

Town of Bayfield
Regular Town Board Meeting
October 4, 2011
1199 Bayfield Parkway Bayfield, CO 81122

Town Board Members Present: Rick Smith (Mayor), Tom Au (Mayor Pro-Tem), Dan Ford, Ed Morlan, Debbi Renfro, Gabe Candelaria

Town Board Members Absent: Justin Talbot

Staff Present: Chris La May (Town Manager), Dirk Nelson (Town Attorney), Marianne Jones (Town Clerk), Chris Choate (Marshal), Elizabeth Jackson (Intern), Erin Dunavant (Finance Director)

Media Present: Carole McWilliams (Pine River Times)

The meeting was called to order @ 7:03 p.m.

Minutes: Dan made a motion to approve the minutes from the September 20th, 2011 Regular Town Board Meeting as submitted. Tom seconded the motion. All were in favor except Gabe who abstained from the vote.

Public Input: None was offered so it was immediately closed.

Action Agenda Item #1: Approval of Bills

Gabe made a motion to approve the bills dated September 30th, 2011 as submitted. Debbi seconded the motion. All were in favor, motion passed unanimously. However, Tom abstained from payment to Pinnacle Surveying.

Action Agenda Item #2: 4CORE Presentation

Chris introduced Greg Dubit, the Interim Executive Director with 4CORE. (4 Corners Office For Resource Efficiency)

Greg stated that 4CORE is going to the 5 county region that they serve to request support so that they can continue the work that they are doing. He stated that the 4CORE mission is to advance resource efficiency. This means that they are trying to motivate people to save energy which generally leads to saving money. He stated that is their goal at 4CORE. They also work to create jobs and provide a whole host of benefits such as the low cost weatherization program and other helpful programs. They serve 5 counties in the State of Colorado (La Plata, Montezuma, Archuleta, San Juan, & Dolores) and they try to make sure that every decision they make has a positive impact on the people, the planet, & the economy (triple bottom line).

Greg stated that 4CORE has weatherized 18 homes in the Bayfield area which costs about \$6,500.00 per home (for a total of \$117,000.00 that has been invested in Bayfield) since 2009. They also wrote a New Energy Community Grant and Bayfield received \$90,375 from that grant which was administered by La Plata County. They have more homes on the wait-list to be weatherized in Bayfield as well.

Greg explained that the low-income weatherization program serves residents that are 200% above the federal poverty level. He gave an example that 80% of their 400 employees at the Durango Wal-Mart Store qualify for this program.

4CORE also offers a program called Resource Smart Business Program. They wrote a grant collaboratively with La Plata County, La Plata Electric, Durango Discovery Museum, & Health Lifestyles for this program. They plan to go into 40 local businesses (women & minority owned businesses will be targeted first) in La Plata County to help those businesses increase energy efficiency and health/wellness. They also hope to use this program to recognize and get information out to the public about these businesses. He stated that he feels this is a very good opportunity for the County and these 40 businesses.

Town of Bayfield
Regular Town Board Meeting
October 4, 2011
1199 Bayfield Parkway Bayfield, CO 81122

4CORE also provides information to residents on rebates & incentives that are available. These programs are available for people to reduce their energy costs and 4CORE lets people know how to take advantage of these programs.

Dan asked about the \$90,375.00 that the Town of Bayfield received.

Elizabeth answered that the Town received \$47,875.00 for energy efficiency upgrades for Town facilities, \$12,500.00 for solar panels at the Senior Center & \$30,000.00 for high efficiency lighting at the Sports Park.

Greg stated that running this type of coalition takes support and 4CORE is requesting a funding obligation of \$2.00 per resident for a total of \$4,000.00 from the Town of Bayfield. He expressed that he knows that revenues are down but asked the Town Board to consider a donation of some amount towards the program so that they can continue their work throughout the area. He explained that 4CORE was initially funded by La Plata County, City of Durango, La Plata Electric & BP Amoco. Since that time, the organization has gone regional and is serving a much larger area of residents. They have been able to get federal grants (ARRA) for the past couple of years but those dollars are not going to be available in 2012. This will affect approximately 50% of their operating revenues.

