

Town of Bayfield
Regular Town Board Meeting
1199 W. Hwy 160 B.
Bayfield, CO 81122

November 17, 2009 7 P. M.

Town Board Present:

Mayor Rick Smith, Council Members Debbi Renfro, Tom Au, Gabe Candelaria, and Dan Ford.

Staff Present:

Justin Clifton, Town Manager, Dirk Nelson, Town Attorney, Pat Anselmo, Town Clerk, and Ron Saba, public works director.

Media: Carole McWilliams, Pine River Times

Mayor Smith called the meeting to order at 7 p.m.

Approval of Minutes: Minutes of the Town Board Meeting held November 3, 2009 had been e mailed to Justin before the packet deadline. However, Justin did not include them in the information he e mailed out with the packet information. Minutes of November 3, 2009 will be approved at the next meeting.

General Public Input: The Mayor welcomed Carole back.

Action Agenda:

Item #1: Approval of Bills:

Debbi Renfro asked what the deadline was for getting bills in. Justin C. responded, the Thursday before packets go out. Dan Ford moved to approve the payment of bills, spanning the period of November 5, 2009 thru November 15, 2009. Tom Au seconded. The vote was five in favor. Tom Au abstained from the vote on any invoices due and payable to his company. Motion carried.

Item # 2: Town Updates:

C. R. 501 Pedestrian Trail: Dan asked if the subcontractor on C. R. 501 was going to re-seed the disturbed soil this fall. Justin replied, most likely, yes.

Sidewalk Project Hwy 160 B: Justin was asked the approximate costs on the sidewalk project on Hwy 160 B. He said he anticipated roughly \$15,000 out of pocket for the Town.

Vacancy: Dan asked if staff had received any applications for the vacancy created when Brett Clough resigned. Justin replied that there had been no applications turned in even though the vacancy has been posted. Dirk said ‘we may keep it open until the April election’.

Sewer Rate Increase: Debbi asked if the increase included the Gem Village customers. Justin replied that Gem Village was to pay the increases.

Item # 3: Approval of Regional Housing Alliance IGA:

Justin explained that this was self explanatory. ‘It is an annual thing. This goes to all participating entities every year. We anticipated annual dues of \$16,000. There is a pending grant for them. Down payment assistance has been utilized’.

Justin added that he could ask Jen to provide an annual report to supply the Town Board information on what R.H.A. has done. The Board asked him to do so. Rick wants to be sure they still help with Fox Farm.

Justin C. replied, they are working on deed settlements.

Tom Au moved to approve the IGA with Regional Housing Alliance. Den seconded. The vote was five in favor. Motion carried.

Item # 4: Consideration- Public Hearing- Extension of Vested Rights- Highlands at Dove Ranch:

Dan Ford asked that he be recused from this discussion, adding his employer may have a financial interest. He left the dais and sat with the audience.

Justin C. said he felt that if the period applicable to vested rights is extended, the Town will not be losing anything. He pointed out that the Town would not be closing the door on enforcement of construction standards by granting an extension.

Gabe asked regarding the drainage issue, ‘where is this as it now stands. Do we need it sown up or was it pursued in the beginning?’

Justin C, there were several lots that were encumbered for drainage purposes at the beginning of the discussions. They had a back up plan to accommodate all flows that would occur. Justin cautioned, ‘we do not have their drainage plans accepted by the engineer at this point’. Gabe questioned, ‘does it need to take place in the near future?’ Justin C. answered, ‘not necessarily. This issue would not change because of the Boards approval of the extension of vested rights. Drainage could be a reason to deny the extension. The Town did get the necessary easements recorded for water utilities. The Town would not lose any easements that you have now’.

Mayor Smith asked Jim Flint, ‘are they going to address the leaks on the line coming down?’

Jim responded, ‘it will probably be written in the SIA reimbursement’.

Justin C. re-affirmed, ‘it is an obligation on the part of the developer, agreed to when the deal was cut’.

Addressing Jim Flint, Debbi asked, ‘how close are you on getting a drainage plan?’

Jim answered that it was a compelling issue.....they knew the subdivision was going to go forward. He added ‘There is a new need for storm water management’.

Debbi responded, there is no way the drainage can go down Tamarack.

Ron Saba reminded everyone, 'the subdivision has never been platted. When it goes, they will need to comply with the construction standards'.

