

**Minutes**  
**Regular Board Meeting**  
**Town of Paonia, Colorado**  
**February 25, 2020**

**RECORD OF PROCEEDINGS**

The Regular Board Meeting held Tuesday, February 25, 2020, was called to order at 6:32 PM by Mayor Charles Stewart, followed by the Pledge of Allegiance.

**Roll Call:**

Board members present were as follows:

Mayor Charles Stewart  
Trustee William Bear  
Trustee Mary Bachran  
Trustee Karen Budinger  
Trustee Dave Knutson  
Trustee Michelle Pattison  
Trustee Carolyn Diehl

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

**Approval of Agenda**

Motion by Trustee Budinger, seconded by Trustee Bachran to amend the agenda adding the recognition of Judge Brad Coleman. Voting aye: Trustee Bear, Trustee Budinger, Trustee Bachran, Trustee Knutson, Trustee Pattison, Trustee Diehl. Motion carries.

**Announcements**

**Recognition of service – Judge Brad Coleman**

Mayor Stewart presented Judge Brad Coleman with a plaque for his service from 1988 – 2019. Judge Coleman thanked the Trustees and stated that there was no political pressure from the Town during his tenured time.

**Visitors and Guests**

Bill Brunner expressed his concerns in regard to the Erick Pace case.

**Consent Agenda**

**Regular Minutes – January 28, 2020**

**Special Event Permit – Elsewhere Studios – Edesia Kitchen.**

Discussion ensued by Administrator Ferguson regarding the non-compliant status of Elsewhere Studios non-profit certificate of good standing.

Motion by Trustee Knutson, seconded by Trustee Bear to approve the consent agenda with (3) three corrections made to the January 28, 2020 meeting minutes. Voting aye: Trustee Bear.

Motion by Trustee Bachran, seconded by Trustee Pattison to approve Special Event for Elsewhere Studios contingent to the Colorado Secretary of State website of an updated certificate of good standing, showing status as compliant. Voting aye: Trustee Bear, Trustee Budinger, Trustee Bachran, Trustee Knutson, Trustee Pattison, Trustee Diehl. Motion carries.

### **Mayor's Report**

Discussion ensued by Mayor Stewart regarding the agenda.

- No additional documents will be added to the agenda after the agenda meeting - only in an emergency – meeting is held on Thursday mornings.
- Agenda scheduling requirements and Preparation of the packet - 24 hours in advance to add additional document to the agenda before its posted.

### **Staff Reports**

#### **Administrators Report**

- Received energy impact assistance for the asset inventory grant – first meeting with SGM will be in April 2020.
- Preliminary planning of the asset inventory will begin in April 2020
- Working in conjunction with Town Attorney Nerlin on proper procedure to address a town property zoned as dual zoning.
- Administrator Ferguson discussed the occurrence of the Town e-mail spoofing. A twostep verification will be in place.
- Last master plan community meeting February 26, 2020.
- Planning and Zoning building code review meeting February 27, 2020.
- Administrator Ferguson attended the Delta County Economic Alliance – continued to work on the IGA and MOU between individual municipalities, along with delta County Economic Alliance, and Delta County.
- Invited an executive member of th Delta County Economic Alliance and the Mayor of Hotchkiss to provide an update and discuss the Towns participation – request to be on the agenda for March.
- Administrator Ferguson attended a Commissioners meeting to review a boundary adjustment outside of Town that affects an in-Town lot.
- Administrator Ferguson attended a Commissioners meeting – correction to the map was noted of a Town road easement. Once the correction is made the Commissioners will review.

#### **Public Works Report**

- Continue to fill potholes.
- Found 3 main line leaks on an old line they were repaired.
- Found 1 service line leak on an old line they were repaired.
- 2 M – spilling 93,000 gallons per day.
- 1 M – 93,000 gallons per day.
- Water production 159,000 per day.

#### **Police Report**

- 3 Police Officers will be at a trial
- Investigating a sex assault incident.
- Met with Sheriffs and Chiefs regarding Back the Badge.
- Police blotter was included in the packet.

- Financial account analysis documents were in the packet.