Greg then gave a short presentation on weatherization. He stated that the weatherization program was formed in 1976 to help the elderly, disabled & children. It's in every county, territory & State. This program is used to ensure health & safety in every home they go into. They generally find gas leaks & high carbon monoxide levels in approximately 20% of the homes. Low income families generally spend about 14.4% higher amounts on energy costs (compared to 3.3% for middle – upper income level families). Weatherization saves each of the lower income families approximately \$437.00 in heating or cooling costs per year. The program is done in all types of homes, including single family, multi-family, & mobile/modular homes. They generally find unsafe heating systems, broken windows, or excessive mildew & mold growth. They fix these items by adding insulation, installing water heater jackets, insulation in the bellies of mobile homes, prevention of ice-damming on the roofs, and other items that will make the homes warmer in the winter and cooler in the summer. For every \$1.00 that is invested in the program, \$1.80 is received in benefits.

The work requires skilled workers to carry out the program, which takes a lot of training. They are “green” jobs that reduce total energy use and environmental impact. The jobs cannot be exported. Since 1976, 6.4 million homes have been served by the program and another 38.6 million home are eligible for the service.

He stated that the Department of Energy requests that 4CORE raise approximately \$1.00 of match support for every dollar that is spent in the program. In 2012, they are expecting to spend approximately \$700,000 - \$850,000.

The Mayor opened the item up for public comment.

Wendy Cox (184 Beaver Creek Drive) asked if the Board plans to contribute to this program.

Rick answered that this was just presented for the first time and it will be put into the budget process for consideration. He stated that the budget process has just begun and the Town has received several of these community funding requests. The Board will review each of these requests, look at the money available and make a determination of which items will be funded by the Town of Bayfield.

Wendy asked how many of the people who qualify for the weatherization program actually own the homes or if the work is being done for the landlords who own the property. She also asked if it is being done for landlord, if they are required to contribute towards the cost of the work.

Town of Bayfield
Regular Town Board Meeting
October 4, 2011
1199 Bayfield Parkway Bayfield, CO 81122

Greg answered that the program serves homeowners & renters. However, there are strict guidelines regarding landlords; the owner has to pay for 50% of the upgrade costs (which includes windows, appliances, furnaces, etc) and they have to sign an agreement that they will not raise the cost of rent to cover these costs.

Wendy asked how much money has been received from grant funding for this program since 2009.

Greg answered that they have received a total of \$6.85 million in grant funds since 2009 and a total of \$1.6 million just in 2011.

Wendy asked why 4CORE is requesting money from municipalities when they are able to get such large amounts of money from the federal government.

Greg answered that the federal funding is going to decrease by 50% in 2012 so it is necessary to request money from local agencies. He expressed that the need is very high on the current wait list and every slot is already filled for the funding that is allocated. He stated that there are 91,000 people living in the 5 counties, there are 41,000 housing units and approximately 10,000 of those homes qualify as low income based on the government matrix. They plan to weatherize 252 homes in 2011 but there is twice that many homes that are on the waiting list needing assistance.

Wendy asked if it would be possible to privatize this endeavor.

Greg answered that he would like to privatize it and just have subcontractors do the work for a fee. However, they are still trying to work out the legalities of that change with their Board. They are currently working on implementation of business plan for that which would outline fees for service, job retainage, etc.

Jim Finn (4242 CR 523) asked what the criteria is for homeowners to qualify for the weatherization program.

Greg answered that the Dept of Energy has a brochure that outlines the criteria in detail. It gives the income qualification based on the number of family members in the household. He stated that a family of two must have a total annual income of \$29,140 or less to be considered for the program. Greg also mentioned that 4CORE has other programs as well which provides rebates for these types of upgrades that are done to homes. He explained that if homeowners/renters don't qualify at the first level, there is an option 4CORE might still be able to help them through other programs that are available.

Jim Tenza (351 Hilltop) asked what percentage of the revenue given by the local municipalities goes to the weatherization program and how much goes to other programs.

Greg answered that 4CORE has received funding from 3 municipalities (La Plata County, City of Durango, and Town of Ignacio). He explained that the federal grants that are received all have a very low administrative threshold so the bulk of the federal funds received has to be put into the homes. However, there is a lot of administrative work that has to be done to write these grants and administer them so they are looking for support from the municipalities to help cover some of those costs that are not covered by federal funding. He explained that approximately 25% of the proposed \$4,000.00 would go towards weatherization and other programs. The remainder would go towards administrative costs. Greg stated that the Board could put stipulations on the funds if they desired to outline how they had to be spent.

