

**Town of Bayfield
Regular Town Board Meeting
January 7, 2014
1199 Bayfield Parkway, Bayfield CO 81122**

Town Board Members Present: Trustee Au, Trustee Davenport, Trustee Morlan, Trustee Nyberg, Trustee Renfro, Mayor Smith

Town Board Members Absent: Trustee Nelson

Staff Present: Chris La May (Town Manager), Kathleen Cathcart (Town Clerk), Joe McIntyre (Marshal), Erin Dunavant (Finance Director), Ron Saba (Public Works Director), Dirk Nelson (Attorney)

Media Present: Carol McWilliams with the Pine River Times

The meeting was called to order @ approximately 7:11 p.m.

Roll Call: 6 present 1 absent

Pledge of Allegiance:

Approval of Minutes: Trustee Au made a motion to approve the minutes from December 17, 2013 as presented, Trustee Davenport seconded.

All were in favor.

Approval of Bills: Trustee Au made a motion to approve the bills dated December 18, 2013 through January 3, 2014, Trustee Nyberg seconded.

Roll call: 6 – 0

Motion passed unanimously.

General Public Input: No comments were offered.

Town Updates: Trustee Morlan asked if Town Manager La May had a template of an agreement to give to the person requesting to use the fiber. Town Manager La May stated that he had a copy of the agreement that the City of Durango uses.

Open Forum: Amendment to Rates and Charges Sewer Services

Town Manager La May stated that the Resolution that is being proposed is a 12.8% increase to the base rate.

There was no public comment.

Action Agenda Item #1: Consideration of Resolution #309, A Resolution of the Town of Bayfield, Colorado Acting Through the Bayfield Sewer Enterprise Amending Rates and Charges for Sewer Service Provided by the Town

Trustee Renfro made a motion to adopt Resolution #309, a resolution of the Town of Bayfield, Colorado acting through the Bayfield Sewer Enterprise amending rates and charges for sewer service provided by the town, Trustee Morlan seconded.

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Trustee Au stated that he does not believe people will be paying their fair share if the sewer rates are not based on water consumption.

Mayor Smith stated that he did agree but at this time he does not feel that the Town is prepared to make the change to billing on a consumption basis.

Trustee Nyberg asked how staff had arrived at the 12.8% increase.

Town Manager La May stated that operational expenses, debt service and capital improvements over the next five year period were considered in the rate study. It was determined that a 12.8% increase would be needed to reach the revenue goal to cover those expenses.

Roll call: 4 – 2 (Trustee Au and Trustee Nyberg voted no)

Motion carried.

Action Agenda Item #2: Consideration of Approval of Memorandum of Understanding (MOU) Between The Bayfield School District 10-JtR and the Town of Bayfield Marshal's Office Regarding the School Resource Officer (SRO) Program

Marshal McIntyre stated that this MOU between the Bayfield School District and the Bayfield Marshals Office describes the roles and expectations of the School Resource Officer and the Bayfield School District. All parties are in agreement with the terms of the MOU.

Trustee Morlan made a motion to authorize the signing of the MOU with the Bayfield School District, Trustee Renfro seconded.

Roll call: 6 – 0

Motion passed unanimously.

Action Agenda Item #3: Consideration of Approval of Fourth Amendment to the Intergovernmental Agreement Establishing the Regional Housing Alliance of La Plata County

Town Manager La May stated that this is the fourth amendment to the IGA for the operations of the Regional Housing Alliance of La Plata County. This amendment involves the two board positions that are given to each entity that is a member of the RHA. In the past there have been situations where some of the entities could not fill both of their board positions. In order to assure that there is a quorum for the board meetings the RHA is recommending that they have the ability to appoint an at large person in the event there is a vacant seat on the board.

Trustee Renfro made a motion to sign and approve the fourth amendment to the Intergovernmental Agreement establishing the Regional Housing Alliance of La Plata County, Trustee Au seconded.

Roll call: 6 – 0

Motion passed unanimously.

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Action Agenda Item #4: Discussion and Possible Action – Road Maintenance and Improvement Tax

Town Manager La May stated that staff completed a street maintenance inventory and street plan in 2013. During this process, 2.3 million dollars in street maintenance backlog were identified. There has been some discussion on how to meet this obligation. The Town has been a benefactor of a large sum of money from the Colorado Department of Transportation through the transfer of Bayfield Parkway. Those proceeds have assisted in some street maintenance. As we move forward in 2014, we will have a significant project in road maintenance in trying to prolong and sustain the life of other streets in the Town of Bayfield. In December, staff was notified that the Town of Bayfield is being recommended for an additional \$679,000.00 of Off Street Bridge money. Staff is also in the process of looking for an engineer for the replacement of the two bridges. If we continue taking money from the Transportation Fund for bridge replacement and street repair and or replacement, the fund could be depleted by 2021. There is a need to find additional revenue so that funds are available when needed. It may be time to ask the voters for an increase in either property or sales tax. This year we have two opportunities to approach the voters, once in April and again in November.

