



TOWN OF PAONIA
214 GRAND AVENUE
WEDNESDAY, MARCH 13, 2024
PLANNING COMMISSION MEETING 5:00 PM
[HTTPS://US02WEB.ZOOM.US/J/81779963203](https://us02web.zoom.us/j/81779963203)
MEETING ID: 817 7996 3203

Roll Call

Approval of Agenda

Approval of Minutes

January 17, 2024 Planning Commission Minutes
February 13, 2024 Planning Commission Minutes

Actions & Presentations

Public Hearing - No Action will be Taken at this Public Hearing

Presentation of the Draft Element of the Comprehensive Plan - Infrastructure: Water, Sewer & Treatment, Urban Forest, Sanitation & Resource Recovery.

Adjournment

I. RULES OF PROCEDURE

Section 1. Schedule of Meetings. Regular Board of Trustees meetings shall be held on the second and fourth Tuesdays of each month, except on legal holidays, or as re-scheduled or amended and posted on the agenda prior to the scheduled meeting.

Section 2. Officiating Officer. The meetings of the Board of Trustees shall be conducted by the Mayor or, in the Mayor's absence, the Mayor Pro-Tem. The Town Clerk or a designee of the Board shall record the minutes of the meetings.

Section 3. Time of Meetings. Regular meetings of the Board of Trustees shall begin at 6:30 p.m. or as scheduled and posted on the agenda. Board Members shall be called to order by the Mayor. The meetings shall open with the presiding officer leading the Board in the Pledge of Allegiance. The Town Clerk shall then proceed to call the roll, note the absences and announce whether a quorum is present. Regular Meetings are scheduled for three hours, and shall be adjourned at 9:30 p.m., unless a majority of the Board votes in the affirmative to extend the meeting, by a specific amount of time.

Section 4. Schedule of Business. If a quorum is present, the Board of Trustees shall proceed with the business before it, which shall be conducted in the following manner. Note that all provided times are estimated:

- (a) Roll Call - (5 minutes)
- (b) Approval of Agenda - (5 minutes)
- (c) Announcements (5 minutes)
- (d) Recognition of Visitors and Guests (10 minutes)
- (e) Consent Agenda including Approval of Prior Meeting Minutes (10 minutes)
- (f) Mayor's Report (10 minutes)
- (g) Staff Reports: (15 minutes)
 - (1) Town Administrator's Report
 - (2) Public Works Reports
 - (3) Police Report
 - (4) Treasurer Report
- (h) Unfinished Business (45 minutes)
- (i) New Business (45 minutes)
- (j) Disbursements (15 minutes)
- (k) Committee Reports (15 minutes)
- (l) Adjournment

* This schedule of business is subject to change and amendment.

Section 5. Priority and Order of Business. Questions relative to the priority of business and order shall be decided by the Mayor without debate, subject in all cases to an appeal to the Board of Trustees.

Section 6. Conduct of Board Members. Town Board Members shall treat other Board Members and the public in a civil and polite manner and shall comply with the Standards of Conduct for Elected Officials of the Town. Board Members shall address Town Staff and the Mayor by his/her title, other Board Members by the title of Trustee or the appropriate honorific (i.e.: Mr., Mrs. or Ms.), and members of the public by the appropriate honorific. Subject to the Mayor's discretion, Board Members shall be limited to speaking two times when debating an item on the agenda. Making a motion, asking a question or making a suggestion are not counted as speaking in a debate.

Section 7. Presentations to the Board. Items on the agenda presented by individuals, businesses or other organizations shall be given up to 5 minutes to make a presentation. On certain issues, presenters may be given more time, as determined by the Mayor and Town Staff. After the presentation, Trustees shall be given the opportunity to ask questions.

Section 8. Public Comment. After discussion of an agenda item by the Board of Trustees has concluded, the Mayor shall open the floor for comment from members of the public, who shall be allowed the opportunity to comment or ask questions on the agenda item. Each member of the public wishing to address the Town Board shall be recognized by the presiding officer before speaking. Members of the public shall speak from the podium, stating their name, the address of their residence and any group they are representing prior to making comment or asking a question. Comments shall be directed to the Mayor or presiding officer, not to an individual Trustee or Town employee. Comments or questions should be confined to the agenda item or issue(s) under discussion. The speaker should offer factual information and refrain from obscene language and personal attacks.

Section 9. Unacceptable Behavior. Disruptive behavior shall result in expulsion from the meeting.

Section 10. Posting of Rules of Procedure for Paonia Board of Trustees Meetings. These rules of procedure shall be provided in the Town Hall meeting room for each Board of Trustees meeting so that all attendees know how the meeting will be conducted.

II. CONSENT AGENDA

Section 1. Use of Consent Agenda. The Mayor, working with Town Staff, shall place items on the Consent Agenda. By using a Consent Agenda, the Board has consented to the consideration of certain items as a group under one motion. Should a Consent Agenda be used at a meeting, an appropriate amount of discussion time will be allowed to review any item upon request.

Section 2. General Guidelines. Items for consent are those which usually do not require discussion or explanation prior to action by the Board, are non-controversial and/or similar in content, or are those items which have already been discussed or explained and do not require further discussion or explanation. Such agenda items may include ministerial tasks such as, but not limited to, approval of previous meeting minutes, approval of staff reports, addressing routine correspondence, approval of liquor licenses renewals and approval or extension of other Town licenses. Minor changes in the minutes such as non-material Scribner errors may be made without removing the minutes from the Consent Agenda. Should any Trustee feel there is a material error in the minutes, they should request the minutes be removed from the Consent Agenda for Board discussion.

Section 3. Removal of Item from Consent Agenda. One or more items may be removed from the Consent Agenda by a timely request of any Trustee. A request is timely if made prior to the vote on the Consent Agenda. The request does not require a second or a vote by the Board. An item removed from the Consent Agenda will then be discussed and acted on separately either immediately following the consideration of the Consent Agenda or placed later on the agenda, at the discretion of the Board.

III. EXECUTIVE SESSION

Section 1. An executive session may only be called at a regular or special Board meeting where official action may be taken by the Board, not at a work session of the Board. To convene an executive session, the Board shall announce to the public in the open meeting the topic to be discussed in the executive session, including specific citation to the statute authorizing the Board to meet in an executive session and identifying the particular matter to be discussed “in as much detail as possible without compromising the purpose for which the executive session is authorized.” In the event the Board plans to discuss more than one of the authorized topics in the executive session, each should be announced, cited and described. Following the announcement of the intent to convene an executive session, a motion must then be made and seconded. In order to go into executive session, there must be the affirmative vote of two thirds (2/3) of Members of the Board.