Casey Cook (135 Pine Ridge) Asked how many job associated with the weatherization program are full-time positions.

Greg responded that 4CORE does not do all of the work for the weatherization program. They do intake, administration, reporting and inspecting. 4CORE has a total of 10 full-time employees and 7 of those work in weatherization. There are a total of 35 subcontractors and 27 of those are full-time employees. Those

Town of Bayfield
Regular Town Board Meeting
October 4, 2011
1199 Bayfield Parkway Bayfield, CO 81122

employees work for several different companies such as Housing Solutions, Southwest Conservation Corps, Big Als Insulation, Maintenance Patrol, Ambient, etc.

Carolyn Cook (135 Pine Ridge Drive) asked what other programs are available besides weatherization.

Greg answered that there is Resource Smart Business Programs, Sustainable Building Education Program, the Recharge Initiative, Community Action Plans, & Collaborative Grant Writing.

John Dierking (613 Louisiana Drive) asked if 4CORE uses local contractors for projects and what the bid process is for the work that is done.

Greg answered that there is open procurement on the 4CORE website for bidding right now. He stated that the federal regulations are very strict and they require that 4CORE to advertise openly and allow anyone to bid on the work. He stated that they advertise as the projects come available on their website and the Department of Labor website.

Public comment was then closed.

Ed asked how the entity is organized.

Greg answered that it is a 501c3 non-profit organization that is made of 10 Board of Directors. The Board includes representatives from the City of Durango, La Plata Electric, Empire Electric, Town of Ignacio, and there are several residents at large.

Debbi expressed concern that the life expectancy is 20 years for the weatherization but the work won't pay for itself in energy savings for at least 15 years. She also asked what other municipalities have pledged towards this program.

Greg answered that he has requested funds from 13 entities within the 5 counties. However, everyone is in the budget process right now and none of the entities have been able to guarantee funds until their 2012 budgets are adopted.

Debbi asked what kind of annual savings the Town is going to receive from the \$90,000 that was received.

Liz answered that the new ball fields have energy efficient lighting which decreases the monthly bill for that location. The Town still has \$42,000 available to do upgrades to the other Town facilities to make them more energy efficient.

Marianne commented that one of the items found in the energy audit that was performed by 4CORE was that the Senior Center had the wrong commercial rating through La Plata Electric. It was rated much higher than it should have been so the Town was paying a much higher rate than it should have been. The Town received a credit to the utility bill for that location when that error was found and it is now being charged the lower rate each month. She also mentioned that it was discovered that there are problems with the Town Hall building. The vapor-barriers in the ceiling were installed incorrectly and once that is fixed it should decrease the electric & natural gas bills for the Town Hall building.

Debbi asked if there are any other organizations in the area that provide these same types of services.

Greg answered that La Plata Electric provides classes and 4CORE works collaboratively with a lot of different agencies. He feels that the reason that 4CORE is successful is because they team up with the local utility companies, local governments and social housing governments.

Tom asked for clarification about how much money is allocated specifically for administration.

**Town of Bayfield
Regular Town Board Meeting
October 4, 2011
1199 Bayfield Parkway Bayfield, CO 81122**

Greg answered that 10% of their annual budget goes to administration.

Tom asked how much money was given to 4CORE by La Plata County.

Greg answered that La Plata County gave \$54,000 in 2011 (\$1.00 per resident).

Tom expressed concern that if the Town decides to contribute to this program at \$2.00 per resident, 4CORE will actually be received \$3.00 per Bayfield resident (because of the contribution from the County).

Greg stated that is correct.

Gabe asked about the budgets of other participants that are involved in this project.

Greg answered that Housing Solutions is 100% funded by grant money received through 4CORE for the weatherization program. However, it is anticipated that the federal funding will be decreased by 50% for that particular program.

Gabe asked how much money 4CORE has taken in since they started in this area of Colorado and how much of it has actually been used on homes.

Greg answered that they have successfully brought in approximately \$6.8 million for all of their programs. He said that \$4.1 million went directly to the weatherization program over the past 3 years.

