

**Minutes**  
**Special Town Board Meeting**  
**Town of Paonia, Colorado**  
**November 04, 2019**

**RECORD OF PROCEEDINGS**

The Special Meeting of the Town Board of Trustees held Tuesday, November 04, 2019, was called to order at 5:03 PM by Mayor Charles Stewart, followed by the Pledge of Allegiance.

**Roll Call**

1. Roll Call

Trustees present were as follows:

Mayor Charles Stewart  
Trustee William Bear  
Trustee Dave Knutson  
Trustee Mary Bachran

**ABSENT**

Mayor Pro-Tem Chelsea Bookout  
Trustee Karen Budinger

**Approval of Agenda**

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Motion made to approve the agenda as presented.

Motion made by Trustee Bear, Seconded by Trustee Knutson.

Voting Yea: Trustee Bear, Trustee Bachran, Trustee Knutson

**Unfinished Business**

**Special Meeting – Continued Budget 2020**

Mayor Stewart started the meeting by discussing the sixth scheduled budget 2020 meeting. A copy of the draft Ordinance 2019-12 sewer rates, Resolution 2019-17 amending garbage rates and charges and Resolution 2019-18 water rates and charges were included in the packet.

Discussion Points:

- Increase on the citizens initiative – no increase
- Water taps sold - \$59,000
- Engineer – contract split between water only
- Increase \$63,665.40 – base rate
- Cost of supplies – continues to increase
- Insurance – statewide increase
- Grant match for asset inventory study.

Discussion ensued regarding the water fund reserve.

Discussion Points:

- Debt reserve – a 3-month requirement
- 10% debt reserve – water built into water power authority
- Unassigned fund balance
- Increase – infrastructure and fund projects

Discussion ensued regarding sewer fund.

Discussion points:

- Purchase of sewer tap without a water tap
- Repairs and Maintenance – sewer river line repair.
- Auto trash cleaner – sewer ponds currently is cleaned manually
- Sewer extinction – 133 loop – project funding and matching funds

Discussion ensued by Interim Administrator Corinne Ferguson regarding multiple places run off of septic systems. If the places with septic systems fail, it is required to get on the town's sewer line.

Discussion ensued regarding sewer fund reserves, Finance officer Jones stated our requirement for the reserves is above requirement, in addition, there is not enough for grant funding for capital projects.

Discussion ensued regarding trash reserves.

Discussion Points:

- Trash truck – a large part of the reserves went to the purchase of the truck.
- Rate increase – trash truck maintenance and repair and spring clean.

Discussion ensued by Interim Administrator Corinne Ferguson about the new water tier rates. Document of the rates were presented to the board members.

Discussion Points:

- 2020 water usage rate – new recommended tiers
- Water conservation
- Low water users
- Base rate increase – funds the infrastructure
- Water tiers – fund the usage
- Research other communities' water, sewer, and trash rates

Town Treasurer King recommended the board of trustees increase the rates without regard to what other communities' water, sewer and trash rate are.

Public comment:

Christine Patterson spoke about what Town of Hotchkiss and Town of Cedaredge charge.

A representative from Foothills water company concerned with water tap moratorium on how it is budgeted and the cost of testing that is mandated by the state.

Mayor Stewart stated that the water tap moratorium is budgeted in the assumption of it passing at the special election in January 2020. The budget is submitted to the state by the end of the year.

Discussion ensued by Trustee Knuston regarding forming a water district with the water companies.

Discussion ensued by Mayor Stewart the possibility of water companies to consolidate to form a water district of their own.

Discussion ensued Trustee Bear regarding sewer plant and would like for Public Works Director to be present for questions on the matter.

**Adjournment**

Motion to adjourn the meeting. Motion made by Trustee Bear seconded by Trustee Bachran. Voting yay: Trustee Bear, Trustee Bachran. Trustee Knuston.

Meeting adjourned at 6:45 pm.

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Amanda Mojarro, Deputy Clerk

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Charles Stewart, Mayor