

Minutes
Regular Town Board Meeting
Town of Paonia, Colorado
June 23, 2020

RECORD OF PROCEEDINGS

2019 Audit Presentation

Auditor Lisa Heman opened the meeting by presenting the 2019 Financial Statements.

Presentation points:

- The auditor explained the different jobs that are performed.
- The auditor's job process.
- Explained performing the audit process.
- Explained the additional analysis process.
- Explained the journal entry review process
- Discussed what significant adjustment process - The auditors look closely at FPPA pension activity.
- Discussed the improvements in the current year.
- Explained the internal control findings process.
- Discussed the options of having an internal control process of online transactions and purchases with credit cards.
- A Board member agreed with the procedure of signing checks as a control process and questioned regarding online purchases and wanted to know how to put control procedures for these types of purchases.
- The auditor stated that it is difficult to put a control procedure for payment on online transactions.
- Discussed the credit card internal controls.
- The auditor stated there will be disclosures about COVID-19
- The auditor's report was in the packet.

The audit presentation adjourned at 5:56 pm.

Roll Call

PRESENT

Mayor Bachran

Trustee Bear

Trustee Budinger

Trustee Knutson

Trustee Pattison

Trustee Johnson

ABSENT

Trustee Meck

Approval of Agenda

Motion made by Trustee Knutson, Seconded by Trustee Budinger, and unanimously carried to approve the agenda as presented.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

Notes: The motion unanimously carried.

Announcements

- Assistance to the Administrator Evan Bolt announced his resignation and thanked the Town of Paonia staff and Board Members.
- Mayor Bachran and the Board of Trustees thanked Evan Bolt and wished him well in his new endeavours.
- Trustee Knutson announced that he signed up as an interested party for the rulemaking of the oil and gas on behalf of the Town of Paonia.

Recognition of Visitors & Guests

2019 Audit Acceptance for Submittal.

Motion made by Trustee Budinger, Seconded by Trustee Knutson, and unanimously carried as amended to approve the 2019 audit as presented.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

Notes: The motion unanimously carried.

Main motion amended by Trustee Budinger, seconded by Trustee Knutson, and unanimously carried to approve the 2019 audit as presented and file with the State of Colorado.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

Notes: The motion unanimously carried.

Visitors & Guests

Community member Amy Deluca presented and read a letter on behalf of the downtown business owners regarding support from the town to close Grand Ave on Saturday, July 4th from 1-6 pm so businesses can have a sidewalk sale because of the COVID-19 circumstances the businesses have experienced hardship in a decline of sales.

Discussion Points:

- A Board member questioned if the request could be administratively be approved.
- Town Administrator stated that administratively a road closure only can be approved if it is (4) four hours or less. In this situation, the request to close Grand Ave is over (4) four hours, and board approval is needed.
- A Board member was concerned with other downtown businesses opposing the closure of Grand Ave.
- Town Attorney Nerlin requested to add an executive session the agenda for the special meeting on June 30th, 2020, regarding the case of Eric Pace

Motion by Trustee Pattison, Seconded by Trustee Knutson, to add the street closure as an item on the agenda for the July 14th, 2020, meeting.

Main motion amended by Trustee Knutson, seconded by Trustee Pattison, and unanimously carried to hold a special meeting on June 30th, 2020 at 5:30 pm to discuss the request of closing Grand Ave.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

Notes: The amended motion unanimously carried. An executive session will be on the agenda regarding the case of Eric Pace.

Staff Reports

Administrator's Report:

- Administrator Ferguson updated the Board on current Delta County cases with COVID-19.
- Will be attending a Back the Badge meeting with Delta County and other municipalities.
- Meeting with staff members and the Paonia Youth Center committee to discuss the interior planning updates.
- Administrator Ferguson is working with Lynn Mattingly on a revised minor subdivision plan.
- Administrator Ferguson and department heads are discussing their goals and projects for the 2021 budget season.