Rick asked how many of the sub-contractors are "for-profit" companies.

Greg answered that they use 16 sub-contractors and 13 of them are "for-profit".

Rick stated that he feels that if work is being done in Bayfield, he would like to see a Bayfield contractor do the work in this community.

Greg stated that they put every job out to procurement and 4CORE would really like to get more local skilled contractors that can do this type of work. He stated that one of the problems is that this is a very rigorous program and it requires very specific training. However, there are scholarships available to people who are interested in getting that training.

Rick thanked Greg for presenting to the Town Board and informed him that the Board would take his request under advisement during the budget process and will let him know if funding is available for the program.

Action Agenda Item #3: Town Updates

Chris reminded the Board about the interviews for the Town Marshal position on Saturday, November 5th. He stated that there will be a presentation prior to the Town Board meeting on October 18th from a company named Buxton regarding an identifying customers program. Chris also mentioned that there is an all-day Alliance Economic Summit meeting on October 19th @ Sky Ute Casino and breakfast with the County Commissioners @ the Doubletree Hotel on Thursday October 13th @ 7:30 a.m.

Debbi asked about tree and sidewalk repair bid. She expressed concern over the amount of \$14,000.00 because she felt that was extremely high.

Chris responded that the majority of the bid was due to the tree removal (which was a substantial endeavor). He also mentioned the requirement for backflow prevention devices. He explained that the Town received a

Town of Bayfield
Regular Town Board Meeting
October 4, 2011
1199 Bayfield Parkway Bayfield, CO 81122

notice from Colorado Department of Public Health stating that the Town has to correct the uncontrolled cross-connection to non-potable ditch water irrigation systems and require system users to rest containment devices annually and maintain them as necessary. He stated that the Town has to get this done as quickly as possible in order to be in compliance with their regulations.

Dan asked if this requirement is going to affect critical businesses such as restaurants.

Chris answered that the highest concern is residential homes that have irrigation water that need these back-flow preventers installed to ensure that irrigation water is not getting into the Town's water system. However, the Town will also need to check the high risk areas such as restaurants, manufacturing, etc.

Dan asked if the State will be willing to work with the Town on the October 10th date.

Chris answered that the Town has to make this a priority and get it done as quickly as possible.

Ed asked about the comment regarding the Town doing an inventory of supplies outlined in the audit memo.

Erin stated that the staff will be doing an inventory of computer equipment, furniture, etc and a schedule of replacement will be done for those items as well.

Marianne added that the auditors also wanted a detailed inventory of public works supplies such as sand, chemicals, water meters, mag chloride, etc. at the end of year so that information can be rolled over into the next year.

Action Agenda Item #4: Liquor License Renewal – AJ's Pizza

Gabe made a motion to approve the liquor license renewal for AJ's Pizza. Ed seconded the motion. All were in favor. The motion passed unanimously.

Action Agenda Item #5: Consideration of Agreement with Souder Miller For Evaluation of Bayfield Parkway Bridges

Chris gave his staff report. He stated that the next logical next step for determining future action regarding the two bridges on Bayfield Parkway, was to evaluate and develop a recommended a solution for the replacement of the two bridges.

Brent Adams with Souder Miller Associates has provided a scope for completing an evaluation for the Pine River Crossings. The project would be funded out of the proceeds from the transfer of US 160 B to the Town of Bayfield.

Staff recommends approval of the professional services agreement with Souder Miller Associates in an amount not to exceed \$23,500.

Gabe stated that the Town has a contract with Souder Miller for Town services and asked why this contract is separate.

Chris answered that the Town has a contract with Souder Miller for on-call services.

Gabe asked if this contract should be bid out for others besides Souder Miller.

**Town of Bayfield
Regular Town Board Meeting
October 4, 2011
1199 Bayfield Parkway Bayfield, CO 81122**

Chris answered that is an option; however, Souder Miller has already been through the evaluation of Bayfield Parkway and the two bridges so they have an institutional knowledge that other bidders would not have.

Gabe suggested that this item should be bid out to other firms before the Town Board accepts the bid.

Ed commented that he thinks the number submitted by Souder Miller is a reasonable number and he doesn't think that bidding it out would be cost effective.