Section 2. During executive session, minutes or notes of the deliberations should not be taken. Since meeting minutes are subject to inspection under the Colorado Open Records Act, the keeping of minutes would defeat the private nature of executive session. In addition, the deliberations carried out during executive session should not be discussed outside of that session or with individuals not participating in the session. The contents of an executive session are to remain confidential unless a majority of the Trustees vote to disclose the contents of the executive session.

Section 3. Once the deliberations have taken place in executive session, the Board should reconvene in regular session to take any formal action decided upon during the executive session. If you have questions regarding the wording of the motion or whether any other information should be disclosed on the record, it is essential for you to consult with the Town Attorney on these matters.

IV. SUBJECT TO AMENDMENT

Section 1. Deviations. The Board may deviate from the procedures set forth in this Resolution, if, in its sole discretion, such deviation is necessary under the circumstances.

Section 2. Amendment. The Board may amend these Rules of Procedures Policy from time to time.

Minutes
Planning Commission Meeting
Town of Paonia, Colorado
January 17, 2024

RECORD OF PROCEEDINGS

Roll Call

PRESENT

Chair Dave Knutson
Vice-Chair Mary Bachran
Commissioner Suzanne Watson
Secretary Lyn Howe

ABSENT

Commissioner Steve Clisset

Approval of Agenda

Chair Knutson speaks to the importance of timely packet availability and transparency for meetings.

Vice-Chair Bachran makes a motion, seconded by Secretary Howe, on approval of agenda.

Motion carries unanimously.

Actions & Presentations

1. Appointment of Officers

Chair Knutson provides overview of existing seats and discusses timing of appointments with Town Clerk Vetter and Commissioner Watson. Town Attorney Cotton-Baez had advised previously such appointments take place at the start of the year.

Vice-Chair Bachran makes a motion, seconded by Commissioner Watson to have Dave Knutson retain his position as Chair, Mary Bachran to retain her position as Vice-Chair, and for Lyn Howe to retain her position as Secretary.

Motion carries unanimously.

2. Master Plan Status Update - Phoenix Rising Resources

Calla Rose – Phoenix Rising – presents update on comprehensive plan. Apologizes for not having provided physically copies due to unable to print issues caused by internet connectivity drops. She informed the committee that she will be submitting work order change for additional funds for bringing on Shay and Andrew (Coburn) as well and asks for more time for map creation. Should have update by end of this week. She discussed the approach, elements for feedback, public workshops, input, and public hearing.

Town Administrator Wynn goes through the planned dates and actions set with Phoenix Rising.

Chair Knutson expresses his pleasure with having Say and Andrew (Coburn) working on this.

Public Comment: None

Chair Knutson and Town Administrator Wynn discuss funds and transfers with DOLA.

No motion is made.

3. Public Hearing-

Application for Minor Subdivision of Property at 841 HWY 133 Paonia CO 81428 by West Elk Land & Hops

Chair Knutson opens the Public Hearing at 5:15PM

Chair Knutson explains the process for the Public Hearing. Advises that proper notifications were done and commissioner disclosures (no conflicts of interest).

Town Administrator Wynn explains the details of parcel split plans and rules for splitting lots. He goes through a checklist of items met and presented from the various entities and considerations to applicant. He also explains that zoning was not contemplated and didn't see it posted as part of this presentation for approval. He explained that this hearing is for deciding to subdivide, zoning comes later.

Town Administrator Wynn goes on to explain public notifications duration was four weeks, certified letters sent out to adjacent property owners, and of some residents coming in to review presented plans and plat. He discusses Town Attorney provided explanation of access easements and provides detail.

Town Administrator Wynn recommends that the planning commission could conditionally approve the subdivision and have a seller grant appropriate access easements upon sale of the subdivision.

Applicant:

David Warren – sworn in – co-owner of property. Gives background history of property formerly known as Riverbank. Project cancelled in 2008 and divided into two parcels. Components; water, sewer, access, and fire protection. Discusses augmentation plan description and relation to project. Working with water contracts to retain water. Currently has an Observation Well permit and will be a General Use Well in a couple weeks. Explains septic systems used due to being except from connection to town's water system due to distance to closest sewer. Incorporated all fire department recommendations. Discusses that Estate zoning makes sense due to lot sizes and water rights. Would like to stay within town limits. He states that their application has met all criteria.

D. Warren and his co-owners are asking the Planning Commission to make a recommendation to the town trustees this evening to approve our minor subdivision estates zoning contingent on three components that need to be completed. Components are 1.) Securing the General Use permit for Well, 2.) Completing engineer plans for optimistic water well and delivery plan to each lot., 3.) Developing HOA guidelines which will consist of a simple agreement for shared irrigation system use maintenance and improvements: HOA usage for water only.

Town Administrator Wynn reiterates that there are two different issues: Subdivision and Zoning.

Public Comment: Opens at 5:38PM

R. Schmidt – sworn in – speaks to the need for clarification on previous subdivision and questions if already subdivided. He questions if there are any existing full easement available for utilities/road access, annexation, and utilities/services provided by the Town.

B. Bruner – sworn in – speaks to property already zoned properly. Speaks against having a gated-type community.

C. Paterson – sworn in – speaks of the lack of lead time to review information to research. She states neighbor adjacent to property in question was not notified. She feels process should be slowed down to coincide with the Town's Master Plan.

Response from applicant:

Allison Elliot (co-owner). – appreciate public input and concern. Addresses concerns about sewer distance. She feels what was presented would be the best option for what to do with the property and the Town.

Public comment closed at 5:53PM

Chair Knutson asks if there are any objections to accepting the presented information from the applicant.

No objection to receiving information is heard.

Secretary Howe speaks of the need for clarification on subdividing a previously subdivided property and whether it can be done. She also expresses her concern about the lack of lead time for public access/review of all the information received.

Vice-Chair Bachran makes a motion, seconded by Secretary Howe for a 5-minute break.

Motion carries unanimously.

Planning Commission reconvening's at 6:02PM.