Trustee Davenport stated that she would be in favor of asking for a Sales Tax increase on the April ballot.

Trustee Au stated that he believes more people vote in November than in April.

Mayor Smith asked if a tax increase did pass in the April election, when the Town would begin collecting.

Attorney Nelson stated that a Property Tax increase would not take effect until 2015, a Sales Tax increase would be implemented fairly quickly.

Trustee Morlan asked if a Sales Tax increase failed in the April election, could it be put on the ballot again in November.

Attorney Nelson stated that it could be put back on the ballot in November.

Trustee Morlan stated that with a Sales Tax increase, residents outside of the Town limits would also be paying.

Mayor Smith stated that residents outside Town limits use our roads also.

Trustee Nyberg asked how much of a Sales Tax increase would we be asking for.

Town Manager La May stated that we would be asking for a 1% increase.

Trustee Nyberg stated that he believed there would be more voter response in November.

Mayor Smith asked if the Board was in agreement asking for a Sales Tax increase rather than a Property Tax increase.

Trustee Morlan asked if there was a limit on the amount of Sales Tax that can be charged.

Attorney Nelson stated that the limit has been lifted.

Town Manager La May stated that Bayfield currently has a 2% Sales Tax and Durango has a 3% Sales Tax.

Trustee Davenport asked what Ignacio's rate is.

Attorney Nelson stated that Ignacio's Sales Tax rate is 2%.

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Mayor Smith stated that he would be in favor of a Sales Tax increase on the April ballot, if that is enough time to educate the public.

Town Manager La May stated that April will be a tight timeframe. Once the ballot language is approved by the Board there cannot be any active campaigning on the part of staff.

Attorney Nelson stated that staff can provide actual information but cannot campaign.

Mayor Smith asked if staff needed a motion on this subject or just direction.

Attorney Nelson stated that a motion was needed directing staff to return with an ordinance. That motion should include language stating that the tax increase is specifically for roads or is simply an increase.

Trustee Morlan made a motion instructing staff to present a resolution to the Board asking for a 1% Sales Tax increase specifically for road maintenance for the April election, Trustee Davenport seconded.

Roll call: 5 – 1 (Trustee Au voted against)

**Action Agenda Item #5: Consideration of Approval of Souder Miller & Associates Task Order No. 9,
Engineering Services – 2014 Street Maintenance Project**

Town Manager La May stated that this is an attempt to address the backlog of street maintenance. There is \$669,559.00 included in the 2014 Budget for road maintenance projects. The budget also includes 3 million dollars for the replacement of the bridges. When the budget was prepared, staff was not aware of the \$679,000.00 that we would be receiving from the Off System Bridge Program. This task order is prepared to address what is currently in the budget. Staff is asking if the Board thinks it would be advantageous to use some of the new money along with the budgeted funds to complete more projects in the backlog.

Trustee Morlan asked if there were specific projects that staff would like to add to the task order.

Town Manager La May stated that treatments have been identified for priority streets. Essentially, the next priority projects would be completed until the set dollar figure is met.

Trustee Morlan asked what the plan is for Bayfield Center Drive.

Public Works Director Saba stated that on Bayfield Center Drive they would do patching and leveling and then an overlay. He also stated that the bigger the project, the less expensive the cost will be.

Trustee Davenport asked if we could take these additional funds and spread them out. Could we add \$400,000.00 to this task order and reserve the balance for emergencies.

Town Manager La May stated that there are cost savings in doing larger projects, and by getting ahead on the maintenance, we could avoid some of those emergency situations.

Public Works Director Saba stated that there would be less disruption to traffic if larger projects were completed as opposed to a lot of smaller projects.

Town Manager La May stated that he is not recommending completing all backlog at once.

Trustee Au stated that he thinks more money should be spent on this task in order to complete additional projects.

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Mayor Smith stated that he agreed. It is a better idea to get ahead.
Town Manager La May stated that Task Order 9 is set up for a certain size project.

Mayor Smith stated that we could add additional funds to the task order.