Town Attorney Report:

- Town Attorney Nerlin reiterated on having an executive session on June 30, 2020, special meeting at 5:30 pm.
- Reviewed the fence and marijuana ordinance – it was included in the packet.
- Working with Administrator Ferguson on Lynn Mattingly's revised minor subdivision with anticipation of an application being reviewed by the Planning Committee July 2020.

Public Works:

- Working on multiple projects.
- The week of the 7th there will be 1600 feet of spring line replaced up by the spring collection system.
- The river/sewer project will begin Thursday and required permits were acquired.
- On Monday, the Minnesota sewer project will begin.
- A small project will begin at the town park to replace the sandbox with a picnic table with anticipation of shelter for next year.
- A Board member questioned if there will be any repairs to the sidewalks - Public Works Director Loberg stated that the sidewalks they will be working on are mainly on Boxelder Ave and Third St with some being on Third St. and Delta Ave, Grand Ave, West Fourth St.
- Sidewalk repairs will include removal of trees if necessary and a notice will be sent out 30 days to the homeowner before the tree removal.

Police Report:

- Chief Ferguson – absent and Town Administrator Ferguson continued to report.
- Meeting with Delta County and other municipalities to discuss Back the Badge.
- The Police Department continues to do code enforcement.
- Board member questioned where the Drone was stored and who is licensed to pilot it. Administrator Ferguson stated the Drone is stored in the Police Department, and the staff member who was licensed to pilot is no longer with the Town.
- A Board member was concerned with the multiple code enforcements on the police blotter. Administrator Ferguson stated that a staff member is out driving regularly doing code enforcement and needs to track it in the system this was before putting red tags on doors instead a notice is now being sent out. A Board member suggested adding some kind of a reminder on their account regarding the issue.
- Police Blotter was included in the packet and the monthly energy production report for Paonia Town Hall was also included.

Unfinished Business

Ordinance 2020-TBD Modification of Municipal Code Regarding Fences, Hedges, and Walls Within the Town of Paonia

Discussion ensued by Trustee Pattison regarding ordinance 2020-TBD modification of fences and, hedges and walls within the town limits.

Discussion Points:

- Discussed the fence variance process.
- The ordinance has been on the agenda multiple times and tabled until an in-person meeting.
- A Board member commented on section 2 paragraph 2 regarding the missing language referring to hedges and walls.
- A Board member suggested having the planning committee review the language of section 2 paragraph 7 and send for recommendation to the Board of Trustees after revised.
- A Board member commented on the clerks having special training on fences, walls, and hedges to be able to approve the fence review application. Trustee Pattison stated that there will be no special training regarding the fences, walls, and hedges.
- A Board member was concerned with the exclusion of the variance process which includes notification to homeowners within 200 feet regarding what the homeowner is requesting this could cause a conflict between neighbors if it were excluded.
- A Board member stated that the cost and time it takes for variance is a lot of work to put the community through.

Public Comments:

- A community member is in favor of having the variance process in place.
- A community member suggested that the language in section 7 of the ordinance should be clarified regarding hedges.

Motion by Trustee Budinger, seconded by Trustee Knutson, and carried with (3) ayes and (1) one nay to approve Ordinance-2020 TBD Modification of Municipal Code Regarding Fences, Hedges, and Wall as amended.

Vote 3-0

Ayes: Knutson, Budinger, Johnson

Nays: Bear

Absent: Meck

Main motion amended by Trustee Bear, seconded by Trustee Knutson, and failed with (2) two ayes and (3) nays to amend language in section 7. Stating that the Town Administrator may grant a permit for fences and walls with a maximum of 6 inches, and anything above the 6 inches will need to go to the Planning Committee for review to send for recommendations to the Board of Trustees for final approval upon application in specific cases and subject to compliance with the following standards.