Town Clerk Vetter explains they have identified one owner adjacent to the property that was not properly notified. She explains the process for how notifications are sent, and it was not purposeful.

Town Administrator Wynn explains that number eleven of our criteria states that minor subdivision application is not available more than one time for the same lot or adjacent lots under the same ownerships. He identified change of ownership in 2012, allowing subdivision.

The Commission members discuss access issues in the past, possible hardships created, population density changes, Master Plan/growth conflicts, issues with zoning changes.

Town Administrator Wynn explains that the Planning Commission doesn't make decisions on zoning. He states that questions of access have been addressed working with CDOT and the Fire department.

Vice-Chair Bachran and Commissioner Watson briefly discussed zoning procedures but per Commission rules, they can only recommend but take no action.

Chair Knutson closes the Public Hearing portion at 6:19PM.

Commission Deliberation:

Vice-Chair Bachran states that the application meets all requirements and having mixed density is a good thing to have.

Commissioner Watson re-iterates her previously expressed concerns, but still uncomfortable with density change and access to support that. She speaks to the need for more information from staff is required.

Secretary Howe asks if the identified subdivision question has been answered. Town Administrator Wynn explains that another split would have to go through another process for a major subdivision. Town permits are required and must follow design & build standards. He explains that it would have to fit criteria in the Comprehensive plan.

Vice-Chair Bachran makes a motion to accept subdivision. No second is heard.

Motion fails due to lack of a second.

Chair Knutson opens it for further discussion or enrichment.

Vice-Chair Bachran makes a motion, seconded by Secretary Howe, that the Planning Commission conditional approval of the application for minor subdivision property at 841 HWY 133. With the formulation of an access agreement upon the sale of the properties that, they obtain the general use well permit, that they have engineering plans with a domestic water system developed in two weeks before the sale, and development of an HOA.

Motion carries with Commissioner Watson voting Nay.

Members discuss zoning questions and Town Administrator Wynn provides three options on the zoning questions; 1., Approval, 2., Denial., 3., push to the Board of Trustees to decide.

Vice-Chair Bachran makes a motion, then rescinded, that the Planning Commission do nothing and that this be taken up by the Board of Trustees as Part of the Master Plan. Commissioner Watson and Town Administrator Wynn discussed timing of zoning discussions can take place in June, along with the Land Use code talks.

Vice-Chair Bachran makes a motion, seconded by Secretary Howe, to recommend that the Board of Trustees take up the zoning issue after June 6th, 2024.

Motion carries unanimously.

4. Recommendations to Town Council regarding Housing Needs Assessment and Housing Action Plan regarding Short Term Rentals

Chair Knutson provides a background on item agenda addition and importance on acting on Short Term Rentals (STRs) and Accessible Dwelling Units (ADUs).

Vice-Chair Bachran and Commissioner Watson discussed recommendations made by consultants Shay and Andrew (Coburn) and the desire to keep outside entities from purchasing property and management from afar.

Town Administrator Wynn suggests solutions can include items such as required licenses with annual renewals. Explains that the Town Code re-write is needed and budgeted for. Chair Knutson asks for a brief update from Shay and Andrew (Coburn) to include in the packet.

No motion is made.

Adjournment

Chair Knutson adjourns the meeting at 7:11PM

Ruben Santiago, Deputy Town Clerk

Dave Knutson, Chair

DRAFT

Minutes
Planning Commission Meeting
Town of Paonia, Colorado
February 07, 2024

RECORD OF PROCEEDINGS

Roll Call

PRESENT

Vice-Chair Mary Bachran
Commissioner Steve Clisset
Chair Dave Knutson
Secretary Lyn Howe
Commissioner Suzanne Watson

Approval of Agenda

Vice-Chair Bachran makes a motion, seconded by Secretary Howe, to approve agenda.
Motion carries unanimously.

Approval of Minutes

Vice-Chair Bachran makes a motion, seconded by Secretary Howe, to table approval of minutes until next meeting to they have time to review them.

Motion carries unanimously.

Actions & Presentations

1. Review of Town Code covering Short Term Rentals (STRs)
2. Review of Affordable Housing Plan STR Data
3. Review of Affordable Housing Plan Recommendations Regarding STRs

Chair Knutson asks Town Administrator Wynn to give a review of what the town code covers regarding short-term rentals.

Town Administrator Wynn discusses Municipal Code Section 16-1-100, read definition of dwelling unit(s).

Vice-Chair Bachran mentions section 16-11-30, discusses renting units.
Commissioner Watson suggests that renting rooms and roommate situations should not be considered ADU or STR.

Vice-Chair Bachran mentioned that renting a room with a bathroom in someone's house should also be considered when discussing STR's.

Commissioner Watson questions what right the town has to tell you how long you can live with a person in your own room. She asks for review of code sections being discussed.

Town Administrator Wynn explains that Shay & Andrew (Colburn) have provided guidance in what code sections need to be put this as part of the housing needs assessment and the housing action plan, where they not only list the code section, but then also being was recommended edits and an explanation of why they it needs to be edited.

Town Administrator Wynn defines dwelling unit and explains recommendations where it says revised dwelling unit definition is the same definition adapted with the International Building Code.

Chair Knutson asks what the Town standard for enforcing short term rentals is.

Town Administrator Wynn explains he's been able to stop investment and resort companies from purchasing properties in residential neighborhoods for the sole purpose of granting them the short-term rentals using definitions of the Land Use Code.

Commissioner Watson suggested those individuals using their property as a business use should have to go through the public hearing process, including notifications and public input.

Secretary Howe discusses the approach taken by Durango, where they call it a vacation rental need to have a limited use permit before they can add it so that would kind of eliminate that confusion of are they just renting to a friend, they'd have to get a permit and then it goes through all the different fee structures.

Town Administrator Wynn said that's one of the recommendations the consultants brought up and is the best path forward and is a little different than a home-based business because anyone could go buy the house for sale in town, not live there, and still run it as a short-term rental. He suggested that if the Town goes that direction, the Town should have a finite number of licenses available. To avoid discriminating from who can purchase them, utilization on select bulletin boards that license, once an ordinance gets passed, licenses are available for sale. With this approach, residents are the first to pick them up. The Town can't just say no, requiring someone to be a resident of town to be able to rent out a property is discriminatory.

Commission proceeds to discuss various housing plan recommendations, approaches, draft code changes recommended, and links.