Tom stated that he also feels that the bid is high for what the Town is receiving (since the Town won't receive a set of plans once it is completed).

Debbi concurred.

Dan asked if this figure includes everything.

Chris answered that there is some language in the contract outlining certain caveats that could come up throughout the process.

Tom expressed that he doesn't think that they need to do cross-section studies because those studies were already completed by FEMA.

Ed asked if the staff has a recommendation on this matter.

Chris stated that it's typical that the Board relies on their Town Engineer for most Town projects (that are not specialized) because the comfort level with them is high and they have been happy with their work. He feels that there's value in that relationship.

Tom asked what it would cost in staff time to put together a Request for Proposal.

Chris answered that it wouldn't be too expensive to send it out because the bulk of the work has already been completed by Souder Miller. However, he expressed that time is the big item because this will delay this item even further.

Rick asked if would be cost effective to ask Chris to talk to Souder Miller and see if they could remove the items that have already been done from the contract and give a new proposed number.

Ed made a motion to table this item in order for the staff to go to Souder Miller and see if they can "sharpen their pencil" and clarify the specifics in the scope of work because the Board is concerned about the high cost of the estimate. Gabe seconded the motion. All were in favor except Rick, who was opposed.

Action Agenda Item #6: Consideration of Agreement With Drexel Barrell For Evaluation Of Bayfield Parkway And County Road 509 Intersection

Chris gave his staff report. He stated that there is a need to evaluate options to improve the intersection at County Road 509 and Bayfield Parkway.

Ann Bowers with Drexel Barrel has provided a scope for completing an evaluation for the Bayfield Parkway and County Road 509 intersection. The project would be funded out of the proceeds from the transfer of US 160 B to the Town of Bayfield.

Town of Bayfield
Regular Town Board Meeting
October 4, 2011
1199 Bayfield Parkway Bayfield, CO 81122

Staff recommends approval of the professional services agreement with Drexel Barrel in an amount not to exceed \$4,750 plus \$1,000 for traffic volume data collection.

Dan asked if the Town will have alternatives & solutions once this traffic study is completed.

Chris answered that the Town will have that information.

Dan asked if the Town should include Homestead in this matter since part of their annexation agreement was to make improvements to that intersection.

Rick suggested that it would be good for the Town to have the information on what the options are for the intersection and then present those to Homestead during the annexation process for that property. He thinks having the information ahead of time will be extremely helpful when negotiating an annexation agreement.

Chris stated that it might be possible to phase the improvements to the intersection over time. It might be possible to do a short-term fix immediately and then do additional improvements when Homestead annexes (if they ever do), and maybe even additional improvements until the ultimate long-term solution is reached.

Dan made a motion to engage Drexel Barrell for a cost of \$4,750.00 plus \$1000.00 for a traffic volume data collection study for review of the intersection of County Road 509 & Bayfield Parkway. Ed seconded the motion. All were in favor except Gabe & Tom, who were opposed. Motion carried.

Action Agenda Item #7: Consideration of Agreement With Drexel Barrell For Bayfield Parkway Access Control Plan

Chris gave his staff report. He stated that the staff believes there is a need for an Access Plan for the Bayfield Parkway to provide guidance to development along the corridor and to ensure appropriate traffic flow.

Ann Bowers with Drexel Barrel has provided a scope for completing an evaluation for the Bayfield Parkway and County Road 509 intersection. The project would be funded out of the proceeds from the transfer of US 160 B to the Town of Bayfield.

Staff recommends approval of the professional services agreement with Drexel Barrel in an amount not to exceed \$29,500.

Ed asked if the Town is required to do this study.

Chris stated that it is not required but that it is a standard practice and a good idea.

Ed asked if the Town should get input from the Planning Commission.

Rick responded that he feels the Planning Commission is going to be in favor of having this type of plan in place to help with the planning process. It will give them guidelines to follow for approvals rather than trying to figure it out on their own.

Chris commented that this document will be really helpful to the administrative staff to answer questions from potential developments that want to know what their options are for their property. Also, there are properties that are looking to develop in the County but one of the requirements is that the Town has to grant access. This is a challenge for the staff because the staff is unsure of what is going to be allowed and what the impacts will be if accesses are granted.

