

**TOWN OF DE BEQUE
BOARD OF TRUSTEES
REGULAR MEETING
FEBRUARY 28TH, 2022**

The regular meeting of the Board of Trustees was held on February 28th, 2022, at 6:00 p.m. in the Community Center, 381 Minter Avenue, De Beque, Colorado. Present were the following:

Mayor: Shanelle Hansen

Trustees: Cindy Farris, Lisa Lippoldt, Sarah Hambrick, Judy Lake, Vernon Bruse and Walter Wood.

Staff Present: Town Administrator Care' McInnis, Town Clerk Lisa Rogers, and Marshal Bob Dalley.

Also Present: Jeremy Gilliam and Dawn Palmer.

CALL TO ORDER:

The meeting was called to order at 6:05 p.m. by Mayor Hansen.

The Pledge of Allegiance was recited.

ROLL CALL:

Roll call was taken, and a quorum was present.

ADDITIONS, DELETIONS, OR CORRECTIONS TO THE AGENDA:

Item (F) was moved to after item (H) on the agenda.

ITEMS FOR PUBLIC PARTICIPATING IN CONFERENCE – NOT ON THE AGENDA:

Dawn Palmer, a local business owner brought up, that she had a discussion with Mesa County about food insecurity issues and is curious what the town is doing locally to help with this situation and if there had been any help from Mesa County. Trustee Farris explained the "Open Bible Fellowship" church does monthly food bank every third Wednesday of the month 3-5:30 and those supplies come from Food Bank of the Rockies in Grand Junction.

ITEMS FOR PUBLIC PARTICIPATING IN CONFERENCE – NOT ON THE AGENDA:

BOARD COMMENTS:

Mayor Hansen mentioned that Tom Latham presented her with the concern that he was charged a \$25 fee to rent the Community Center. The committee Tom Latham was representing never had to pay a fee prior to this time. Ms. McInnis explained that we were just following the process that was created, by the Board, for the rental of the community room. Mayor Hansen expressed that this is what she is asking for at this time is that we do not charge the committee Tom was representing the fee, due to the history of this group and what they represent.

CONSENT AGENDA:

- a. **Approval of Minutes:** January 24th, 2022.
- b. **Bills and Expenditures:** Financial Transactions (Expenditures related to the Country Store and/or other conflict items are listed below as part of the regular agenda)
- c. **Discussion and action regarding ORDINANCE 530:** An ordinance of the Board of Trustee of the town of De Beque, Colorado extending the approval of the Elkhorn-Maverick Minor Subdivision Final Plat.
- d. **Discussion and action regarding ORINANCE 531: (First Reading)** An Ordinance Amending Chapter 14.01 and 14.03 of the De Beque Municipal Code pertaining to: Definitions of various land uses permitted in zoning district; setbacks and height restrictions; noise standards, accessory dwelling units, shipping containers; and related provisions.

Discussion Before motioning on Consent agenda:

Trustee Farris asked about ordinance 531 and what are the requirements to have those shipping containers on their property. Mayor Hansen responded that shipping containers of a certain size would have to meet certain standards. Mayor Hansen brought to light that one of the changes, as part of the Planning Board, was a lot of change in the Chapter 14, use chart and what is a use of right and what would need to be special reviewed.

Motion:

Trustee Hambrick motioned to approve the consent agenda.

Trustee Farris seconded that motion.

Motion carried 7-0

REGULAR AGENDA:

NEW BUSINESS:

REMAINING BILLS AND EXPENDITURES: Expenditures related to the Country Store

Motion:

Trustee Hambrick motioned to accept the bills and expenditures.

Trustee Lippoldt Seconded that motion.

Motion carried 6-0

PRESENTATION, DISCUSSION, AND COMMUNITY QUESTIONS REGARDING: Proposed water treatment facility improvements for the Town of De Beque and the Drinking Water Revolving Fund program.

Ms. McInnis introduced guest speaker Jeremy Gilliam and informed the Board that Mr. Gilliam's presentation is required to proceed to the next step of the SRF funding requirements for our water treatment facility. She mentioned that there will be a recording of who attended, and any questions asked by the public so that they can be submitted.

Mr. Gilliam informed the Board and all present, the Town is moving forward with the treatment facility planning. This is the application process in securing the funding for this water treatment facility. The Town has been successful in securing the design and engineering funding as well as a lot of the funding on the way towards this facility. The sole purpose for the presentation is to check the box off that is required to happen with the SRF funding. The main discussion surrounded alternatives that were considered, the preferred alternative, rate increases associated with the loan and environmental impact.