Commissioner Clisset suggests that the Town's driving force, which is providing housing for locals.

Town Administrator Wynn provides the commission background history of STR's impact on one of the coastal cities he came from. He and the commission members discuss the approach taken by Durango.

Chair Knutson asks for any input from the public in attendance.

C. Paterson – speaks about the need to identify how filled available units are. Feels a Committee for these rental units should be created.

Town Administrator Wynn demonstrates Granicus web site for monitoring compliance of str. Discusses issues with not receiving revenue due to additional services and costs. Doesn't recommend a Committee but rather addressing the land use code.

Secretary Howe asks for bullet point items of what Paonia wants to consider regarding Land Use Code.

Commissioner Watson suggests questions Commission is asking for Shane and Andrew to be written down.

Town Administrator Wynn, referring to the March 3rd meeting, clarifies it will be led by Phoenix Rising, not Urban Renewal. He goes on to explain to the Commission when a special review is required and when not.

M. Lawson (virtually) speaks to focus on affordable housing for the community and to ensure regulations move towards the kind of housing that works for Paonia.

M. Wheelock states she is here as a representative of the Comprehensive Plan to observe and to answer any questions from the Commission or public.

K. Marshal states he is sitting in to hear what is being discussed.

Chair Knutson states he is looking forward to the March 3rd meeting.

M. Wheelock explains what will happen on March 3rd meeting and items that will be presented in draft form and available for comment, feedback, interaction with public.

Town Administrator Wynn, due to internet issues, asks M. Lawson to email comments since connection keeps dropping. He goes on to explain how to gain access to the housing plan on the town web site.

Chair Knutson asks how the public can access Shay & Andrew's recommendations for short-term rentals.

Town Administrator Wynn clarifies that what was provided was a guide to changes.

Vice-Chair Bachran states that the Board may have already agreed to Shay and Andrew and pay for a draft ordinance.

Town Administrator Wynn investigates it and reads off agreement that was voted on is a detailed strategy for the development of an affordable housing project. He further explains that a first draft of proposed revised language for up to four of those qualifying strategies to include the creation of an expedited development review process, authorizing the sale of accessory dwelling units when appropriate. Also, insurance small square footage was mentioned, what unit sizes are allowed in regulating rental residential units on a short-term basis with 30 or fewer days.

No Motion is made on above 3 items.

4. Recommendations to Town Council Regarding STRs.

No recommendations to the Town Council currently.

Vice-Chair Bachran makes a motion, seconded by Commissioner Clisset to continue recommendations to the Town Council regarding STRs to April Planning Commission meeting.

Motion carries unanimously.

Adjournment

Chair Knutson adjourns the meeting at 5:57PM.