Vote 2-3

Ayes: Bear, Knutson

Nays: Budinger, Johnson, Pattison

Absent: Meck

Notes: The main motion amended failed. Attorney Nerlin recommended clarifying the language. The proposal is that the Administrator may grant a variance allowing a 6-inch increase provided that 1-4 standards are complied with and if the standards 1-4 are not complied with or there is an excessive height of 6-inches the applicant would have to apply for a variance under section 8 of the ordinance. Mayor Bachran stated that was her understanding of the motion. Town Administrator stated that under section 7 number 2 was not applicable if the amendment were to pass.

The main motion was amended by Trustee Pattison, seconded by Trustee Johnson, and unanimously carried with (3) three ayes, and (2) two nays stating that the application will go back to the Town Administrator for review. Approval outside of the approval of the fence will require that all 3 department heads which include the Town Administrator, Police Chief, Public Works to sign off on the change. The application would be revised to include statements from adjoining neighbors in support of the deviation from the standards.

Vote 3-2

Ayes: Budinger, Johnson, Pattison

Nays: Bear, Knutson

Absent: Meck

Notes: The main motion amended carried. Mayor Bachran concerned with who would be responsible for contacting adjoining neighbors. Trustee Pattison stated that it would be the applicant's responsibility to send letters to their neighbors. Town Attorney suggested that if the amendment is approved, he recommended this being as a direction and bring back a clean copy of the ordinance to the Board at the July's meeting.

Spiegel Fence Variance

Discussion ensued regarding Deborah Spiegel's fence variance application submitted under the current fence ordinance on April 30, 2020, and was reviewed and completed May 1st, 2020, and was referred to the Planning Commission. A Planning Commission meeting was held on June 22, 2020, to discuss the fence variance. The Planning commission and the Administrator recommended to the Board of Trustees' approval of the fence variance.

Public Hearing Opened at 7:22 pm.

No public comments.

Public Hearing Closed at 7:23 pm.

Motion made by Trustee Budinger, Seconded by Trustee Knutson, and unanimously carried to approve Deborah Spiegel's fence variance.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

Notes: The motion unanimously carried. Administrator Ferguson requested to refund some of the charges back to Ms. Spiegel. The variance application and documents were in the packet.

Ordinance 2020-TBD – Retail Marijuana Licensing and Establishments – Discussion Only

Discussion ensued regarding the ordinance 2020-TBD Retail Marijuana. The Board of Trustees directed the Governmental Affairs Committee to present a draft regarding the licensing of retail marijuana.

Discussion points:

- Questions' regarding sales tax to be on the ballot
- Pass retail marijuana in November to permit retail stores within town limits.
- Town Attorney Nerlin discussed the sales tax issue - a transaction fee is considered a sales tax fee and the question can be added on the ballot for voters to vote on.
- Discussed the marijuana licensing being similar to the liquor license process.
- A Board member is in favor of having the sales tax question be added on the ballot for the voters to vote.
- The draft ordinance was included in the packet.

One Delta County – Economic Development Participation & Intergovernmental Agreement

Motion made by Trustee Knutson, Seconded by Trustee Johnson, and unanimously carried to authorize Mayor Bachran to sign the Economic Development Participation & Intergovernmental Agreement on behalf of the Board of Trustees.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

Notes: The motion unanimously carried. Economic Development Participation & Intergovernmental Agreement was in the packet.

Paonia Skatepark Rehabilitation Project Update – Jay Canode

Discussion ensued by Jay Canode Paonia skatepark project manager regarding support from the town to improve and upgrade the Paonia skatepark. The North Fork Valley Skatepark sponsorship options and a draft support letter were included in the packet along with a drawing of the sculpture where businesses or individuals will have their name etched.

Discussion points:

- Project Manager Canode asked Delta County for support for \$40,000 and stated that Delta County did not reject the request, but is waiting to see what other communities will be contributing to support of the skate park project.
- Discussion ensued regarding the different sponsorship options - businesses or individuals will have 4 different options to choose from to have their name etched by waterjet on a sculpture. A Board member suggested that the sponsors that have purchased to have their names etched be presented to the Board members for review.

