

**Town of Bayfield
Regular Town Board Meeting
May 18, 2010
1199 US Highway 160B Bayfield, CO 81122**

Town Board Members Present: Rick Smith (Mayor), Dan Ford, Justin Talbot, Gabe Candelaria, Debbi Renfro, Ed Morlan,

Town Board Members Absent: Tom Au

Staff Members Present: Justin Clifton (Town Manager), Dirk Nelson (Town Attorney), Marianne Jones (Town Clerk), Ron Saba (Director of Public Works), Chris Choate (Marshal)

Media Present: Carole McWilliams (Pine River Times), Patrick Young (Durango Herald)

The meeting was called to order @ 7:05 p.m.

General Public Input: None Offered

Action Agenda Item #1: Approval of Bills

Justin Clifton asked for the Board to also approve an invoice to La Plata Electric for \$300.00. This invoice is for an upgrade to the transformer at the Gem Village Lift Station.

Gabe made a motion to approve the bills dated May 11th, 2010 including the invoice to La Plata Electric. Dan seconded the motion. All were in favor, motion passed unanimously.

Action Agenda Item #2: Town Updates

Justin Clifton gave a verbal update that the Highlands Water tank is now on line. He also reported that the water pressure is substantially better in the Dove Ranch Subdivision now that this tank is online.

Ed Morlan asked if there are additional problems with the Gem Village Lift Station.

Justin Clifton answered that the staff is still working out the specific details for the reimbursement of fees incurred by the Town for the sewer hauling.

Rick asked if Sunrise Estates needs to be put on an agenda in the future.

Justin Clifton answered that it's going to remain in a holding pattern for the time being.

Debbi asked if the Town needs to allocate additional funds for the maintenance of the new County Road 501 bike trail.

Justin Clifton answered that it could be added during a supplemental budget or during the next year's budget.

Gabe stated that the Town hasn't taken over the trail yet and asked if the Board would be wise to allocate funds prior to taking over ownership.

Justin Clifton answered that it would be good to have a discussion regarding that matter but doesn't think it will be possible to supplement the budget for any additional funds at this time. He encouraged the Board to be mindful that anytime they take over a new infrastructure item, such as the trail; there are corresponding maintenance costs as well.

**Town of Bayfield
Regular Town Board Meeting
May 18, 2010
1199 US Highway 160B Bayfield, CO 81122**

Action Agenda Item #3: Public Hearing: Ordinance #356 – Prohibiting Medical Marijuana Dispensaries

Justin Clifton gave his staff report. He explained that the Board is voting on the adoption of Ordinance #356 which would prohibit medical marijuana dispensaries in the Town of Bayfield. He explained that House Bill 1284 has not been signed by the Governor but the final version from the Legislature does include the ability for local governments to prohibit dispensaries. This legislation is referenced in the Ordinance. The Ordinance also makes clear that dispensaries that deliver medical marijuana to Bayfield residents are required to have a business licenses and pay sales tax. It should also be noted that the Ordinance covers the prohibition of dispensaries, optional cultivation facilities, and facilities that infuse food with marijuana.

Justin Clifton also explained that he included an Ordinance extending the temporary moratorium should the Board choose to delay approving Ordinance #356 until the House Bill has been signed into law.

Dirk clarified that the House Bill has not been signed by the governor yet but that all of the indications state that he is going to sign it. As drafted, House Bill 1284 allows municipalities to specifically prohibit medical marijuana center, medical marijuana infused products, & optional cultivation facilities. However, caregivers are not impacted by the Ordinance. They are still able to continue to provide their services as governed by the State. Also, the Ordinance does not prohibit the delivering of medical marijuana into the Town as long as the delivery company is properly licensed elsewhere. Those companies will have to get a Bayfield business license and pay sales tax on the delivered product.

Gabe asked if the Board should wait to pass the Ordinance until the House Bill is signed.

Dirk answered that it would be cleaner to wait until the House Bill has been passed. The Ordinance extending the moratorium was included in the packet in case the Board decides to wait. He clarified that the legislature has passed the law but it hasn't been signed yet by the Governor.

The item was opened for public input. None was offered so it was immediately closed.

