

RICO TOWN BOARD MINUTES

November 18, 2020

The regular Town Board meeting was called to order at 6:00 pm by Mayor ProTem Nicole Pieterse.

Members Present. Barbara Betts, Joseph Croke, Joe Dillsworth, Patrick Fallon, Nicole Pieterse, Brandy Randall and Stephen Roberts.

Staff Present. Kari Distefano and Linda Yellowman.

Guests Present.

Appointment and Oath of Office: Joseph Croke and Patrick Fallon.

Approval of the Agenda. The agenda for November 18, 2020 was presented for approval. Patrick Fallon made a motion to approve the agenda for November 18, 2020 as presented. Joe Dillsworth seconded the motion. The motion passed unanimously.

Approval of the Minutes. The Rico Town Board minutes for October 21, 2020 were presented for approval. Nicole Pieterse wants to add under Proposed Bedrock Subdivision that the Board of Trustees directed the Town Manager to research changing the Town's water rights/point of diversion on Silver Creek to the well up the alley. Barbara Betts made a motion to approve the minutes for October 21, 2020 as amended. Patrick Fallon seconded the motion. The motion passed unanimously.

Consent Agenda:

Approval of the Monthly Bills.

The Monthly bills for November 2020 were submitted for approval. Nicole Pieterse made a motion to approve the bills. Patrick Fallon seconded the motion. The motion passed unanimously.

Citizens Communication. Mark Eleison asked if there was any discussion on ARCO and expressed his opinion. Mr. Eleison was told VCUP will be in discussed in Executive Session.

Executive Session:

Executive Session, pursuant to CRS 24-6-402(4)(e), to discuss and determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations and instructing negotiators regarding the VCUP. Joe Dillsworth made a motion to go into executive session at 6:30 p.m. Patrick Fallon seconded the motion. Motion passed unanimously.

Out of executive session at 7:30 p.m. Brandy Randall made a motion to call the meeting back to order. Patrick Fallon seconded the motion. Motion passed unanimously.

Action Items-

Consideration of a Lease Agreement for the Rico Town Hall with Dr. Sarah Kelley-Spearing.

Following the Board's direction at the October meeting, a draft lease agreement with Dr. Sarah Kelley-Spearing was submitted. Under the terms of this proposed lease, Ms. Spearing will not be able to see any patients that are exhibiting symptoms of contagious diseases at the Town Hall.

The lease agreement also directs her to request that patients use the back door and to wear masks as per Town Hall policy. There are no time or hours stipulations in the agreement. The lease has been reviewed by Town Attorney Carol Viner and Town's insurance CIRSA provider Deanna Erickson.

Joe Dillsworth made a motion to approve the Lease Agreement for Rico Town Hall with Dr. Sarah Kelley-Spearing and coordinate with the Rico Women's Club what days Ms. Spearing will be using the kitchen. Stephen Roberts seconded the motion. Motion passed unanimously.

Consideration of a Resolution Urging the State General Assembly and Colorado Public Utilities Commission to ensure that Tri-State Generation and Transmission Reduce Carbon Emissions for Electricity to Colorado Customers 80 Percent by 2030 in Order to Meet the Goals of Colorado HB 19-1261.

Back in September of 2019, the Board backed a comment letter to the Public Utility Commission supporting a senate bill that would require Tri-State to submit and follow an Energy Resource Plan that would meet the goals outlined in HB 19-126. These goals included greenhouse gas emissions by at least 26% by 2025, reducing greenhouse gas emissions by at least 50% by 2030 and reducing greenhouse gas emissions by 90% by 2050 from those levels that existed in 2005. While Tri-State has made some progress in this direction, their "Responsible Energy Plan" falls short of this target.

San Miguel Power Association is committed to exploring alternatives to coal-fired power plants but is unfortunately hindered in this effort by a 5% cap on renewable energy. This cap has already been reached. Should Tri-State be required to reduce greenhouse gas emissions, they would have an incentive to elevate the cap on alternative power or get rid of it altogether.

A copy of the Resolution was submitted and approving this Resolution would help to exert continuing pressure on Tri-State to move toward renewable resources for electricity production.

Nicole Pieterse made a motion to approve the Resolution urging the State General Assembly and Colorado Public Utilities Commission to ensure that Tri-State Generation and Transmission Reduce Carbon Emissions for Electricity to Colorado Customers 80 Percent by 2030 in Order to Meet the Goals of Colorado HB 19-1261. Joe Dillsworth seconded the motion. Motion passed unanimously.

