

Town of Bayfield
July 5, 2011
Regular Town Board Meeting
1199 US Highway 160B

A special work-session was held prior to the Regular Town Board meeting to discuss the 2010 audit. The meeting was held with the members of the Board, the Town Staff and Chad Atkinson with Hinton Burdick & Advisors.

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

Town Board Members Absent: None

Staff Present: Marianne Jones (Town Clerk/Acting Town Manager), Dirk Nelson (Town Attorney), Erin Dunavant (Finance Director), Elizabeth Jackson (Management Intern), Chris Choate (Marshal), Ron Saba (Director of Public Works)

Media Present: Melanie Mazur (Pine River Times)

The meeting was called to order @ 7:04 p.m.

Minutes: Ed made a motion to approve the minutes from the June 21st, 2011 Regular Town Board Meeting as submitted. Gabe seconded the motion. All were in favor except Dan, who abstained from the voting.

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 July 1st, 2011 as presented. Tom seconded the motion. All were in favor, motion passed unanimously.

Action Agenda #2: Town Updates

Gabe commented that he thinks the Town should require as-builts for all new construction.

Marianne responded that she has been talking with a lot of other municipalities and has found that requiring the Improvement Land Certificate (ILC) prior to pouring concrete is very common throughout the area. However, the requirement for as-builts isn't common practice. Marianne said she would research that further.

Dirk said that he feels that the ILC would be sufficient because it would be done after the footers are formed for foundation and unless it is changed after the fact, the footprint of the structure should remain the same.

Tom expressed that he works for several subdivisions that require this to be done. He surveys the property when the footers have been formed (prior to pouring concrete) in order to ensure that they meet the requirements for setbacks & easements.

Marianne stated that is what she is proposing for the change to the building permit process. The builders will not get the sign-off from the Bayfield Building Inspector to pour concrete until they have presented the ILC showing conformance.

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Gabe interjected that requiring an as-built would just be one additional step to the ILC. He feels this would address finished floor grade, sewer lines (to make sure they are located in the correct place), etc. and catch any major issues sooner rather than later.

Marianne mentioned that this type of detail would be much more costly to the builder and the staff is trying to be as cognizant of cost as possible but that she will look into it. She explained that this item will come back to the Board for formal approval in the future but she wanted the Board to be aware of the issue prior to the variance request being presented to the Planning Commission on July 12th, 2011.

Tom asked if it is the same builder that keeps building into the set-back.

Marianne answered that it is not the same builder. There was one structure in Fox Farm Village, one in Cinnamon Heights and now this one in the Mesa Meadows Subdivision. However, they have all been constructed by different builders. She also expressed that this same builder (with the problem in Mesa Meadows) submitted two additional building permits with set-backs exactly at 10' on each side and the staff did require that he provide an ILC prior to pouring concrete for those two lots due to this prior issue.

Ed asked about if there has been progress with people complying with the grease trap ordinance.

Ron answered that the staff is checking the problem traps every week. The businesses that have been in constant compliance are checked once a month. Elizabeth is sending reminder letters and the businesses seem to be doing their part most of the time. Ron stated that the situation is much better than it has been in the past. There are still a few little hurdles that have to be resolved but it is getting better.

Ed asked about the problem with the lift station in Sunrise Estates and if one of the non-compliant businesses could be contributing to those problems.

Ron answered that it is definitely part of the problem with that lift station.

Ed asked if that business is currently complying.

Ron answered that they have been complying for the past month and a half. There was 4 feet of sand in the bottom of the lift station that had to be removed. The sand ruined the check valves, ate away at the seals, and prematurely cause problems (Ron estimated that the lift station should have lasted 10 years without major issues and it only lasted 5 due to these kinds of problems.). He explained that when businesses don't take care of their sand traps/grease traps it really affects the longevity of the Town's infrastructure.

Debbi mentioned that she doesn't think that everyone should be required to get an ILC. She thinks that it should be discretionary and based on the size of the lot and the closeness to the set-backs/easements whether or not it is required.

Marianne responded that she has spoken with some municipalities, such as Durango that have this policy in place but that they don't always enforce it. She explained that Durango told her that if the lots are really big and they are not even close to encroaching into the set-backs, they don't require the ILC.

Gabe expressed that homes get built on the wrong piece of property in the right subdivision and it is a huge mess to deal with after the fact. He thinks that the Town should always require this sort of documentation to eliminate any sort of possible issues with new homes being built. If the Town waived the requirement, it could put a liability issue on the Town.

Debbi asked about the sales tax revenue to date.

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Erin explained that overall amounts received for June 2010 show a decrease in revenue. However, 6 of the Town's top 10 vendors show an increase in the amounts that they reported for June.

Tom asked about the Drexel Barrell trip generator listing the Phelps property as a single-family residence and asked if this is accurate since they are proposing to put in storage units in that area.

Marianne responded that the property has a designation of "transition" in the comprehensive plan which means that the property could have light commercial or residential. However, Marianne did let Anne Bowers with Drexel Barrell know that the owners do plan to develop that parcel and that the number may need to be adjusted somewhat.