Rick stated that he does not believe that the Town will be in non-compliance if they decide to go ahead and pass the Ordinance before the House Bill is signed by the Governor.

Justin Talbot agreed.

Dan stated that he would prefer to have the Governor's signature on the House Bill before passing the Ordinance.

Dirk expressed that he is not against the Ordinance being passed tonight but that it would be cleaner if the Board decided to wait.

Gabe asked if there would be a problem if the Board passed the Ordinance prior to the House Bill being signed.

Dirk answered that several communities have already enacted a similar Ordinance.

Justin Talbot made a motion to approve Ordinance #356 amending the Town Code by the addition of Article IV to Chapter 5 of the Town Code regarding the prohibition on the operation of Medical Marijuana Centers, optional premises cultivation operations & medical marijuana infused products manufacturers operations within the Town. Gabe seconded the motion. All were in favor except Ed, who was opposed.

Action #4: Public Hearing: Ordinance #356 – Extending Temporary Moratorium On Medical Marijuana Dispensaries

Town of Bayfield
Regular Town Board Meeting
May 18, 2010
1199 US Highway 160B Bayfield, CO 81122

Justin Clifton suggested opening the Ordinance for public hearing and then having a motion that denies the approval of the Ordinance extending the temporary moratorium.

Rick opened the matter up for public input.

Yvonne Lashmett (164 Los Pinos) thanked the Board for their consideration on this matter.

No other public input was offered. That portion of the meeting was closed.

Dan made a motion to approve Ordinance #356 extending the moratorium of the issuance of business license to or the operation of medical marijuana dispensaries to expire on or before July 1st, 2010. The motion failed due to a lack of a second.

Action Agenda Item #5: Public Hearing: Ordinance #357: Allowing Permitted Open Burning

Justin Clifton gave his staff report. He stated that The Town Board has previously taken action to delegate permits for open burning to the Upper Pine Fire Protection District. However, section 12-3 (b) of the Town Code still prohibits open burning of any kind except irrigation ditches and weeds along agricultural fences. This Ordinance is simply clean up to amend the code to prohibit burning without a permit.

Gabe asked what the penalties of this Ordinance will be. .

Dirk answered that the penalties will be to cite the offender and bring them into municipal court. They will be subject to general fines outlined in the code.

Justin Clifton commented that this Ordinance does not specifically address fines & penalties for burning without a permit.

Chris Choate (Marshal) asked for some sort of fine structure. He stated that it would be a lot easier if he didn't have one more thing that doesn't have a fee schedule precisely outlined.

The floor was opened for public comment.

Rich Graeber (Fire Chief for Upper Pine Fire Protection District) stated that the Fire Department is supportive of the Ordinance. Anyone wishing to do an open burn will need to apply for a permit and then the fire department will contact Central Dispatch to let them know.

Rich handed out a discussion paper that outlines the rules that will be used. These rules will be enforced by the Fire Department and the Marshals Office. These guidelines will be used to make up the permitting process. The Fire Department hopes that this permitting process will help control burn issues because there will be clear guidelines in place. Rich asked the Board if they are okay with the outlined permitting process.

Gabe asked about the difference between recreational fires versus barbeques & smokers.

Rich answered that a barbeque is a mechanical enclosed structure.

Debbi asked about the burning of yard waste.

Rich answered that the burning of yard waste will have to be permitted. This will help eliminate the burning of noxious items.

Justin Talbot asked if one of the requirements would be that a usable water source had to be nearby.

Town of Bayfield
Regular Town Board Meeting
May 18, 2010
1199 US Highway 160B Bayfield, CO 81122

Rich answered that an available water source nearby will be one of the items included in the permitting process. He explained that the homeowner will be responsible if the fire gets out of control and they will be liable for any fees that might be incurred.

Chris commented that all burn phone calls will be routed through Central Dispatch. The dispatchers will have information about the permitted burns and will be able to relay that information to the concerned citizens. He feels that this Ordinance will really clear up some issues that the Marshals office has regarding open burning.

No additional public comment was offered. Public input was then closed.

Gabe stated that he feels that Town should not be handing this item over to the Fire Department exclusively.

Dirk answered that the delegation of this item has already been given to the Fire Department through the adoption of the Fire Code.