Consideration of a Letter of Request to the Department of Local Affairs to Extend the Deadline for the Water Meter Replacement and Relocation Project.

It was reported at the October Board of Trustee's meeting, 200 new water meters have been installed in meter pits. Included in the original grant applications to the Department of Local Affairs (DOLA), was the relocation of meters that are prone to freezing to indoor locations. Because we were able to save a substantial amount of money by completing this project in-house, the town has money left over in this fund with which we can continue to relocate meters that are difficult to get to in their pits in houses. To continue this project with DOLA, we need an extension of the grant, which was set to expire at the end of December. Staff discussed the project with the DOLA representatives and they have started the paperwork required for the extension.

Patrick Fallon made a motion to approve the Letter of Request to DOLA to extend the deadline For the water meter replacement and relocation project. Nicole Pieterse seconded the motion. Motion passed unanimously.

Consideration of Adding a Modest Sum of Money to the 2021 Rico Town Budget to Help Fund Rico Cares.

Rico Cares is an organization formed recently by Marilyn Griebel and Erin Johnson with the goal of assisting residents that are elderly, ill or injured and in need of support during the winter. Mrs. Griebel and Ms. Johnson have agreed to organize volunteers who would be assisting in either delivering food or medicine to people in need or providing rides to medical appointments in Cortez, Durango or other surrounding areas. Included in this service will be snow removal for those who are unable to accomplish this themselves and keeping the food bank stocked.

They are requesting that the Town develop a survey to assess need in Rico and include in our budget a modest sum of money. They believe that \$5,000.00 would be adequate. It may even be that this money would be replaced by State of Colorado money if the COVID 19 relief package is extended.

Joe Dillsworth made a motion to approve Adding a Modest Sum of Money to the 2121 Town Budget to Help Fund Rico Cares for \$5,000.00. Brandy Randall seconded the motion. Motion passed unanimously.

Consideration of Lifting the Fire Ban.

Due to the recent cold weather and snow, it was appropriate to ask Fire Chief Todd Jones if there was any reason to continue the fire ban within the Town of Rico. Mr. Jones said no and if the Town lifts the fire ban, the Town can coordinate with the Rico Fire Department to burn the wood that has accumulated in a big pile at the Town Shop. During the town clean-up, we made significant progress toward cleaning up that area and it would be nice to get rid of the burn pile.

Brandy Randall made a motion to lift the Fire Ban. Patrick Fallon seconded the motion. Motion passed unanimously.

Consideration of a Change to the Date of the Regular December Meeting to Conform with Statutory Budget Requirements.

The Town has not gotten the certificate of valuation from Dolores County yet, we are going to have to reschedule the December meeting since the regular meeting is the 16th of December and adopting the budget and the certificate of the valuation has to occur by the 15th. Recommending to change the meeting date to the 14th or 15th of December 2020.

Barbara Betts made a motion to Change the date of the regular December meeting to conform with Statutory Budget Requirements to December 14, 2020 at 6:30 p.m. Nicole Pieterse seconded the motion. Motion passed unanimously.

Discussion Items.

Winter Carnival.

Due to the current increase in COVID 19 cases, the Rico Trail's Alliance will not be hosting a fundraiser at the Winter Carnival. We, as a Town need to decide whether to continue to host this event this winter in some abridged form or to revive it next year when hopefully we will have a vaccination and cases will be infrequent. This would be the third year of the winter carnival and it has become more popular every year. While given the surge of COVID cases both in Colorado and elsewhere, it is unlikely that current restrictions will be lifted and gatherings of more than 50 people will be allowed. We could continue the pond hockey and the cross country skiing events as long as we do not engage in any marketing that may attract more than 50 people, in other words, a local only event. Board were in favor of Sunday events for locals only.

Water Plan for Rico.

At the last meeting while we were discussing the Bedrock Subdivision, there was a suggestion by Nicole Pieterse that we explore the option of moving the point of diversion for Silver Creek. Rico has water rights on Silver Creek that pre-date the in-stream flow requirements that made it difficult to get water rights for our well beyond the 0.178 cfs (84 gallons per minute) that we currently have. Rico would have enough water to serve a larger population, should we be successful in changing the diversion point. This would likely be a less expensive alternative to upgrading the Silver Creek system but the water quality would not be as good as that of Silver Creek.