Board member suggestions:

- A Board member suggested to direct staff to present an estimate of what the town can contribute to support. Another Board member suggested putting a limit on the amount of the contribution.
- A Board member suggested writing up a letter of support for the North Fork Skatepark from the town.

Western Slope Conservation Center – Presentation of Draft Letter to Bureau of Land Management

Ben Katz on behalf of the Western Slope Conservation Center requested a letter of support from the Town of Paonia to the Bureau of Land Management.

Discussion points:

- Oil & Gas lease sales - June 30th, 2020 will be a lease sale.
- (4) Four Board members were in support of the letter to the Bureau of Land Management
- Ben Katz will draft a letter of support and add it to the agenda for the July 14th, 2020 Board meeting.

Notes: Western Slope Conservation presentation documents and a letter to the Board members were included in the packet.

Municipal Court Judge Appointment

Discussion ensued regarding the appointment of the new municipal court judge for the Town of Paonia.

Discussion points:

- Town Attorney Nerlin referred to his memo regarding the appointment of the new judge and recommended appointing Julie J. Huffman.
- Discussed salary - the municipal judge hiring committee looked into other communities' judge salaries.

Motion by Trustee Pattison, seconded by Trustee Knutson, and was unanimously carried as amended to approve Julie J. Huffman as the next Town of Paonia municipal judge.

Main motion amended by Trustee Pattison, seconded by Trustee Knutson, and was unanimously carried to include the offer of \$525 compensation plus additional conference membership and related town cost a total of \$7,740.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

Notes: The motion unanimously carried. Julie J. Huffman's and W. Bruce Joss's resume were included in the packet. An offer letter from Administrator Ferguson requested by the municipal judge committee was included in the packet, and Town attorney Nerlin's memo was also in the packet.

Parks, Recreation & Trails Master Plan Update and Approval of Steering Committee Participants

Discussion ensued on the request of the Board to approve the suggested list of entities who have agreed to participate on the steering committee.

Discussion points:

- A Board member suggested adding organizations that do seasonal activities to the list.
- Board members suggested adding other organizations like Western Slope Consulting and Beers & Gears to the list.

Motion by Trustee Knutson, seconded by Trustees Budinger, and unanimously carried to approve the suggested list of organizations for the parks, recreation & trails.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

The motion unanimously carried.

Collaboration Agreement Regarding Disbursement of Coronavirus Aid, Relief and Economic Security Act Funds to County and Local Governments

Discussed the collaboration agreement regarding disbursement of coronavirus aid, relief, and economic security act funds to county and local governments.

Discussion points:

- Process of agreement
- Types of reimbursement of funds that were not budgeted such as gloves, face masks, office shields, and waiving late fees.

Motion by Trustee Bear, seconded by Trustee Johnson, and unanimously carried to approve the collaboration Agreement Regarding Disbursement of Coronavirus Aid, Relief and Economic Security Act Funds to County and Local Governments.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

Notes: The motion unanimously carried. CARES ACT agreement was in the packet.

Continuation of Waiving Certain Utility Fees During Declaration of Local Disaster Specific to Coronavirus

Discussion ensued regarding the continuation of waiving late fees and the disconnection of services at the request of the Board.

Discussion points:

- Town waived \$800 per month in late fees.

- To date, the town has waived a total of \$2,400 in late fees.
- Town reimbursed \$250 in credit card payment fees to customers' utility accounts.
- The Town of Paonia has continued to waive the late fees.
- One Board member not in favor of the continuation of waiving credit card payment fees.
- one Board member not in favor of the continuation of waiving fees altogether.
- Administrator Ferguson suggested discontinuing waiving the credit card payment fees.
- Concerns arose regarding customers paying their utility bills on time.