Ed commented that the Town should take the path of least resistance and let the Fire Department handle the issue.

Gabe commented that he would like to see the final draft of the permit.
Rich responded that he will get the permit back to the Town Board in the next few weeks.

Justin Clifton clarified that the Ordinance will not go into effect for 30 days after the Ordinance is approved. He feels that the Fire Department could get those detailed guidelines back to the Board within that timeframe.

Ed made a motion to approve Ordinance #357 amending Section 12-3(b) of the Town Code to allow permitted open burning. Dan seconded the motion. All were in favor, motion passed unanimously.

Action Agenda Item #6: Road Projects

Justin Clifton gave his staff report. He stated that he approached the Board about approving capital expenditures to complete some road maintenance projects. Instructions from the Board were to come back with a few options representing smaller and greater financial commitments. Justin Clifton & Ron worked with Brent Adams, Tom Au and Mat Leeder (from Leeder Construction) to come up with fairly accurate cost estimates for the Board to consider.

It should be noted that the projects presented to the Board represent the highest "maintenance" priorities in Bayfield. However, mill and overlay projects are not included. There are a few streets in dire need of mill and overlays but these projects will be significantly more expensive. The point of the maintenance projects being presented is to delay the need for more mills and overlay projects (or possible total reconstruction) and save significant funds over the next 1-5 years.

Justin Clifton explained the different types of road degradation. A typical road cross section is made up of 8 inches of Class II material (3 inches minus), 4 inches of Class 6 material (3/4 inch minus) and 3 to 4 inches of asphalt. The asphalt surface is only 25% of the total road. Much of what is being discussed for road maintenance is not actually about the convenience of having smooth surface roads or even eliminating suspension ruining pot holes. Rather, road maintenance is about addressing the needs of the top 25% of the road to avoid having to repair or replace the bottom 75% of the road.

Typically, if the integrity of the sub base is good, road degradation will start with cracking in the asphalt. Cracking happens based on numerous factors including fatigue and temperature change. Bayfield has a unique challenge in this climate that numerous freeze/thaw cycles in the winter and relatively hot summers accelerate cracking in the roads.

Town of Bayfield
Regular Town Board Meeting
May 18, 2010
1199 US Highway 160B Bayfield, CO 81122

Cracks usually start in one direction or another; longitudinal (parallel with the road) or transverse (perpendicular to the road). At some point, numerous longitudinal and transverse cracks intersect with one another, creating "alligator" cracking. The alligator cracking is typically what gives way to pot holes.

With the understanding of how roads degrade over time, Justin Clifton & Ron needed to consider how to prioritize road maintenance. On the one hand, common sense says to take care of the worst roads first. However, staff doesn't want to invest in roads that are already at their peak need for reconstruction only to let other roads that are still in good shape fall apart. Justin Clifton explained that there has to be a balance between fixing the worst roads and protecting the investments in roads where serious degradation can be prevented before it occurs, thus saving money in the long run.

The first priority identified by Ron is to perform some drainage pan and patch work in various places around Town. The patches are needed in areas where roads have deteriorated beyond the point where individual "pot hole" patches can protect the road base. Most of the patches and all of the drainage pans are needed at all of the crossroads to Mill Street. These cross streets have very poor drainage. Accumulations of snow, ice and water in these areas are not conveyed to the gutter system. The water sits and penetrates through the cracks in the road, which creates new cracks and potentially disturbs the sub base of the road. Every year staff patches more pot holes, almost all of which come up by the next year (along with some new ones). Numerous pot hole patches create numerous new seems that act as cracks to allow moisture to continue to penetrate and make the situation worse.

The plan is to cut and excavate 10-25 feet of asphalt in these areas. 8 foot concrete pans will be installed to ensure future drainage is conveyed away from the street. The remaining excavated area will be back patched with asphalt; replacing the numerous pot hole seems with one patch.