Samira M Vetter, Town Clerk

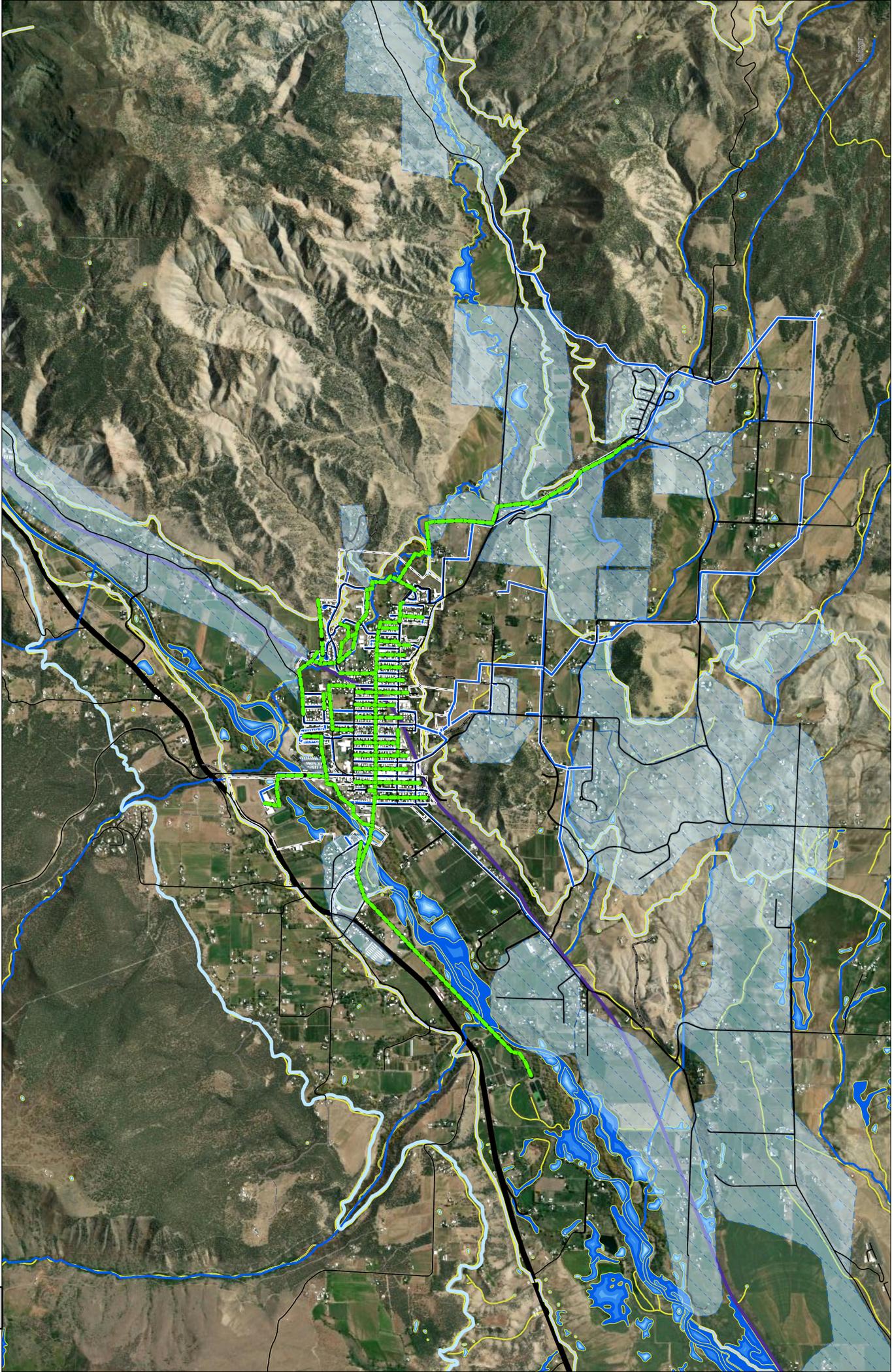
Mary Bachran, Mayor

INFRASTRUCTURE	
ACTION ITEMS	TIMING
ACTION INF-1: Develop, implement and sustain a comprehensive Capital Improvement Plan and integrated management system for all infrastructure, keeping in mind shared goals and opportunities for improvement across different asset types and classes.	Short-term (1-2yrs)
ACTION INF-2: Conduct a combined utility rate study based on Phases 1 and 2 of the CIP and sewer repairs identified in the asset management inventory.	Short-term (1-2 yrs)
ACTION INF-3: Build out a formal GIS data system and implement work order systems that link to this and the accounting system in order to create a complete asset inventory management system.	Short-term (1-2yrs)
ACTION INF-4: Provide written infrastructure briefings to share with the public on a quarterly basis.	Short-term (1-2yrs)
ACTION INF-5: Initiate internal procedures to align annual budgets, capital improvement plans, and identify synergistic opportunities for project deployment between all sectors serviced by Public Works.	Short-term (1-2 yrs), Ongoing
ACTION INF-6: Create budgetary and project review process that links all water, sewer, sidewalk, streets, and street lighting and gas line upgrade needs requests, requiring review of other adjacent existing needs and assessment of coordination and recommendations therein before budget can be approved.	Short-term (1-2 yrs)
ACTION INF-7: Work with the Director of Public Works/Public Works Department to create a 5syr preliminary budget proposal to Coordinate DT water pipe and sewer upgrades with street paving/sidewalks and urban forest goals/needs.	Short-term (1-2 yrs)
ACTION INF-8: Seek ways to offset utility costs for low-income households. Provide rate relief programs to people living under financial duress.	Short-term (1-2 yrs)
ACTION INF-9: Conduct regular rate studies to ensure service and communicate increase with sufficient advance notice to the public.	Ongoing
WATER	
ACTION ITEMS	TIMING
ACTION WATER(INF)-1: Create an internal incentive structure to encourage professional licensing, ongoing professional development, and performance excellence for all public works staff and management. Conduct annual performance reviews.	Short-term (1-2 yrs)
ACTION WATER(INF)-2: Regularly assess water production, delivery, and usage to increase efficiency and reduce leakage. Create a formal Water Loss Control Program to identify and manage losses from the water delivery system.	Short-term (1-2 yrs), Ongoing
ACTION WATER(INF)-3: Plan and budget for repairs to the spring-fed municipal water system, including restoration of the watershed, treatment plants, and the elaborate networks of pipes and valves that deliver water into and around town.	Short-term (1-2 yrs)
ACTION WATER(INF)-4: Implement phase 1 of the CIP (including updates to the 2M gal Lamborn tank, steel water loop repair, PRV repairs, and source spring monitoring).	Short-term (1-2 yrs)

ACTION WATER(INF)-5: Obtain all necessary licenses for water collection and distribution system.	Medium-term (3-5 yrs)
ACTION WATER(INF)-6: Conduct the first three phases of the Hydrogeological Study of West Elk's Groundwater and Surface Water Reliability to help forecast future supply. This study should explicitly include snowpack modeling, sublimation and soil moisture modeling.	Medium-term (3-5 yrs)
ACTION WATER(INF)-7: Secure funding for and implement phase 2 of the CIP (including update to 1M gal Clock plant)	Medium-term (3-5 yrs)
ACTION WATER(INF)-8: Meter the source water springs production and the subsequent collection for 3-5 years to provide a clearer picture of how much water the Town actually has to draw from. Then align volumes of source water with specific water rights to determine how much additional water, if any, can be captured and stored during peak runoff. Assess if water storage is possible and practical.	Medium-term (3-5 yrs)
ACTION WATER(INF)-9: Conduct a temporal comparison of raw water availability versus demand to identify possible seasonal demand limitations. This will allow for a far more accurate evaluation of raw- and finished-water storage needs.	Medium-term (3-5 yrs)
ACTION WATER(INF)-10: Secure funding for and implement phase 3 of the CIP (additional water storage and treatment).	Medium-term (3-5 yrs)
ACTION WATER(INF)-11: Set performance criteria and pricing for out-of-town water companies and others wishing to annex or incorporate into Town.	Medium-term (3-5 yrs)
ACTION WATER(INF)-12: Build a comprehensive GIS system for asset management, including all gray infrastructure and key watershed characteristics.	Medium-term (3-5 yrs)
ACTION WATER(INF)-13: Develop a Water Efficiency Plan to identify water conservation opportunities, educational programs, and incentives that support long term demand and projected supply. Model good water management in common and public spaces.	Short-term (1-2yrs)
ACTION WATER(INF)-14: Work w/ US Forest Service and the US Natural Resources Conservation Service to update the Town's 2010 Source Water Protection Plan. Connect fire management, watershed management and agricultural user managers via a Comprehensive Watershed Management to identify actions for watershed restoration and regeneration. Include regular monitoring and assessment of watershed health and hydrogeological modeling. Consider utilizing the State of Colorado's Source Water Protection Planning process.	Medium-term (3-5 yrs)
ACTION WATER(INF)-15: Create a Source Water Maintenance Plan.	Medium-term (3-5 yrs)
ACTION WATER(INF)-16: Work w/ out-of-town water rights holders who share use of springs and reservoirs, including agricultural users, to create a use agreement for drought management planning.	Medium-term (3-5 yrs)
ACTION WATER(INF)-17: Work w/ relevant stakeholders and property owners to create a Watershed Management Map delineating property lines and stakeholders. Identify and implement projects that mitigate fire and fluvial hazards and drought conditions while improving water quality and summertime carryover water supplies.	Short-term (1-2yrs)
ACTION WATER(INF)-18: In collaboration with US Forest Service Ranger District, Fire Agencies, USDA Conservation District, local NGO Conservation Partners and other watershed stakeholders, work to create an intergovernmental Watershed and Wildfire Protection Panel to produce a "Wildfire Ready Watersheds" plan that includes multi-benefit projects (drought,	Medium-term (3-5 yrs)

