

RICO TOWN BOARD MINUTES

January 16, 2019

The Regular Town Board meeting was called to order at 7:00 p.m. by Mayor Zach McManus.

Members Present. Zach McManus, Sophia Kyriakakis, Keith Lindauer, Nicole Pieterse, Stephan Roberts and Genevieve Yellowman. Absent/Excused was Barbara Betts.

Staff Present. Kari Distefano and Linda Yellowman.

Guests Present. Will Nolan, Kip Wilson and Allyn Svoboda.

Approval of the Agenda. The agenda for January 16, 2019 was presented for approval. Nicole Pieterse made a motion to approve the agenda for January 16, 2019 as presented and seconded by Genevieve Yellowman. The motion passed unanimously.

Approval of the Minutes. The Rico Town Board minutes for December 12th, 2018 were presented for approval. Sophia Kyriakakis made a motion to approve the minutes as submitted. Genevieve Yellowman seconded the motion. The motion passed unanimously with Keith Lindauer abstaining.

Consent Agenda:

Approval of the Monthly Bills. The Monthly bills for January 2019 were submitted for approval. Sophia Kyriakakis made a motion to approve paying the Monthly Bills for January 2019 as presented. Nicole Pieterse seconded the motion. The motion passed unanimously.

Citizens Communication. Kip Wilson-DirectCom regarding internet in Rico. Mr. Wilson talked about the broadband, updating the phone system, fiber optic and some plans will be changing in 2019.

Will Nolan-regarding a skate park. Mr. Nolan brought up a skate facility in the town park or on another property. Suggestion was made to him to apply for a grant, do a site visit and get involve with Rico Trails Alliance.

Lease agreement with the Dolores County School District for the Rico Elementary School Building was presented. They would like the Town to take over operations and maintenance of the Rico Elementary School building. That would include funding, at a minimum, electricity, heat and water. To make the building actually usable, we would want internet. The Town has not appropriated any money in the 2019 budget to cover these costs. The Town is already looking at a deficit in the general fund next year of approximately \$128,000 and if sales and property taxes continue to go down, it could be worse. While there are a number of constructive things that the Town could do with the building, providing a co-work space for entrepreneurs, providing a venue for medical video conferencing or exploring the option with regional school districts for providing vo-tech classes and Kari Distefano believes that it is in any way sustainable without the Dolores County School District freeing up the money from the District to either fund transportation to Telluride for our kids or to continue to support the cost of the utilities.

The Town Board denied the lease agreement from Dolores County School District. Would like to have an open discussion with the school board.

Town Clerk. Town Clerk Linda Yellowman mentioned the Rico Hotel and Argentine Grill's liquor license is up for renewal and recommends approval.

Public Works. None.

Water Consultant. None.

Parks & Recreation. Mr. McManus gave an update on the trails, the ice rink and the snowmobiles are up and running. The Winter Carnival is January 26 and 27, 2019. The snowmobile is out of commission and hopefully it will be running by the 26th. The tiles in the entryway at the courthouse are done. This year's project will be to remodel the bathroom.

Town Board Reports. None.

Geothermal Committee. None.

Town Manager's Report. Telluride Foundation Grant. Kari Distefano says the Town received an additional grant from the Telluride Foundation for an economic analysis of potential gains from the construction of a central sewer in the commercial core. Staff also received the necessary paperwork from the Department of Local Affairs so the town can write and issue a request for proposals right away.

Action Items.

1st Reading of an Ordinance to Amend the Town of Rico Budget for 2018. A copy of the budget amendment ordinance along with a table that shows what the Town actually spent compared to what we budgeted as of December 31st. With a brief discussion, Nicole Pieterse made a motion to approve the 1st Reading of an Ordinance to Amend the Town Budget for 2018 as corrected. Genevieve Yellowman seconded the motion. The motion passed unanimously.

Approval of the Renewal of the Liquor License for Rico Hotel and Argentine Grill. Town Clerk Linda Yellowman says the license is in order and recommends approval. Keith Lindauer made a motion to approve the renewal liquor license for Rico Hotel and Argentine Grill. Seconded by Stephan Roberts. The motion passed unanimously.