Town Manager La May stated that the budget could be amended to include additional funds in Task Order #9. He also stated that he believes this will save money in the long term.

Mayor Smith stated that the Board is making a decision on Task Order #9 and adding additional funds to it.

Town Manager La May stated that if the Board desired, staff could consult with the Engineer on which streets and treatments could be completed and what that dollar figure would be.

Mayor Smith stated that if the Board was willing to spend the money, staff would know which projects should be done to achieve a lower overall cost.

Town Manager La May stated that, ultimately, staff would return with a revised task order for Board approval.

The Board agreed that they were comfortable in proceeding.

Mayor Smith asked if Town Manager La May was comfortable in proceeding.

Town Manager La May stated that he was.

Mayor Smith instructed Town Manager La May to bring back a revised task order.

Action Agenda Item #6: Consideration of Selection of an Information Technology Service Contractor

Mayor Smith recused himself.

Town Manager La May stated that at the last Board meeting we discussed two proposals for IT Services. Data Safe Services had submitted an alternative proposal for Virtual Desktop Integration. The Board directed staff to contact Kosh Solutions and ask them to provide a quote for comparable services. The analysis is based on 25 hours of service per month. Kosh Solutions bid was a fixed rate per user and Data Safe Services bid was an hourly rate. Data Safe Services price would be a little higher if we are to remain in our current configuration; Kosh Solutions was the apparent low bid. The intermediate step would be Refined Basic Services, which is creating an internal virtual environment by allowing your desktops to communicate through a server, eliminating the need for desktop and laptop computers. Employees would use Thin Clients at their work stations. Data Safe Services bid for the Refined Basic Services is more competitive than Kosh Solutions. The third option of going to a Cloud based operation is not an option that staff would like to consider at this time. Representatives from Data Safe Services and Kosh Solutions are in attendance tonight to answer any of the Board's questions.

Trustee Morlan asked if staff had a recommendation.

Town Manager La May stated that the way technology is going we are headed towards a virtual environment. The intermediary step would be the most economical for the long term.

Trustee Davenport stated that she felt the intermediary step would be reasonable.

Trustee Morlan asked how long of a term would the contract be.

Town Manager La May stated that the contract would be for one year.

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Trustee Morlan made a motion to authorize Town Manager La May to negotiate an IT Agreement with Data Safe Services; Trustee Renfro seconded.

Trustee Davenport asked Town Manager La May if he thought moving towards a Virtual Desktop Environment would be beneficial to staff and general operations.

Town Manager La May stated that he believes there will be cost savings associated with the replacement of desktop equipment.

Trustee Davenport asked how much staff time will be involved in making the transition to a new environment.

Town Manager La May stated that there will be very little staff time involved in this transition.

Trustee Davenport asked where the additional server would be located.

Town Manager La May stated that the new server will be located in the server room at Town Hall.

Trustee Davenport asked if any staff time would be needed to migrate files to the new server.

Town Manager La May stated that the consultant would migrate the files to the new server.

Roll call: 5 – 0

Motion passed unanimously.

Action Agenda Item #7: Consideration of Resolution #312. A Resolution of the Town of Bayfield setting the Official Posting Place for Town Board Meetings Agendas

Town Manager La May stated that this resolution establishes the official posting place for Town Board Meeting agendas. This is done annually at the first meeting of the year.

Trustee Morlan made a motion to adopt Resolution #312, a resolution of the Town of Bayfield setting the official posting place for the Town Board meetings agendas, Trustee Renfro seconded.

Roll call: 6 – 0

Motion passed unanimously.

Action Agenda Item #8: Board Reports (SWCCOG, LPCEA, RHA, SWTPR, Region 9, Other)

Town Manager La May stated the SWCCOG meeting is on Friday.

Mayor Smith stated that LPCEA will meet next Tuesday.

Trustee Davenport stated that RHA will meet next week.

Trustee Renfro stated that she reported on SWTPR at the last meeting.

Finance Director Dunavant stated that Region 9 meets later in the month.

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Trustee Nyberg stated that the Planning Commission will meet next week.

Action Agenda Item #9: New/Unfinished Business

Trustee Renfro stated that this Saturday is Second Saturday at the Old Mid-School Gym.

Town Manager La May stated that staff had applied for a GOCO Grant for park space. That application was denied. Staff would like to resubmit its application. The School District is willing to extend their offer in order for the Town to reapply for the grant.

The Board agreed that staff should reapply.

Meeting was adjourned at 8:15 pm.