Marianne also announced that the Town held a voting contest for the renaming of Highway 160B during the 4th of July celebration and the winner was Bayfield Parkway. The Town received a total of 447 votes and Bayfield Parkway was by far the most popular name. She stated that the signs will be ordered right away and Marshal Choate is working with the interested parties regarding Emergency Management.

Action Agenda Item #3: Audit Approval

Marianne gave her staff report. She stated that the Town has used the same auditor for many years prior to 2010 and there was concern that the Town was not receiving a very thorough review of the financial statements & affairs of the Town. The Town went out to bid and hired Hinton Burdick Hall & Spilker CPAs & Advisors in October of 2010.

Marianne stressed that the staff was aware that the first audit done by Hinton Burdick would likely reveal some areas of weakness and the previous finance director communicated this information to the Board. Dot Caton warned the Board that the first audit by the new firm would be very detailed and that the Town would most likely receive several findings of deficiencies.

Marianne explained that Hinton Burdick has completed their audit of the Town's financial affairs and the staff is very pleased with the work that has been performed by the auditors and the response and feedback that the auditors have provided to the staff regarding questions & concerns.

Marianne stated that Hinton Burdick presented 7 findings & recommendations to the Board that outline areas that need immediate improvements, many of which the staff was already aware of and have already began addressing. They also presented 10 additional recommendations to the management staff (of less substantial matter) for review. All of these items will be addressed during the remainder of this year so that they do not come up again in the 2011 audit.

Ed made a motion to approve the 2010 audit presented by Hinton Burdick as submitted. Dan seconded the motion.

Dan requested that the new Town Manager give a progress update to the Board regarding the audit within 90 days.

Ed moved to add this stipulation to the motion for approval.

Dan seconded the addition.

All were in favor, motion passed unanimously.

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Action Agenda Item #4: Franchise Agreement – USA Communications

Marianne gave her staff report. She stated that the Town of Bayfield has been in negotiations with USA Communications for a franchise agreement ever since they took over the cable business from Rocky Mountain Cable. The Town has finally received their edited version of the agreement and it is being presented to the Board for approval.

Marianne outlined the changes, which are as follows:

Section 3-12-4, Conduct of Business, Section D: They added the following language to the end of the paragraph: "or used for commercial advertising".

Section 3-12-4, Conduct of Business, Section F: They change the section to read, "Rates & services may only be regulated to the extent that is allowable by the law and the Federal Communication Commission."

Section 3-12-5, Construction, Installation, & Operation of Company Facilities, Section D: they change the last sentence to read: "The new areas must have at least thirty (30) homes per route mile."

Section 3-12-6, Indemnification of the Town, Section D (1) and Section D (2): They change the Franchise Performance Bond from \$10,000 to \$2,500.00.

Marianne expressed that the biggest change is the reduction in the bond but the Town only receives approximately \$2,200.00 each year in cable franchise fees so the bond amount would be sufficient to cover any amounts owed to the Town.

She explained that this agreement does not exclude the Town from being able to enter into an agreement with another cable company if that opportunity presents itself.

Dirk explained that this ordinance will grant USA Communications the ability to use Town rights-of-way for cable lines and the fees received by the Town are compensation for the use of that space. He stated that the Town's ability to impose fees on cable television is regulated by the Federal Government. The Town is only allowed to charge for the use of the rights-of-way and nothing else. However, Dirk stated that the proposed rate of 5.5% is pretty standard.

Gabe pointed out two spelling errors in the Ordinance.

Marianne said that she will fix those errors when she receives the word document from USA.

Justin asked about the term of the contract and expressed that 10 years seems like a long time.

Dirk answered that he doesn't know what the standard is right now. However, the agreement that the Town had with Rocky Mountain was a 10 year contract. Dirk also mentioned that the company has been operating without this agreement in place for quite some time and suggested that it might be a good idea to table this item until the new Town Manager comes in to review the contract.

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

Ed made a motion to table this item to the July 19th, 2011 Town Board meeting so that the new Town Manager can review comparable costs, terms & issues with the proposed contract. Justin seconded the motion. All were in favor, motion passed unanimously.

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Action Agenda Item #5: New/Unfinished Business

Dan stated that the Town Clerk has been serving as the Acting Town Manager for a month during the interim period before the new Town Manager begins work for the Town and expressed that he felt that Town should monetarily reward her for that service. He suggested a bonus of \$1000.00.

Rick asked if that is a motion.

Dan so moved. Ed seconded the motion.

All were in favor, motion passed unanimously.

Gabe asked where he is in the process for the lot consolidation on his property.

Dirk responded that the Town is waiting on the plat.

Rick mentioned that he would like to have a "meet and greet" of the new Town Manager during one of the August meetings so that the public can meet him in his official capacity.

The Board concurred that this was a good idea.

The meeting was adjourned @ 7:37 p.m.

Minutes were approved as submitted on July 19th, 2011.

Approved:

Rick K. Smith
Mayor

Marianne Jones
Town Clerk