Approval of an Agreement with San Miguel Authority for Regional Transportation to Continue the Shuttle Service between Rico and Telluride. On January 10, 2019, the San Miguel Authority for Regional Transportation (SMART) approved an agreement with the Town of Rico to continue transit services between Rico and Telluride. This agreement represents a \$45,000 annual subsidy from SMART. Shuttle services 7 days instead of 5 days was brought up. After a brief discussion Nicole Pieterse made a motion to approve the agreement with SMART to continue the shuttle service as amended. Seconded by Stephen Roberts. The motion passed unanimously.

Approval of a Contract with Brown's Hill Engineering and Controls to Install a Supervisory Control and Data Acquisition System (SCADA) Last month the Town of Rico issued a Request for Proposals for a company to install a (SCADA) system for the town's water line. Keith Lindauer made a motion to approve the contract with Brown's Hill Engineering and Controls to install a supervisory control and data acquisition system. Nicole Pieterse seconded the motion. The motion passed unanimously.

Approval of an Easement Agreement with the Owner of the Assay Office. Following the discussion last month about the old Assay office encroachment on to Soda Street and the Trustees' denial of a request for a partial roadway vacation, staff talked to the Town Attorney and she drafted a right-of-way encroachment agreement as a strategy to allow Ms. Ellease to clear the title and restore the old building. The approval of an easement agreement with the owner of the assay office was tabled to next months' meeting. Comment was made to create a standardized form for all use.

Adoption of the 2019 Work Plan. The staff is requesting that the Board of Trustees approve the 2019 Work Plan as discussed and revised at the January 13th retreat. Zach McManus made a motion to approve the 2019 Work Plan. Seconded by Nicole Pieterse. The motion passed unanimously.

Town Manager Kari Distefano wants to attend the CML Conference this year.

Discussion Items.

Amending the Business License Ordinance to Include Providers of Services. Last month the town had a discussion about business licenses and which businesses were required to have them. Currently only retail, lodging and food and beverage providers are required to have business licenses. Companies that provide services such as plumbing, excavation and surveying are not. It is my understanding, from a conversation with former Mayor Gregg Anderson this was a conscious decision on the part of the Trustee. They determined that issuing licenses for these types of businesses would require additional administrative work and enforcement. They felt that it would also discourage small businesses. If the Town would revisit this issue, it would require an Ordinance. Does the Board want to do this?

Combining Enterprise Funds. Mayor Zach McManus asked that the town explore the idea of combining the sewer and water funds into one fund to allow more flexibility. Both funds are Enterprise Fund, which means "Under TABOR, an Enterprise is defined as: (a) a government-owned (b) business (c) authorized to issue its own revenue bonds, and (d) receiving under 10% of annual revenue in grants from all Colorado state and local governments combined." The Town Attorney thinks that this may be possible but she was uncertain as to how to go about it. One potential advantage would be that the town should construct a central system, the paperwork with respect to billing and allocating employee costs would be simpler. There may be a possibility that general costs could also be combined but not sure that would be an advantage. In terms of budgeting, they would need to be accounted for separately anyway so that we could accurately track the cost of running each system.

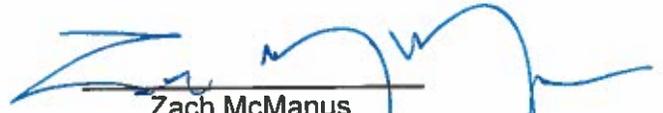
Requirement to Clear the Title of the Johnson Property. Town Manager Kari Distefano said there is a contract on the Johnson property at 134 S. Glasgow. This is the property that has the big hole. The woman that wants to buy it would like to build a coffee shop with a living space included. Ms. Distefano believes that it would be in the best interest of the Town to have this occur. The broker who is dealing with the transaction does not want to see her buy the property with the cloud on the title represented by the letter that the Town Attorney wrote to the existing owners regarding the excavation. As a Board, town staff would like your opinion on how to deal with this. Ms. Distefano believes that the town would like something to be built on the lot but the potential owner may not be able to apply for a building permit or otherwise stabilize the by May. A copy of the Attorney's letter was submitted. One option would be to extend the May deadline to a date agreed upon by the potential owner.

Adjournment.

Keith Lindauer made a motion to adjourn the meeting at 8:30 pm. Seconded by Nicole Pieterse.
The motion passed unanimously.



Linda Yellowman
Rico Town Clerk



Zach McManus
Mayor