#### Resolution 2020-03 – 2019 budget amendment

Resolution 2020-03 was presented to the Board of Trustees to amend the 2019 budget.

Resolution 2020-03, and document comparison of the original budget, and revised budget were included in the packet.

Discussion points due to changes made throughout the year.

- Bridge project did not move forward.
- Grant revenue
- Collected extra tap fee charges.
- Reconciled 2019 budget with 2020 actual expenses.

Discussion point due to the non-budgeted items:

- Clark project cost
- Trash truck repairs
- Up dated budget included depreciation.

Motion by Trustee Budinger, seconded by Trustee Knutson to adopt Resolution 2020-03 to amend the 2019 budget. Voting aye: Trustee Bear, Trustee Budinger, Trustee Bachran, Trustee Knutson, Trustee Pattison, Trustee Diehl. Motion carries.

#### **Disbursements**

Motion by Trustee Budinger, seconded by Trustee Knutson to approve disbursements as presented. Voting aye: Trustee Bear, Trustee Bachran, Trustee Budinger, Trustee Knutson, Trustee Pattison Trustee Diehl. Motion carries.

Disbursement documents were included in the packet.

#### **Unfinished Business**

##### AMKO Advisers Filing Services Agreement Engagement Letter - Discussion Continued

The continued discussion on the AMKO Advisers regarding the bond counsel engagement letter by the Board of Trustees and Town staff. Bond council letter along with AMKO Advisers letter addressed to Mayor Stewart, and the Acknowledgment were included in the packet.

Discussion Points:

- AMKO Advisers bond - \$10,000 bond counsel services payable upon closing the loan
- Email from AMKO Advisers confirming the fees was received and sent out by Finance Officer Cindy Jones.
- Language not clear.

Motion by Trustee Bear seconded by Trustee Bachran to approve and authorize Mayor Stewart to sign AMKO Advisers engagement letter. Voting aye: Trustee Budinger, Trustee Bachran, Trustee Knutson, Trustee Bear, Trustee Pattison, Trustee Diehl. Motion carries.

##### Ordinance 2020-TBD-Refund Water and Sewer Revenue Bond Series 2006-06 and Issuance of Revenue Refunding Bond Series 2020A.

Mayor Stewart read the proposed Ordinance 2020-TBD caption. An updated ordinance 2020-TBD was included in the packet.

- Discussed section 6. Prior Redemption (a) Optional Redemption of the Series 2020A Bonds.
- Discussed section 18. Flow of Funds (a) The Town hereby creates the following special accounts. (i) rebate account.
- Cost of process
- Treasurer King received a memorandum of fees from AMKO Advisors.

Public concerns:

- Enterprise funds – revenue is secured by the enterprise not the assets of the funds.
- Failure to pay bonds – will cause Town to raise rates.

Motion by Trustee Bachran, seconded by Trustee Budinger to adopt Ordinance 2020-TBD. Voting aye: Trustee Budinger, Trustee Bachran, Trustee Knutson, Trustee Bear, Trustee Pattison, Trustee Diehl. Motion carries.

#### Updated Preliminary Official Statement - AMKO Bond Refinance

Discussion ensued regarding the updated preliminary official statement. A revised preliminary official statement was included in the packet. Town Attorney Nerlin reviewed and stated more time is needed to review the documents further.

Discussion Points:

- Discussed page 12. The Bonds
- Discussed the inclusion of the moratorium – stated on page 16 under Moratorium on Additional Water Taps.
- Discussed page 21. Water system customers section regarding no bill – no bill states town properties accounts that receive no billing.
- Change the expiration date on page 27. Board of Trustees - Trustee Knutson term - change from 2022 to 2020.
- Change the wording on page 27. - Administrator to Interim Administrator.
- Final statement to be presented to the board for approval.

Motion by Trustee Bachran, seconded by Trustee Budinger to approve the Preliminary Official Statement. Voting aye: Trustee Budinger, Trustee Bachran, Trustee Knutson, Trustee Bear, Trustee Pattison, Trustee Diehl. Motion carries.