fire, flood, climate resiliency).	
ACTION WATER(INF)-19: Identify state and federal funds (grants, cost share and loans) to support all related gray and green infrastructure management, habitat and forest management and related restoration. Produce spreadsheet with appropriate links and background information to be shared with the Town Administrator with recommendations on funding key action items.	Ongoing
ACTION WATER(INF)-20: Provide watering schedules online with explanation of water use.	Short-term (1-2yrs)
ACTION WATER(INF)-21: Work w/ Historical Society, Colorado State University scientists to create a water history, water cycling, water use and efficiency curriculum for local schools specific to Paonia.	Medium-term (3-5 yrs)
ACTION WATER(INF)-22: Collaborate with partners to provide clear resources and information on Town services and individual, nature-based, water-wise strategies for drought mitigation and adaptation (beaver dam analogs, turf replacement, rainwater/greywater, composting toilets, etc.).	Medium-term (3-5 yrs)
ACTION WATER(INF)-23: Build in incentives to rates and residential education to support less water use and educate water users about existing incentive programs from the State of Colorado.	Medium-term (3-5 yrs)
ACTION WATER(INF)-24: Create a new webpage and/quarterly newsletter providing updates on water system status, studies and projects.	Short-term (1-2 yrs)
SEWER & WASTEWATER TREATMENT	
ACTION ITEMS	TIMING
ACTION SWT(INF)-1: Estimate cost of replacement of clay pipe and budget equipment, personnel and project costs for in-house replacement to determine repair project cost, schedule and execution.	Short-term (1-2yrs)
ACTION SWT(INF)-2: Include costs of sewer pipe upgrade and replacement and wastewater treatment plant upgrade in combined utility rate study to avoid sequential increases in different services.	Short-term (1-2yrs)
ACTION SWT(INF)-3: Overlay street repair priorities with pipeline replacement priorities to identify first, second and third areas for replacement.	Short-term (1-2yrs)
ACTION SWT(INF)-4: Institute repairs at WWTP as indicated in SGM Asset Inventory; replace all clay pipes, avoid causing microplastic contamination.	Medium-term (3-5 yrs)
ACTION SWT(INF)-5: Upgrade the sewer pipes that are past their expected lifetime. Consider if it would be more beneficial to upgrade all sewer lines.	Short-term (1-2yrs)
ACTION SWT(INF)-6: Track status of CDPHE rulemaking.	Short-term (1-2yrs)
ACTION SWT (INF)-7: Explore innovative and alternative treatment technologies including the potential for constructed wetlands and evaporative ponds.	Short-term (1-2yrs)
ACTION SWT(INF)-8: After CIP and other studies are completed, prepare a comprehensive Water and Wastewater Master Plan that accounts for projected population growth and takes the timeline for lifting or providing exceptions to the Water Tap Moritorium into account.	Short-term (1-2yrs)
ACTION SWT(INF)-9: Upgrade the wastewater treatment facility in accordance with new CDPHE rules. To achieve compliance, any upgrades will have to take place by 2027.	Medium-term (3-5 yrs)

ACTION SWT(INF)-10: Include wastewater treatment plant upgrades in combined water wastewater rate study	Short-term (1-2yrs)
SANITATION & RESOURCE RECOVERY	
ACTION ITEMS	TIMING
ACTION S&RR(INF)-1: Support Delta County's recycling program. Provide up-to-date information related to recycling locations on the Town's website and work with local Real Estate Agencies to include compost and recycling information alongside water education for new residents.	Short-term (1-2yrs), Update Annually
ACTION S&RR(INF)-2: Support the "free bin" and similar efforts.	Ongoing
ACTION S&RR(INF)-3: Consider a partnership to support an e-waste and battery recycling opportunity.	Medium-term (3-5 yrs)



INFRASTRUCTURE

OVERVIEW

The Town of Paonia is responsible for managing key infrastructure that collectively shape the community's quality of life and economic viability. This includes the full water system from raw water to treated and sanitation. For an in depth review of Paonia's water system please see appendix (XX). Streets, sidewalks and street trees are also considered infrastructure, but are included in the Transportation element of this Plan.

VISION

Paonia's robust infrastructure provides high-quality and reliable service to current residents. The systems are managed proactively such that today needs are well met while future needs are understood and planned for. The water and wastewater systems are healthy and resilient. The water supply is strong and the wastewater system plays a positive role in regional water cycle management. Paonia's waste recovery systems are well maintained and Paonians participate in manufactured and organic material reuse and recycling. All parts of Paonia's ecology—people, plants, animals, and natural cycles—are valued and considered with each investment/decision.

VALUES

- Infrastructure that is dependable providing locals stability and economic prosperity.
- Investing in quality public infrastructure.
- Planning for infrastructure that is comprehensive, innovative, and forward thinking.
- A healthy watershed that supports water quality and quantity.
- Resource recovery, recycling, and ensuring the highest and best use of materials to the end of their useful life.

POLICIES

POLICY INFRA-1: Prioritize investments in infrastructure such that the Town's services - water, wastewater, refuse collection - are reliable and healthy for existing users while considering future needs.

POLICY INFRA-2: Maintain a comprehensive Capital Improvement Plan (CIP) to proactively prepare for infrastructure maintenance and upgrade needs as well as other capital projects into the future. The CIP can be utilized regularly for planning and budgeting.

POLICY INFRA-3: Coordinate infrastructure repairs and upgrades across utilities and other community property maintenance needs, like sidewalks and roads, park paths and street trees to take advantage of potential cost savings and other community benefits.

POLICY INFRA-4: Maintain a wastewater system that returns high quality, clean water to the North Fork of the Gunnison River, and explore green infrastructure options for treatment that provide positive impacts on local temperature regulation, and enhance the viability and resilience of local ecology.

POLICY INFRA-5: Maintain utility rates that cover the service provided and consider future needs by conducting regular rate studies.

POLICY INFRA-6: Proactively protect the Town's source water by preventing contamination from wildfire, pollution, and ecological degradation with regional partners. Take a holistic and regenerative approach to watershed health and protection, including wildfire management and

mitigation, soil health, and responsible use of grazing around municipal source waters in partnership with relevant stakeholders.

POLICY INFRA-7: Investigate the long term viability of source water production and explore nature based solutions to best protect and support the Town's springs. Conduct regional water cycle management at the watershed level in coordination with regional partners.

POLICY INFRA-8: Consider drought and small water cycle management in planning and Town irrigation activities.