Remaining areas to be patched include:

- Areas of the roundabout where there is significant "alligator cracking."
- Areas of Bayfield Center Drive where multiple patches have been placed or alligator cracking is becoming excessive.
- Areas of Commerce Dr. and Colorado where significant patch work continues to fail.
- Areas of Mountain View where there is significant alligator cracking
- Areas of Los Pinos where there are significant patches and alligator cracking

The project entails approximately 10,000 sq. ft. of asphalt patch and 1,800 sq. ft. concrete work. The asphalt patching will cost \$2.75 to \$4.00 per sq. ft. depending on the integrity of the sub base. The concrete work will cost \$14 to \$16 per sq. ft. Staff has estimated the cost on the high side to be conservative (\$4.00 per sq. ft), even though they expect the actual cost to be less because the sub base appears to be in decent condition.

Total Cost: \$68,800

The second identified priority is sealing cracks throughout Town. Sealing the cracks in the roads is the first line of defense against further wear and tear. If the cracks can be properly sealed, it can drastically slow the rate of road degradation and delay major costly improvements. To come up with cost estimates for sealing all cracks in Town streets Ron went around Town with Mat Leeder. They identified 3 streets in good, average and poor condition to establish a grading system (A-C). The grades represent an estimated linear feet of cracking per 1,000 linear feet of road. The grading system works out as follows:

- Grade A= approximately 600 linear ft. of cracking for every 1,000 ft. of street
- Grade B= approximately 1,200 linear ft. of cracking for every 1,000 ft. of street
- Grade C= approximately 2,000 linear ft. of cracking for every 1,000 ft. of street

**Town of Bayfield
Regular Town Board Meeting
May 18, 2010
1199 US Highway 160B Bayfield, CO 81122**

Justin Clifton & Ron drove around Town and assigned grades to every street in Town. Some streets were given an "NA" because cracking was non-existent or because the road was in such disrepair that there is little value in sealing cracks.

Total Cost: \$70,263

The last maintenance priority looked at was chip sealing a few roads. The chip seal process involves laying down a layer of oil and spreading "chipped" rock material over the top. This is essentially a resurfacing for the road. Chip sealing is a perfect maintenance solution for roads that do not yet need a mill and overlay and can further delay the need for a mill and overlay for many years. Ron has identified areas around Commerce Dr., Colorado Dr. and Mountain View Dr. from Colorado to Lakeside. These streets get large volumes of traffic and are approaching a tipping point where a chip seal would no longer be valuable.

Total Cost: \$32,461

Complete Maintenance Program	
Patching/ drainage pans	\$68,800
Crack Sealing	\$70,263
Chip Sealing	\$32,461
Contingency (10%)	\$17,152
Total	\$188,676

\$100,000 Option

This option would entail the road patching and drainage pans and only crack sealing the roads identified as grade C. This program would not address sealing cracks in the newer roads and would not resurface Mountain View, Commerce or Colorado. The vulnerability in not doing this work is that road degradation accelerates beyond the repairs needed now.

Similarly, roads graded A and B for crack sealing will be vulnerable to additional cracking. Especially during the winter months the freezing and thawing will cause cracks to lengthen, expand, progress to alligator cracks, create pot holes etc. Although putting these projects off saves money now, it will almost certainly cost more later on in the future.

Although the maintenance perspective (which has financial implications) strongly suggests moving ahead with the full program, the Board should be aware of the Town's financial ability to undertake these projects. The Town's Capital Fund is expected to close the year with a \$940,000 balance. It has also been established that without recovery of the economy there is not likely to be new unencumbered money coming into the Capital Fund for the next 1-3 years. This is based on the debt in the fund (including funding fleet replacement) compared to anticipated revenue.

Approving the total program for completion this year would reduce the 2010 year end balance to \$751,324. This number is certainly sufficient to cover smaller project needs such as contributions to park improvements, etc.

Justin Clifton also commented that the Board should also anticipate that the SWCCOG is preparing to move forward with the SB 232 fiber project, which will create a need to dedicate 10% of the committed cash match funds for this project this year (about \$9,000). The total cash commitment to the project will be more like \$90,000 over 4 years.

Town of Bayfield
Regular Town Board Meeting
May 18, 2010
1199 US Highway 160B Bayfield, CO 81122

Even with the fiber project fully funded the Capital Fund has few other designated projects for use of more than \$650,000 (remaining after the road maintenance and fiber projects are funded). The only exception is other road projects. However, keeping the Capital Fund balance higher by reducing the allocation to road maintenance only creates a greater burden.