Staff has invited Marti Whitmore to discuss the pros and cons of taking this route to increase Rico's access to water. Mrs. Whitmore is a water rights attorney and will be able to answer any questions that the Board may have. Item was moved to next month's meeting.

USFS Draft Decision on the Rico Trails Project.

A letter from Derek Padilla of the USFS informing the Town that the Forest Service has finalized the Environmental Assessment and has determined that there would be no significant environmental impact that would occur as a result of the Rico Trails Project. Also submitted the Draft Decision Notice and the Rico Trails Project Final Environmental Assessment for your review. The USFS chose Alternative 3. This action is a response to requests from the Rico Trails Alliance and the San Juan Trail Riders for additional trails. The decision designates two new trails – Spring Creek and Circle Trail. This alternative also re-aligns the existing Ryman Creek Trail and decommissions approximately 9.7 miles of non-motorized trails near Spring Creek and Stoner Creek. The Spring Creek Trail will allow motorize uses. The Ryman Creek Trail will be closed during elk calving season.

The Rio Grande Southern Trail will be included in a separate decision. Derek Padilla said that because the Rio Grande Southern Railroad right-of-way was considered a cultural resource, a memorandum of understanding (MOU) with the State Historic Office would have to be implemented. The fear was that this process would hold up work on the other trails that had been expected to commence in the summer of 2020. This did not happen. Mr. Padilla believes that an (MOU) could be reached by February so that work on the Rio Grande Southern Trail would also be on track for next summer. Mr. Padilla said a letter of support from the Town would be helpful. Comments made to the USFS are tabulated and letters from community officials are given weight.

Nicole Pieterse made a motion to accept the USFS draft decision on the Rico Trails Project. Brandy Randall seconded the motion. Motion passed unanimously.

Town Manager's Report.

COVID 19 Cases in Colorado.

Unfortunately, COVID 19 cases in Colorado are again on the rise. According to a briefing by Governor Polis on November 9, 2020, 2,766 cases in Colorado were reported. The seven day moving average is 2,895. One in one hundred people in Colorado are infected. Governor Polis has activated a "Home by 10:00" order and is requesting that citizens cancel indoor activities that involve people other than those in their immediate family. In neighboring San Miguel County, there are 27 active cases and more importantly they have closed the middle school/high school.

Colorado Election and Impacts on Local Government.

There were three ballot initiatives in Colorado this election that will have some impact on local Governments including Town government here in Rico. Most notably is the repeal of the Gallagher Amendment (Amendment B). The Gallagher Amendment limited residential property taxes to 45% of the statewide property tax base. The growth of residential property values in

Colorado has consistently outpaced values of other types of property such as agricultural and commercial properties. As a result of this circumstance there was an ongoing reduction in Rico's total assessed value only occasionally being made up by increases in property values. The repeal of the Gallagher Amendment is good news for local government in rural areas including Rico. While the 7.15% assessment rate will not go down, it will not go up either. This means that the Town can budget with some degree of confidence that monies generated from property taxes will stay consistent and possibly even rise. This will help to offset loss of revenue from mineral leasing.

Proposition 117 will not have an effect on Rico, it effects on State Government. The passage of the proposition will require a vote when the State government wants to create new Enterprise Funds that can collect more than \$100 million in fees in the first five years. Enterprise funds are governmental funds that are set up like business funds, they charge fees for services. Rico's water's water and sewer funds are both Enterprise Funds. Enterprise funds allow governments to increase fees to cover the cost of services without direct approval from voters.

It is estimated by the Common Sense Institute that the passage of Proposition 116, the proposition to decrease State income tax, will cost the State of Colorado 158.4 million dollars in 2121. People or households earning \$100,000 per year will save approximately \$80 on their income tax. It is hard to tell at this point whether the reduction in the State coffers will directly impact Rico, but it could have an effect on funding for education.

Town Clerk's Report. No report.

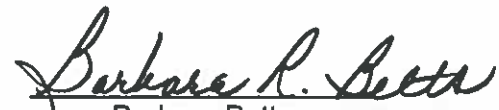
Council Report.

Internet problems was briefly discussed.

Cell phone service up grade was mentioned. Also cell phone problems when power goes out.

Adjournment. Brandy Randall made a motion to adjourn the meeting at 9:00 pm. Barbara Betts seconded the motion. Motion passed unanimously.


Linda Yellowman
Rico Town Clerk


Barbara Betts
Mayor