POLICY INFRA-9: Consider gray water recycling programs and ground water resource exploration to ensure the town can supply water under higher temperatures and erratic precipitation events.

POLICY INFRA-10: Ensure that all residents can obtain clean water and essential utility services.

POLICY INFRA-11: Provide consistent and quality waste collection services for all new and existing residents.

POLICY INFRA-12: Support public activities and private businesses that provide recycling, composting, and other opportunities to reuse and recycle material resources within the town and the county.

BACKGROUND

BREAKOUT BOX: The uniqueness and age of Paonia's water system combined with the level of investment required in the coming years for upgrades, and transitions in climate and temperature, presents a once-in-a-lifetime opportunity to not only rebuild the old system but to also reimagine how the Town and relevant regional stakeholders can work together to preserve the performance of the water source and enhance the longevity of the watershed.

Water

Water is precious in the West, and especially so for Paonia. Water in Paonia flows through three distinct systems:

- 1) the North Fork of the Gunnison River and its tributaries, which provide for vegetation and wildlife and which cool, clean, and green the region;
- 2) the river-connected ditches and their laterals that supply water for in-town and out-of-town agricultural users and in-town landscape use (Stewart Ditch provides irrigation to all in-town water users); and
- 3) the spring-fed source water system that supplies municipal households and commercial users with drinking water.

Wildlife & Irrigation: The river and ditch systems which support Paonia's unique local micro climate, ecology, wildlife, and agriculture are fed throughout the summer by the reserve of water in Paonia Reservoir, and from the North Fork of the Gunnison that flows from the West Elks and Ragged mountain ranges. Paonia Reservoir currently has a total holding capacity of 14,674 acre-feet.¹ Its capacity has

¹ SnoFlo, snoflo.org

shrunk 25% since 1962 due to heavy sedimentation from Muddy Creek, its main water source.² The reservoir is managed by the US Bureau of Land Management and the Army Corps of Engineers.

Municipal: The municipal system which provides Town treated water is supplied by approximately 25 springs that form five spring complexes which ring the north and west basins of Mount Lamborn.³ The Town owns the land for Steven's springs, but the majority of springs are located on US Forest Service lands and private property.

(MAP RIVER)

(MAP DITCHES)

(MAP MUNICIPAL WATER SYSTEM)

Past, Present, Future: Paonia has a unique municipal water system, unlike any other in the State of Colorado.⁴ Leading achievements in water engineering at the time it was completed, the Paonia Project—which made the Paonia reservoir and the series of ditches and pipes constructed around the five spring complexes surrounding the north and west slopes of Mount Lamborn—fed the growth of mining and agriculture in the region. However, complexity, age, change in climatic patterns, and human-caused desertification pose substantial challenges to the viability of the water system. The spring-fed municipal water system is in need of extensive repair, from restoration of the watershed itself to the treatment plants and the elaborate networks of pipes and valves that deliver water into and around town.

Water Efficiency & Redundancy: While customer water use efficiency has increased in the past decade, there remains room for further gains from water efficient appliances and practices in both commercial and residential use. There are substantial efficiency gains to be had from increasing performance in the water delivery system. Approximately 23-39% of water produced is currently unaccounted for in delivery between treatment plants and customers.⁵ As of the beginning of 2024, the first steps are already underway with the implementation of the first phase of the Capital Improvement Plan and associated rate increases which will support upgrades and fixes to this system and reduce overall water loss. Due to the overall age and nature of the gravity fed system some level of leaks will remain and should be taken into account when looking at overall water availability going forward.

Redundancy in the water treatment system is critical to the resilience of the system. In 2019 the Town suffered a critical water supply issue that was exacerbated by the fact that *“the lower treatment plant and 1-MG storage tank were not in service during this event [thus making] half of the Town’s raw water supply, half of its treatment capacity, and 33% of its finished water storage capacity unavailable to support demand during the emergency.”*⁶ Current and future proposed upgrades to address these issues including the rehabilitation of the Clock treatment plant, have been outlined in the 2023 Water Capital Improvement Plan.

² DEVELOPING A SEDIMENT MANAGEMENT PLAN FOR PAONIA RESERVOIR Kent Collins, Hydraulic Engineer, Bureau of Reclamation, Denver, Colorado, kcollins@usbr.gov, Sean Kimbrel, Hydraulic Engineer, Bureau of Reclamation, Denver, Colorado, skimbrel@usbr.gov

³ Summary of Town of Paonia Draft Water/Wastewater Capital Improvement Plan (3/23)

⁴ Verbal communication Respec July 2023

⁵ JDS Hydro Water System Evaluation, May 2021 pg 8

⁶ JDS Hydro Water System Evaluation, May 2021 pg 52

BREAKOUT BOX: Water Tap Moratorium: As of 2023, the Town of Paonia is under a tap moratorium which curbs connection of new water services. In January 2020 the Town of Paonia held a special election for the Citizens Initiative Petition and Water Moratorium which, upon passage, suspended the sale of all new domestic water taps that the Town of Paonia was not already legally obligated to serve. The citizen initiative arose from a critical water supply issue that occurred in February of 2019 that resulted in the entire water system losing service.⁷ The decision as to if, when, and under what circumstances to lift the moratorium is included in the original moratorium and the amendments to it.

Water Volume & Source Reliability: Water sources such as wells and surface water tend to be available year-round, but the springs that feed the Town of Paonia are highly sensitive to drought conditions due to their strict dependence upon snowfall and runoff season. While Colorado weather is already well known for its variability, the increase in severity and duration of drought, increased winter and spring temperatures, increased duration and severity of spring winds, increased rates of sublimation of snowpack and decreases in soil moisture due to vegetation degradation, and changes in precipitation patterns moving away from snow to rain mean there is and will continue to be less and less reliable or regular snowpack, and also that the moisture from melting snow is less likely to translate into liquid water run-off.⁸ The Town of Paonia recognizes these threats to its water supply.

That being said, Paonia's watershed has high groundwater recharge potential and semi-arid climates are known to be especially sensitive to changes in vegetation and surface water making the system also potentially viable for regeneration and land management intervention to support both system water retention and ongoing supply⁹.