Dan asked about the funds from CDOT for Highway 160B.

Justin Clifton stated that receiving the funds is imminent. Staff and CDOT are working out the details and he hopes to have the entire process to be completed by September of 2010.

Dan commented that poor engineering is one of the main contributing factors to these sorts of problems. He encouraged the Board to remember that fact when accepting new roads that are developed within the Town.

Justin Clifton responded that the staff is doing some surveying and engineering to correct some of those problems where possible. He explained that it will be limited where the problem is really big but he hopes to eliminate a big portion of these issues.

Gabe asked how much of the problem will be resolved by investing the \$188,000.00.

Justin Clifton answered that the \$188,000.00 will catch up all of the maintenance items that need to be done. The only thing that won't be done is the mill and overlay projects because of the substantial cost involved.

Justin Talbot stated that he would like to see more concrete numbers before approving the money.

Justin Clifton responded that staff is looking for direction from the Board on whether or not they want to move forward with getting bids on the project.

Justin Talbot said that he would like to see everything get done if possible.

Rick stated that he feels it's a wise decision for the Town to take care of these issues now rather than deferring the maintenance costs. The Board has already been setting up other maintenance programs in the other department (i.e. the vehicle replacement fund) and he feels that having a regular maintenance schedule for the roads is another good move for avoiding major costs in the future.

Dan suggested that the staff should go ahead and submit the project out for bid.

Justin Clifton stated that he will structure the bid documents and move forward with getting the engineering completed.

Gabe made a motion that the staff submits the \$188,676.00 road improvement project to the engineer. Justin Talbot seconded the motion. All were in favor, motion passed unanimously.

Action Agenda Item #7: Planning Commission Appointment

Justin Clifton gave his staff report. He stated that the Mayor received a letter from Chris Rhodes expressing interest in the vacant Planning Commission seat. Mayor Rick Smith has appointed Chris to the vacant seat. The Town Board is asked to ratify the appointment.

Gabe made a motion that the Town Board ratifies the Mayor's decision to appointment Chris Rhoades to fill the vacant position on the Planning Commission. Dan seconded the motion. All were in favor, motion passed unanimously.

Town of Bayfield
Regular Town Board Meeting
May 18, 2010
1199 US Highway 160B Bayfield, CO 81122

Action Agenda Item #8: New/Unfinished Business

Justin Clifton mentioned that he has received the preliminary cost figures on the Mesa Drive Water Valve replacement. The amount is approximately \$75,000.00 (this money is already allocated in the 2010 budget under line replacement). He will bring back the details to the Board at the next meeting and the staff will proceed with the initial work of structuring the bid documents.

Justin Clifton also asked the Board to do some rescheduling of the June Town Board meetings. It was decided to move the June 1st meeting to June 3rd due to the long Memorial Day holiday and the June 15th meeting was moved to June 14th because Justin Clifton will be out of Town on the 15th.

Gabe asked for an update on the transfer of water rights.

Dirk responded that he has gathered information on the Town ownership of rights and has met with the water engineer. He is also finalizing the transfer of water rights from the Dove Ranch subdivision. He hopes to have the entire project completed in the next couple of weeks.

Gabe asked how many people utilized the Spring Clean-Up service that was offered.

Marianne answered that there were 70 people in comparison to 13 people who used the service in the fall.

Gabe asked about the issue of needing to cover the containers at the sewer plant.

Justin Clifton responded that he and Ron have been discussing some specific ideas about how to handle this issue. They hope to be able to allocate some money to get that done through the sanitation capital fund.

Gabe asked the status of the Steamworks facility.

Justin Clifton answered that Sear Capital has backed out of the purchase agreement of the facility. There is limited activity going on in that location and they are keeping the Town informed anytime they are doing any sort of brewing. There currently are no leads on the facility selling at this time.

It was discussed that there is a lot of work that needs to be done on the Bayfield Land Use Code. He hopes that this will be done in the near future.

The meeting was adjourned @ 9:57 p.m.

Minutes were approved as amended on June 14th, 2010.

Approved:

Rick K. Smith
Mayor

Marianne Jones
Town Clerk