Main motion amended by Trustee Bachran, seconded by Trustee Budinger to adopt the Preliminary Official Statement with amendments. Amend the expiration date of Trustee Knutson's term from 2022 to 2020 and amend wording on page 27. Administrator to Interim Administrator. Voting aye: Trustee Budinger, Trustee Bachran, Trustee Knutson, Trustee Bear, Trustee Pattison, Trustee Diehl. Motion carries.

#### AMKO - Filing Services Agreement

Discussion ensued regarding the AMKO filing services agreement. Agreement was included in the packet.

Discussion points:

- AMKO filing service agreement provides filing assistance to the town.

Motion by Trustee Bachran, seconded by Trustee Knutson to approve and authorize Mayor Stewart to sign AMKO filing services agreement. Voting aye: Trustee Bachran, Trustee Budinger, Trustee Knutson, Trustee Bear, Trustee Pattison. Voting nay: Trustee Diehl. Motion carries with 5 ayes and 1 nay.

#### New Business

#### Western Slope conservation Center – 2020 Riverpark Project Updates

projects.

Discussion Points:

- Received grant
- Add an outdoor shade structure to the picnic area.
- Riverpark outdoor amphitheater coming summer 2021
- Working on the adjacent property at the Paonia High School area to put in a trail system - coming summer 2021.
- GOCO grant failed for replacement of the Minnesota bridge.

Citizens for a Healthy Community – Council on Environmental Quality Rulemaking to Amend National Environmental Policy Act Regulations – Comment Letter.

Discussion ensued by Natasha Ledger; CHC Executive Director asked the board members to engage in the council of environmental quality.

Discussion Points:

- Draft letter of support from Citizens for a Healthy Community was included in the packet
- Draft a shorter letter of support - due March 10, 2020
- Possibility of a litigation process
- Set a special meeting for further discussion.
- Town Administrator to draft a letter of support.

Motion by Trustee Bachran, seconded by Trustee Pattison to set a special meeting. Voting aye: Trustee Bachran, Trustee Pattison. Voting nay: Trustee Bear, Trustee Knutson, Trustee Budinger, Trustee Diehl. Motion fails with 4 nays and 2 ayes.

Motion by Trustee Knutson to direct the Governmental Affairs Committee to draft a letter of response for the Town and submit the draft letter for review by the board at the next meeting. Motion fails for lack of a second.

Motion by Trustee Budinger to direct the Governmental Affairs Committee to draft a letter of response and include the points of public input, environmental, and judicial review for the Town and Authorize Town Administrator to sign. Motion fails for lack of a second.

Motion by Trustee Pattison, seconded by Trustee Bachran to direct the Governmental Affairs Committee in communication with Town staff to draft a letter of support and have it signed by the Town staff that includes the bullet points from the top half of page 168. Section 3. Voting aye: Trustee Bachran, Trustee Budinger, Trustee Knutson, Trustee Pattison. Voting nay: Trustee Diehl, Trustee Bear. Motion carries with 4 ayes and 2 nays.

Motion to modify main motion by Trustee Pattison, seconded by Trustee Knutson to direct staff to draft letter of support based on the (4) four bullet points of page 168. Section 3 and authorize Town Administrator to sign and submit on behalf of the Town. Voting aye: Trustee Budinger, Trustee Bachran, Trustee Knutson, Trustee Bear, Trustee Pattison, Trustee Diehl. Motion carries.

Main motion amended by Trustee Knutson, seconded by Trustee Pattison to exclude the wording from the (4<sup>th</sup>) fourth bullet point Silencing the Public. Voting aye: Trustee Budinger, Trustee Bachran, Trustee Knutson, Trustee Bear, Trustee Pattison, Trustee Diehl. Motion carries.

Dark Skies Paonia – Ordinance Discussion

Ordinance discussion moved to the next meeting in March 2020.

Paonia Land Sale Procedure

Discussion ensued by Town Administrator regarding the policies and procedures of Paonia land sale.

Discussion points:

- Town Administrator reached out to Delta County regarding their process and procedures – Delta County’s resolution outlines their process and procedures for the sale of property.
- Town Administrator asked the boards approval to move forward and continue to work on the Town’s revision of policies and procedures with Town Attorney Nerlin using the Delta County’s resolution as a template and bring it to the Board for approval at a later date.