Town of Bayfield
Regular Town Board Meeting
October 4, 2011
1199 Bayfield Parkway Bayfield, CO 81122

Gabe asked if the Town is going to be able to recoup these fees as new properties develop along Bayfield Parkway.

Chris answered that it was not anticipated to have a recovery mechanism but it will advance development on that road and give potential developers an idea of what their access requirements will be.

Rick expressed that since the Town has taken this road over the Town needs a plan in place on how to deal with access and development along the road. He feels this is a good practice and it arms the staff with the tools they need to handle questions as they come in from potential developments.

Tom asked if the Town received the access control plan from CDOT that they used for the road. He asked why the Town is spending money on a plan that already exists through CDOT.

Chris answered that CDOT did not have a formal access plan for that highway. They have a series of access permits that have happened over the course of time but it isn't a formal plan.

Ed asked how well the land use planning is along that corridor.

Chris answered that the Town recently completed the Westside Comprehensive Plan which includes a lot of those properties along Bayfield Parkway. It has land use categories established and proposed units.

Ed stated that he feels this study is a lot of money.

Chris responded that he called the transportation engineer that he used in Elizabeth and asked him how much this type of study would cost and was quoted approximately \$80,000. So he feels that the Town got a really good quote from Drexel Barrell on this item.

Tom asked if this study includes the entire stretch of highway.

Chris answered that it includes the entire road, from eastside intersection to the westside intersection.

Gabe asked if the Town can ask the County to participate since the majority of the properties on this road are in the County.

Chris said that he can certainly ask them to participate.

Ed asked if the Town has access control plans for any other roads.

Chris answered that the Town does not have plans for any other roads. It's not necessarily needed for every road; however, Bayfield Parkway is a major collector road and has to be monitored appropriately.

Ed asked what the downside would be if the Town opted not to do this study.

Chris answered that it would be done on a case by case basis and it's possible that a determination made in the present could have major detrimental impacts in the future.

Rick stated that he thinks the best thing to do is to plan ahead and have a detailed plan of how access is going to work on the road. This will maintain that no preferential treatment is being given to certain property owners and will give the Town Manager the information he needs to direct potential developers in the right direction. Rick stated that he doesn't think the staff should have to stick their neck out on each developed property when the Town can invest in a plan right now that will give them the information that they need. Rick stated that he thinks without this plan in place, the Town is taking a chance that could be extremely detrimental in the future. He explained that he wants to arm the Town Manager and the staff with the information they need to give good

**Town of Bayfield
Regular Town Board Meeting
October 4, 2011
1199 Bayfield Parkway Bayfield, CO 81122**

direction to potential developments and give them a document that will outline the access needs & requirements of the road as it develops. He feels that the Town needs to look at the long-term affects of not doing this could be in the future.

Ed asked if it is possible to re-negotiate the cost.

Chris stated that there is an option to reduce some of the costs and he can go back to Drexell Barrell and re-negotiate the amount.

Debbi stated that she thinks this study does need to be done because it's extremely important. But she feels there is local availability on this matter as well and thinks it should be bid out. She also asked if it would be possible to develop an access permit fee to help recoup some of the costs of this study.

Chris stated he could research that further.

Gabe made a motion to table this item so that the staff can approach La Plata County about the possibility of cost sharing on this item, research if there is anyone locally that is qualified to bid on this scope of work for the possibility of local bidding on the project, and develop an access fee schedule to go along with the plan for cost recovery of the access plan expenditure. He requested that this information be brought back to the Board for review within two Town Board meetings. Debbi seconded the motion. All were in favor, motion passed unanimously.

Dan stated that he is not in favor of this access control plan because he does not feel that it is necessary at this time. He doesn't think that the Town should spend \$29,000 on a study that could change due to unexpected events. He stated that even when this item comes back for further discussion, he will probably vote against the study being done because he does not think it is a wise way to spend the money.

Chris stated that there is always a challenge when reviewing land use applications because developers want as much certainty as possible. Having an access plan will not guarantee 100% certainty but it will give them the ability to review a plan and get a general idea of what the costs are going to be to develop in Bayfield.

Dan stated that if there were people lined up to develop he might feel differently.