*"Precipitation type (rainfall versus snowfall), amount, and temporal and spatial distribution are important for determining the amount of recharge that a groundwater system may receive, particularly as infiltration from precipitation to the shallow bedrock groundwater systems."*¹⁰

Average annual precipitation determines the climate of the project area, and in the case of the North Fork Valley, the topographically higher terrains near Grand Mesa and West Elk Mountains are sub humid and cool and have excellent recharge potential, both from rainfall in the spring, summer, and autumn months, and from the melting of snowpack throughout the winter and early spring, especially where covered by gravels and slope deposits.

*The small water cycle is actually more important to local precipitation patterns than the large water cycle. In fact, it is estimated that mean global precipitation overland is 720 mm, of which only 310 mm is from the large water cycle and 410 mm comes from the repeated evaporation-precipitation process of the small water cycle.*¹¹

⁷ JDS Hydro Water Systems Evaluation May 2021

⁸ Snowpack Sublimation - Measurements and Modeling in the Colorado River Basin https://www.usgs.gov/centers/colorado-water-science-center/science/snowpack-sublimation-measurements-and-modeling?qt-science_center_objects=0#qt-science_center_objects

AND

Spatial variation of snowmelt and sublimation in a high-elevation semi-desert basin of western Canada, [Scott I. Jackson](#), [Terry D. Prowse](#) 17 June 2009 <https://doi.org/10.1002/hyp.7320>

⁹ **Water from air: an overlooked source of moisture in arid and semiarid regions** [Theresa A. McHugh](#), [Ember M. Morrissey](#), [Sasha C. Reed](#), [Bruce A. Hungate](#) & [Egbert Schwartz](#) *Scientific Reports*

¹⁰ North Fork Valley and Terraces Groundwater System, Delta County, Colorado 2013

¹¹ Kravčik et al., 2007, p.17

The Town of Paonia has a designated Municipal Watershed within its broader watershed, as defined in the Colorado Department of Public Health and Environment (CDPHE)'s Source Water Protection Plan. The majority of this land lies within the Gunnison National Forest, which is managed by the U.S. Department of Agriculture's Forest Service. Other landowners in the protection area include the Bureau of Land Management and privately owned lands, which sit under jurisdiction of Delta County. Both BLM and USFS lease lands for grazing in these areas to private ranchers. Work to restore and regenerate the watershed will need to be conducted in concert with relevant land owners and stakeholders.

Rates: In 2023 the Town of Paonia increased rates for water, sewer and trash. Future increases in rates will be required to meet the base financials required to secure funding to implement the 2023 Water Capital Improvement Plan. While the Town will not wholly rely on water rate revenue, rate increases are likely essential for obtaining other funds in the form of grants and low interest loans needed to fully fund capital improvements.

Wastewater

Paonia's Wastewater Treatment Plant (WWTP) manages wastewater collection from residential and commercial customers. The treatment plant was brought online in 2006 and consists of a manual bar screen, two aerated lagoons, a settling/polishing pond, a serpentine chlorine contact chamber and a dichlorination feature. It has a permitted rated capacity of 0.495 million gallons per day (MGD) and typically treats 0.15 MGD. Wastewater from the system is discharged to the North Fork of the Gunnison River.

The 10.5 miles of pipe¹² that make up the wastewater collection system are entirely gravity driven and consist of service laterals, manholes, and gravity sewer mains. The collection system is composed of approximately 63% PVC piping and 37% vitrified clay piping (VCP).¹³ The majority of the clay pipe is past its expected lifetime and an estimated 20,000 ft of PVC pipe will need to be replaced in near future making the entire system in need of upgrade in the near future.

It is worth noting that overall treatment levels of water treated are lower in the winter. The Water Tap Moratorium also has an effect here: as long as it remains in effect, or even as 7-14 new homes are added as is planned in the 2023 budget, wastewater treatment levels are unlikely to grow materially. With an ongoing increase in winter temperatures it is worth considering the use of green infrastructure, in particular constructed wetlands in future wastewater treatment upgrades. Studies have shown the positive impacts that wetlands have in semi-arid regions when it comes to local temperature regulation, in particular when it comes to extreme heat mitigation, as they have been shown to lower ambient temperatures by 7-14 degrees as compared to similar areas where they are not present.¹⁴

Sanitation and Resource Recovery

The Town provides garbage collection services to approximately 900 accounts within Town limits. There are no municipal composting or recycling services. The majority of trash collection accounts are residential with a varying amount of commercial. Trash services offer 33 Gallon Cans, 2- and 3-cubic yard dumpsters and oversized items. Residents may also leave yard trimmings in bundles no bigger than 1'x3' neatly tied next to the trash bins. Many individuals compost personally or report bringing food scraps to

¹² Previous versions of Master Plans have cited 20 miles of pipe, unknown source.

¹³ Asset Inventory and Capital Improvement Plan September 2021

¹⁴ Liu, Y., Sheng, L. & Liu, J. Impact of wetland change on local climate in semi-arid zone of Northeast China. *Chin. Geogr. Sci.* **25**, 309–320 (2015). <https://doi.org/10.1007/s11769-015-0735-4>

neighbors with farms or livestock. There are at least two private recycling haulers that service Paonia. Aluminum cans may be dropped off for recycling outside of Don's Market and there are cardboard and paper recycling bins in the parking lot of City Market in Hotchkiss. Delta County supports free recycling at the Double J Recycle Center in Austin. CHT Resources operates a composting facility for organic waste in Austin.

Private recycling services combined with the free drop-off options appear to be servicing the area well. Curbside recycling and composting is unlikely to prove economical given the level of at home and on-farm composting and the small service area. However, the community ethos of self-sufficiency has led to a high individual participation rate in both manufactured and organic materials recycling.

According to a survey conducted by the 2023 Housing Needs Assessment consultant team, the average residential rates for water, sewer and trash total \$320 per month. These rates are higher than the national monthly average which is \$171 according to Energy Star and the Colorado state average which is \$241. Simultaneously, the Housing Needs Assessment found that roughly one of every five homeowners and two of every five renters are cost burdened. While the state of Colorado offers some financial relief for heating costs through the Low-income Energy Assistance LEAP program¹⁵, the high cost of water and sewer fall outside of LEAP's coverage. Rates are expected to increase in both water and wastewater over the next five years - the base rate for residential water is expected to rise from \$43.00 in 2024, to 48.30 in 2028 and waste water rates will raise \$2 between 2023 and 2024 (and will likely need to be raised again in the coming three years).

¹⁵ <https://cdhs.colorado.gov/leap>