Justin C. added, that 'we have what we have negotiated for, so far intact.

We have the easements and agreements to cover the road and water.

If you extend vested rights, the drainage will come back to the Board anyway.

Standard time for extension is six months'. Dirk commented, it is up to the Board.

Six months is what people have been asking for. Getting ownership takes about six months.

Rick opened the meeting for a public hearing. No comment was received.

The Public Hearing closed.

The Mayor turned his attention back to the Board. He asked them what they would consider as far as a time frame for extension.

Gabe said he felt six months seems too short. A year would be more reasonable. He is still concerned about the drainage.

Rick supported a twelve month extension. He definitely wants the drainage plan to come back to the Board.

Tom Au moved to grant an extension of vested rights for twelve months for Highlands at Dove Ranch, effective until one year from today. He amended his motion to include the stipulation that *prior* to any plat being approved or recorded for this subdivision, the drainage plan and plat will be revisited by Bayfield's Town Board.. Gabe Candelaria seconded. The vote was four in favor. Motion carried.

Dan Ford returned to his seat on the dais at this time.

Item # 5: Review and Approval of Draft Covenant Summary Form:

Justin C. has researched this proposal and has utilized information from other resources, in particular those agencies that act for and in behalf of neighborhood entities. This draft covenant form has very limited value. He feels if you ask for and take this information, it may be construed as an effort to try to exert influence. When this happens, you are involved because you have already intervened. It puts the Board in the position to say what is most important.

It puts the Town on an implicated basis legally. He thinks it is risky to approach intent.

'You can't dictate to them what they can and cannot do. A municipality cannot make decisions on any other quasi governmental entity. It is a fine line (referring to litigation).

He is reluctant to proceed. It will not, in any likelihood, address any problem.

He urged the Board to be cautious.

The owner needs to be aware when they consider any purchase of property.

Dan Ford agreed. He said the Town needs to keep 'good separation between government and commerce'.

The Town may open itself to legal complications, be culpable if they decide to become involved in the covenants.

Debbi asked Dirk, can Covenants prohibit modules. Dirk replied, 'Yes, if it is on private property'.

Debbi said she still encourages the Town to provide 'suggestions' on covenants.

If we do so, Justin C. cautioned, we will be drawing a fine line on 'intent'

It is a realtor's obligation to disclose these things.

Gabe agreed with Justin. ‘This is a State issue, it is a real estate issue. We should not get involved. We are not the real estate board. It is the realtor’s obligation. We need *not* to put our hands on it’.

Justin C. reinforced the fact that the developer can change the HOA at any time.

Gabe, ‘refer the investor to the developer’.

Justin C. ‘refer the prospective buyer to the proper resource’.

Rick concurred. The Board decided not to incorporate use of the covenant summary form.

Item # 6: Consideration- Public Hearing - Ordinance #348:

Justin C. apologized to the Board. His summary sheet for this agenda item did not get e mailed to them. Justin continued, the Planning Commission conveyed ‘we have a problem about 5 % of the time when we have construction trailers’. The language as currently written is flexible enough to accommodate a wide range of circumstances. If the Board would institute a permit process, the final decision would rest on the town manager. Justin said he deliberately drafted the Ordinance to be ambiguous on the expiration of each permit. He could grant it for any length of time, on a case by case basis.

It differentiates between small construction trailers, i.e., those pulled by dry wallers, electricians, independent contractors, etc.

Dan questioned, ‘should we allow adjacent property owners to allow the construction trailer on their lot?’ He liked language that addressed the ‘notification of adjacent property owners’.

Debbi stated that during the construction of the new fire house, the adjacent property owner helped by allowing his property to be used for placing construction materials. Justin confirmed that the permit process would still be routed through the Planning Commission.

The Board asked for a more finite definition of ‘adjacent’. Some may interpret adjacent as nearby land owners. Dirk said that adjacent, in this text, means anything in that area. Dan said he was o.k. with leaving the language as is.

Tom Au made a motion to pass Ordinance # 348, An ordinance of the Town of Bayfield amending the Land Use Code of the Town of Bayfield by the addition of Section 8-22.5 providing for Permits For Temporary Construction Facilities. Gabe Candelaria seconded. The vote was five in favor. Motion carried.

Item # 7: Discussion of New Liquor Stores:

Justin told the Board, some interested person has asked if the Town has ever set certain parameters (density) for new liquor stores.