#### Electrical Repairs – Town Hall

Town Administrator Ferguson reported the issue with lighting throughout the Town Hall building.

Discussion points:

- Receiving additional bids for lighting
- (1) one bid came in and is within budget.

#### GOCO Grant Award – Park, Recreation, and Trails Master Plan

Town Administrator Assistant Evan Bolt proceeded to report to the Board of Trustees regarding the GOCO grant award.

Discussion points:

- Received (4) four proposals – selected (2) two
- Selected Western Slope Consulting and TH and Design.
- Town Administrator Assistant Evan Bolt recommended Western Slope Consulting.
- Travel cost – Western Slope Consulting will be here (7) seven times - included in the bid cost.
- Town was awarded a great outdoors grant in September 2019.
- Request more time to review the proposals received.

Motion by Trustee Knutson, seconded by Trustee Budinger to delay decision to award until next meeting. Voting aye: Trustee Budinger, Trustee Bachran, Trustee Knutson, Trustee Bear, Trustee Pattison, Trustee Diehl. Motion carries.

### **Committee Reports**

#### Finance & Personal

- Review mayor duties during the (60) sixty-day period before April 2020 election.
- Employee liaison – appoint new member.
- Nominate a Citizen for liaison – Mayor appoints.

#### Governmental Affairs & Public Safety

- Chief Ferguson will present a revised plan and fee structure for dogs at large.
- Governmental Affairs to draft a revision of the fence ordinance.
- Building inspector will review the draft revision of the fence ordinance
- Draft revision to be presented to the board for approval.

#### Public Works – Utilities – Facilities

- Scheduling a meeting.

#### Space 2 Create

Nothing to report.

Tree Board

- Reviewed the Tree Ordinance and Tree Board duties.

**Executive Session**

**Executive session for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e); relative to Clark Alley Sewer Line Project.**

**Motion to enter executive session for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e); Specific to: Clark Alley Sewer Line Project for identification purposes only.** Motion made by Trustee Bachran, Seconded by Trustee Pattison. Voting aye: Trustee Bear, Trustee Bachran, Trustee Budinger, Trustee Knutson, Trustee Pattison, Trustee Diehl. Motion carries.

Entered executive session at 8:35pm.

Returned to open meeting at 8:56pm.

In attendance were: Mayor Stewart, Trustee Bachran, Trustee Bear, Trustee Budinger, Trustee Pattison, Trustee Knutson, Trustee Diehl, Town Attorney Nerlin, Administrator Ferguson, Public Works Director Travis Loberg.

No issues noted.

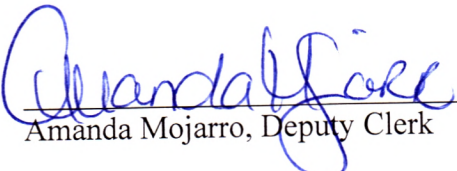
Motion by Trustee Bear, seconded by Trustee Bachran to direct Town staff to issue final settlement payment as necessary for Clark sewer line project. Voting Yea: Voting aye: Trustee Bear, Trustee Bachran, Trustee Budinger, Trustee Knutson, Trustee Pattison, Trustee Diehl. Motion carries.

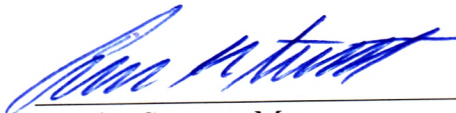
Motion by Trustee Bear, seconded by Trustee Diehl to direct Town Attorney Nerlin to draft a settlement agreement for the contractors involved with the Clark sewer line project. Voting Yea: Voting aye: Trustee Bear, Trustee Bachran, Trustee Budinger, Trustee Knutson, Trustee Pattison, Trustee Diehl. Motion carries.

**Adjournment**

Motion by Trustee Bear, seconded by Trustee Diehl to adjourn the meeting. Voting aye: Trustee Bear, Trustee Bachran, Trustee Budinger, Trustee Knutson, Trustee Pattison, Trustee Diehl. Motion carries.

Meeting adjourned at 8:58pm.

  
 Amanda Mojarro, Deputy Clerk

  
 Charles Stewart, Mayor

