the spring conditions.

Christina Patterson - Is there a way to utilize the people in the community and create a Board from people in the community like the Space to Create Board.

Thomas Markle - What is the budget for the item?

Administrator Knight - The funds would have to come from the water reserve by motion of the Board to amend the budget, which currently has approximately \$500,000.

Mike Drake - Plan, Past Performance, and cost - will need the team evaluating and those providing the proposal to describe each part and assign a priority level.

Dave Herz - The Town may want to consider a fire-flow analysis. Those demands can be disruptive to the system.

Motion made to approve the RFP as amended.

Motion made by Trustee Bear, Seconded by Trustee Bachran. Voting Nay: Trustee Knutson. Motion carried.

Open Discussion:

Trustee Bear - provided previous fire-flows analyzed and noted appropriateness of the comments regarding the water model.

Does the Board wish to give Administrator Knight or Attorney Nerlin authority to begin discussions with Arch Coal regarding the stand-by taps?

Administrator Knight added the only conversation current with Arch Coal is the discussion at the previous meeting.

Discussion ensued regarding the timing of discussions and negotiations with Arch Coal.

James Sorensen - Questioned if Administrator Knight is the best person to send to negotiate with Arch Coal, given his volatile interactions with townspeople.

Motion made to instruct staff to begin discussion with Arch Coal regarding stand-by water taps.

Motion made by Trustee Bachran, seconded by Trustee Bookout. Voting nay: Trustee Knutson.

Trustee Bear requested an update regarding domestic and irrigation water utilized in Town.

Motion made to direct staff to develop a plan to provide irrigation water to Lees and Poulos park.

Motion made by Trustee Bear, seconded by Trustee Knutson. Unanimous.

Motion made to direct staff to develop a plan to irrigate historical society.

Motion made by Trustee Bear, Seconded by Trustee Bachran. Unanimous.

Administrator Knight plans to have an RFP for mapping soon and believes the Board should consider a water ordinance regarding conservation rates. The last rate study has established the base rate which is the system maintenance rate, then there is a charge for water.

Motion to instruct staff to install residential electronic meters throughout all of Town limits by the end of year.

Motion made by Trustee Bear, Seconded by Trustee Bachran.

Motion to amend main motion to instruct staff to install remaining stock of residential electronic meters in Town limits.

Motion made by Mayor Pro-Tem Bookout, Seconded by Trustee Bear. Unanimous.

Main motion as amended. Unanimous.

Mayor Pro-Tem Bookout added to budget for remaining meters for 2020.

Mayor Stewart believes the Water District discussion is appealing, but a component people are forgetting - a vote to set up district - and a vote by people in Town of Paonia agreeing to sell the assets of the Town at market value. Water, infrastructure, etcetera, would be substantial amount of money. If it were to happen the water rates would skyrocket to assist the district in paying off the debt.

Trustee Bachran also added the election component and expenses, districts, and creation of a board which would answer to the Board of Trustees.

Public Discussion:

Thomas Markle – feels the fee structure for Town sets up additional tap fees based on business uses. The system punishes conservation and should be reviewed. The Town can make rules regarding use of grey water as well.

Kris Kendall – Questioned what kind of information would be requested from water companies, and believes it is not any of the Towns business who lives in out of town houses or how much water used. Wants water companies to have some say.

Bill Brunner - Provided two graphs from previous water studies from 1999 and 2004, and his explanation of the graphs. The studies say the Town needs to build seasonal storage. Carrying forward with a plan to put a moratorium on tap sales until an engineer quantifies what can be served. Asking the Board to consider this and include the Town attorney to write it. Believes tap purchase costs should be increased right now.

Town statutes require a Board of governors to maintain the Town system. The Town Board has set themselves as the governor but could delegate that to other people.

Trustee Bookout – Believes many of the current issues have been ongoing for years, and it is not because people sitting at this table right now that created this situation. The Board members find it difficult when receiving constant push-back - we are trying to make educated decisions now. Everyone up here is doing the best they can. No one up

here wants to see the water system fail.

Mayor Stewart directed Public Works Director Loberg to describe the various changes in the system since 2004 at a future meeting.

Motion to recess for 5 minutes.

1. CHC – Colorado Oil & Gas Conservation Commission – Rulemaking and Bureau of Land Management – Revised Master Plan

Andrew Forkes-Gudmundson - presented packet information, beginning with the Rule-making discussion and a desire to explore avenues of engagement for the Town with the Colorado Oil and Gas Conservation Commission (COGCC). This is a perspective conversation. This is the attempt of CHC to provide information ahead of time.

Administrator Knight stated the Board of Trustees have not appointed a designee. A local government designee is intitled to notice for things happening in and around the jurisdiction, direct notice in rule-making and would be granted some authority to speak on behalf of the Board.

Discussed potential of appointing a designee within conservation groups or a Board member and approximate time commitment.

Discussion began regarding the BLM Resource Management Plan (RMP) and a request for the Board of Trustees to submit a protest, including many of the protection requests submitted in the 2016 letter. A draft protest was included in the packet which includes the following topics.

1. Source water protection
2. Town infrastructure
3. Health risks

Patrick Dooling - WSCC added information regarding surface occupancy and drilling limitations.

4. Protection of wildlife
5. Jumbo Mountain Protection Acreage

Mayor Stewart again noted his concern with the Board participating in too many projects, some of which are outside of the scope of the Town.

Discussion ensued.

Four community members spoke in favor of submitting a protest letter.

Motion made to draft a protest letter incorporating previous letter - to be drafted by Administrator Knight and placed on regular meeting agenda for approval.

Motion made by Mayor Pro-Tem Bookout, seconded by Trustee Bachran.

Voting nay: Trustee Bear. Motion carried.

Mayor Pro-Tem Bookout thanked the public for sharing and to continue to share by sending e-mail.

Discussion ensued regarding who will be the signer of the letter.

Discussion ensued regarding the timeline for letter submittal and the drafting of a request regarding the governor's consistency review process. Requested a brief letter be submitted to the governor.

Adjournment

Motion to adjourn.

Motion made by Trustee Bachran, Seconded by Mayor Pro-Tem Bookout. Unanimous.

J. Corinne Ferguson, Town Clerk

Charles Stewart, Mayor