Dirk said most municipalities will not restrict new liquor stores based on any single criteria.

A short recess was called at 8:20 p.m.

The meeting reconvened at 8:30 p.m.

Item # 8: Review 2010 Draft Budget:

Justin C. said 'we are getting close. It will be right by Dec 1'. He incorporated the changes the Board requested during the last meeting.

It was decided to change 'Capital Asset Replacement' to 'Equipment Replacement' to forego any possibility of confusing the Capital Improvement Fund with the Capital Asset Replacement Fund.

Justin added, 'we need to include a skidsteer in the purchase/replacement spreadsheet. If we take one item and move it back a year, it will work from a cash flow standpoint'.

The impact on the Capital Improvement Fund to set aside monies for equipment replacement still remains about \$66,000.

The big issue is health insurance. Justin has dealt with several health insurance providers in the area to get bids. It is evident that Rocky Mountain is still the least expensive. They are increasing their rates for premiums for the year 2010 by 25%.

Last year staff agreed to switching from a \$1200 deductible to a \$1500 deductible. This helped keep the costs down for both the Town and for its covered employees

One extremely unpleasant fact is that RMHMO charges 24% interest to employees on any amounts past due.

He worked with the current carrier. During negotiations it was made clear that the Town of Bayfield has claims that are too high during 2009 to qualify for a partial self-insured status. In a self insured plan, you are the only entity the rates are based on. The Town opted for group coverage, whose rates are based on claims from members from the surrounding southwest Colorado area. To opt for self-insured status, the premiums would be astronomical for most, prohibitive for others.

RMHMO is still the most competitive.

He is asking that the Board set the floor, or the highest increase they felt they could absorb. The remaining costs will go to the employees.

He had included several options on plans, coverages, etc with the packet.

After the Board makes a determination on what cost it is able to cover, the employee will then get an option to choose from three plans. However, any increase that would be incurred by choosing an alternative plan would have to be paid by the covered employee. After discussion, the Mayor wanted the Board to choose the 90/10 HMO 2000, and to have the Town pay for the added costs, i.e., the Town takes on the entire \$20,000 increase.

Justin C. replied, 'if the Board decides to go with this, there wouldn't be any negative impact on the paycheck for employees'.

Rick added, 'because we can't give pay raises, I do not want to have employees pay more insurance out of their pocket'.

Justin said that 75 % of the full time staff has to be involved to get the group rate. ' If we don't have 75%, we lose group coverage. If we opt to give a stipend to the few who don't want to keep this insurance coverage, we would have hand full of people whose lives would be devastated.

If you come in as a group, they have to cover you. If you come in as an individual, they can deny you'.

Rick cautioned, the staff needs to realize that, even though the Town is willing to pay this increase in 2010, things *will probably* change in 2011.

Dan was not in favor of the Town paying for any of the increase in 2010, saying 'very little needs to be paid by the Town'.

Justin C. would like to minimize the impact to the employees.

Gabe commented, 'the Town and the employee are in this 50/50. They should be willing to absorb half of the increase'.

Rick countered with, 'it is perception. In the eyes of the employee, they are getting no increase. If the Town is willing to absorb the increase now, the employees will take "no increase in pay" as "at least you have tried to help me as best you can".'

Dan replied 'once you make this decision you are in this for an entire year'.

Rick commented that, after next year (2010), maybe it will come to paying for coverage on the employee only.

Justin C. said that Bayfield has remained competitive in the job market because of their generous benefits.

Rick noted, this decision will impact morale. He feels it is a price that will be well spent.

Gabe moved to adopt the 90/10 HMO 2000, having the Town pay \$18,975 and the employees pick up the \$2,109 for the 2010 budget. Debbi seconded.

The vote was three in favor, Debbi Renfro, Tom Au, and Gabe Candelaria. Rick Smith and Dan Ford voted in opposition. Motion carried.

Justin C., the staff is aware how much the Board supports them.

Item # 9: New and Old Business:

Rick mentioned that when he attended the Regional Housing function, Commissioner White addressed the impacts of airport expansion. "Would we like to court any businesses to go or to not go to the airport project?"

Rick also mentioned the impending grant for fiber optic to the area.

Motion to adjourn 9:30 p.m.

Approved as amended, December 1, 2009