Motion by Trustee Knutson, seconded by Trustee Johnson, and unanimously carried as amended to continue waiving late fees until the town's local disaster expires specifically related to COVID-19.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

The motions unanimously carried.

Main motion amended by Trustee Knutson, seconded by Trustee Bear, and unanimously carried to discontinue waiving the credit card payment fees.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

The motions unanimously carried.

Discussion Regarding Officer Appointments

Discussion ensued regarding officer appointments and the term they should serve.

Discussion points:

- Town Attorney suggested having clearer language in how it reads in the municipal code - article 3 section 2-3-10.
- (4) Trustees and the Mayor are in favor of 2-year appointments for the officers - Town Clerk, Town Treasurer, Town Attorney, and the Municipal Judge.
- The Board of Trustees directed town attorney to clarify language and that the Board of Trustees votes and appoints officers every 2 years.
- Administrator Ferguson's letter was in the packet.

Disbursements and Treasurer's Report

Treasurer's Report:

Reviewed payroll and disbursements.

Disbursements:

Motion by Trustee Budinger, seconded by Trustee Knutson, and unanimously carried to approve the disbursements as presented.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

Notes: The motions unanimously carried. Disbursements and account analysis of 2020 was in the packet.

Consent Agenda

Regular Minutes:

May 26, 2020

Special Minutes:
June 4, 2020 - table

Liquor License Renewal:
Paonia Liquors, LLC dba Paonia Liquors

The special minutes from June 04, 2020, and the Paonia Liquors, LLC dba Paonia Liquors - liquor license renewal was not in the packet due to a computer error. Administrator Ferguson requested the Board to approve the liquor license renewal for the Paonia Liquors.

Motion by Trustee Knutson, seconded by Trustee Bear, and unanimously carried to exclude the minutes from June 04th, 2020, from the consent agenda.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays:

Absent: Meck

Notes: The motion unanimously carried. A Board member requested that the liquor license renewal documents for the Paonia Liquors be included in the packet for July 14th, 2020 Board meeting.

Motion by Trustee Bear, seconded by Trustee Budinger, and unanimously carried to approve the consent agenda as amended.

Vote: 5-0

Ayes: Budinger, Johnson, Pattison, Knutson, Bear

Nays: A Board member requested that the liquor license renewal documents for the Paonia Liquors be included in the packet for July 14th, 2020 Board meeting.

Absent: Meck

Notes: The motions unanimously carried. Paonia Liquors, LLC liquor license, and the regular minutes from May 26, 2020, were approved.

Mayor's Report

Mayor's Report

- Mayor Bachran announced that Sally Kain has donated her time for the Town retreat with the Board members and Mayor.
- Discussed the day and time of when the retreat will take place - Town Board Retreat will be held on Wednesday, July 8, 2020, from 3 PM to 5 PM, Paonia Town Hall

Committee Reports

Finance & Personnel Report:

- Discussion ensued on the request of a community member wanting to be part of the Finance & Personnel Committee - need to continue the discussion of the request to have a community member serve on the committee.
- Suggested to have the meetings open to the public.
- The Liaison Committee needs to select a new member - current Liaison member Evan Bolt has resigned and will no longer be working for the Town of Paonia.
- Finance & Personnel Committee member asked the Board for feedback on the Administrator Ferguson's review forms.
- A community member was concerned with having someone from out of town to serve on the personnel liaison committee as the community member.

Governmental Affairs & Public Safety

- Meeting Wednesday, June 24, 2020, at 2:00 pm
- Discussed multiple ongoing projects - food trucks and dogs at large.

Public Works-Utilities-Facilities

- Met on Tuesday, June 23, 2020.

- Discussed multiple upcoming projects - school water meters, sidewalks, bulk water fill stations.

Adjournment

Mayor Bachran adjourned the meeting at 9:16 p.m.

Amanda Mojarro, Deputy Clerk

Mary Bachran, Mayor