Tom stated that he knows of at least one developer that is ready to move forward and this access plan is huge for them.

Marianne stated that there has been 3 requests for access permits since the Town took over the highway.

Chris stated that the big concern is if the Town does come up with an answer on a particular parcel, what the affect will be for the other properties along the highway.

All voted in favor, motion passed unanimously.

Action Agenda Item #8: Presentation of 2012 Preliminary Budget

Chris stated that as required by State Budget Law a Preliminary Budget needs to be presented to the Board of Trustees by October 15th. Chris submitted the preliminary budget for review by the Town Board and requested that the Board set up a series of workshops to discuss the budget in detail.

Chris explained the Board will have to make some decisions on policies and funding priorities for the individual projects and programs. He said that there are some challenges within the budget; specifically the sewer fund is

**Town of Bayfield
Regular Town Board Meeting
October 4, 2011
1199 Bayfield Parkway Bayfield, CO 81122**

extremely tight. Also, the proposed budget does not include the intern position and a position has been removed from the Public Works Department. He said that there are other items in community funding that need to be looked at and decisions made on which items the Board wants to fund in 2012. Right now, all of the community funding requests that have been made are included in the budget.

Rick asked for the requirements.

Chris answered that a public hearing has to be held on the budget by November 15th and the final budget has to be approved at the first meeting in December. Chris clarified that there are not requirements for the number of work sessions that have to be held.

The Board decided to have a work session on October 13th and October 20th from 5:00 – 9:00 p.m. Staff stated that they will provide dinner for the Board members at both work sessions.

Action Agenda item #9: Discussion & Possible Action – Ludwig Property

Chris gave his staff report. He stated that Gerald Ludwig believes that the construction of the Wastewater Treatment Plant has altered the flow of groundwater, thereby, causing his adjacent pasture to become saturated with water.

As an initial step the Town has filed a claim with the insurance carrier, CIRSA. They suggested that they would provide an engineer to evaluate the situation and the Town would only pay the deductible of \$1,000. This would give the Town some indication where they stand. Depending on the outcome, the Town may have additional options that the Board might want to consider.

Ed asked if the United State Geologist Service has been asked to access the situation.

Chris stated that he has not brought them in to access.

Ed suggested that they might be a good resource on this matter.

Dan asked if the insurance provider would provide the Town with detailed information that outlines exactly how much a repair will cost to fix the situation.

Chris answered that he doesn't anticipate that detailed of a report from the insurance company. They are just doing a cursory review of the item.

Dan asked if the staff ever got a response from Stantec regarding this item.

Dirk responded that he has spoke with them. He hopes that this analysis that is being done by the insurance carrier will give the Town the needed information on what is causing this water problem. Once a cause is determined the Town may be able to move forward with negotiations with Stantec. Right now, everything is pure speculation on what is causing the water to seep into the field. The Town really needs concrete evidence showing what is causing it to happen.

Ed asked how much it would cost to put in a French drain.

Debbi answered that it's unknown if a French drain will even fix the problem.

**Town of Bayfield
Regular Town Board Meeting
October 4, 2011
1199 Bayfield Parkway Bayfield, CO 81122**

Chris stated that CIRSA has selected an engineer and the Town is providing information to him such as construction drawings, plans, etc. The staff hopes that this engineer will be able to give some recommendations on how to alleviate the problem.

Gerald Ludwig expressed concern regarding how long this process is taking. He worries that his ground just keeps getting more saturated as the Town tries to figure out what to do. He stated that he did not have this problem prior to the wastewater treatment plant being built and he really wants the Town to come up with a resolution to fix it.

Action Agenda Item #10: New/Unfinished Business

Gabe requested an update on the water filing.

Dirk answered that he is working with LAPLAWD. The filing hasn't been filed yet but it is very close; however, there are a few things that have to be done in coordination with LAPLAWD and Dirk is working on those items.

Tom asked about the easement in Dove Ranch.

Dirk stated that he is working on that item as well. Chris put together a new agreement and Dirk is reviewing it. He hopes to present it to the bank as quickly as possible.

The meeting was adjourned at 9:30 p.m.

Minutes were approved as submitted on October 18th, 2011

Approved:

Rick K. Smith
Mayor

Marianne Jones
Town Clerk