Mr. Gilliam explained there were four alternatives plans factored. First alternative was keeping the existing plant how it currently is with two skids (skids are where the water is being filtered for use). As of now we have one newer skid that is the only one in use. The second skid is older and is completely inoperable. The proposal was to just replace the older skid with a newer one, but this would only be a temporary fix—not a permanent solution for the Town. Second alternative was to take out both current skids and replace them with state-of-the-art skids. The issue here was, this too would only be a temporary fix and not be cost effective. The building is old and small. It is not practical to integrate in such a way that the building could still be compromised later. Third alternative would save money by using the existing shop building for the main facility and the lower building would become the shop. This alternative was unfavorable and would take crucial building, storage, and office space from the Town.

Alternative four would be to have an add an addition building to the existing one. Once the plant in the new edition is up and running the current area will turn into office space for the reports to be taken and processed. This process will help to provide the Town with better water for the future.

As far as rate increases and evaluations, this was to help us reach the requirements for the SRF loan. This loan required us to meet a 110% coverage ratio of the daily operational cost plus 10%. This is where the rate increase came in—to help us meet those requirements. We will need to continually increase yearly to provide this 110% upkeep especially with future growth within the Town. The plant has been designed with the anticipation of Town growth (approximately 30% increase). That increase caused the need for the environmental impact to be accessed. There was a finding of no significant environmental impact.

Public Comment and/or Questions:

Mayor Hansen asked if there was any public input, comments, or questions from anyone present pertaining to the treatment facility presentation.

Dawn Palmer revisited the main points of Mr. Gilliam’s presentation, starting with long term expandability being up to 30%, and no environmental impact was found to arise with this expansion. Ms. Palmer also brought up her hopes of accountability and it being held where it is mentioned, first being the citizen to uphold the 110% cover with increased water rates as needed. Second being the BOT successors to be held accountable in making sure this stays implemented as it was contracted to be.

Trustee Lippoldt asked if the people who use the fill station would have enough area to get into the fill station and turn around safely to leave. Mr. Gilliam explained this area is not fully worked out yet but, there will be enough space. For safety purposes, the fill station being on the north side of the building may be best outcome as having people driving between important buildings isn’t the safest option.

Mayor Hansen brought up concern of ice in wintertime on the north side with long term shade. Mr. Gilliam is aware of the drainage needed on the north side—with hopes to better this during the construction. He was hopeful that there will be flexibility to work out some of this on the east side of the building as well.

Town Manager Report:

Ms. McInnis requested of the Board that the initial workshop for Use tax that was scheduled for March 15th be moved to April 12th, due to new legislative regulations for collection of this tax coming into effect.

Ms. McInnis informed the Board that Wild Horse Days was moved to August 25th – 27th due to events conflicts.

Ms. McInnis mentioned that Mayor Hansen, Trustee Hambrick and herself attended the Municipalities Dinner in the past month. School District 51 is having to close schools due to lack of funds and workers was a large portion of the dinner's topics.

Ms. McInnis mentioned that staff met with UC Denver regarding the River Park concept and have successfully narrowed it down to 3 choices with logistics. We are not stuck with any plans but having the design and engineering will help get grants.

Ms. McInnis wanted to bring the Board up to speed regarding the Governance Committee with the opioid settlement. We will be entertaining grant requests now to help with funding programs. There will continue to be more money coming due to settlements with places such as Walmart and CVS.

Ms. McInnis touched base on the Ouray article in the packets and just wanted to shed light on the predicament they are now in with their water treatment facility.

Ms. McInnis informed the Board that she represented the Town of De Beque on the solid management advisory committee at the first meeting, so far. The Solid Waste Management Advisory Committee is looking for the next solid waste plan. Mesa County has competition with the private sector. The issue is that revenues are down as 30% as less waste is being brought into the landfill. There is discussion of charging of Municipalities fees for landfill usage along with potential closing of transfer stations. Ms. McInnis suggested we stay a part of this conversation moving forward.

Ms. McInnis told the Board that last month she was asked to provide more information about the Blue Stone Ditch and the shares' value. She had attended the most recent meeting, but financials were not given out at that time. The annual cost of a share is up from \$30 to \$40 during this meeting in hope to help cover costs for this year. There were mentions of delinquent shareholders, none of which were disclosed nor to what degree of delinquency.

Ms. McInnis explained she cannot give the Board any more data other than what has been disclosed to them without an auction this year.

Ms. McInnis mentioned on the note of water rights, the Town has a conditional water right to the Colorado River and this contract will be expiring April of 2023. We've retained water counsel and now we must show reasonable diligence to renew this water right. We want to hold on to this water right so we will have it for future use when we see growth. Every 6 years this share will expire and we will need to prove that we still need this water share. She mentioned that currently the in-house staff are working on a process to ensure that future Town Managers will know about this water right well in advance of the expiration and what is needed to continue to obtain this water right.

Ms. McInnis informed the Board that four position openings have been posted and there has been lots of interest shown in a couple of the positions. The 2 deputy's positions will remain open until filled and the Records Clerk position has a closing date of March 10th. The Public Works position closes on March 3rd. Ms. McInnis informed the board she received notice earlier today that there will be a personnel hearing on Thursday March 2nd.

Ms. McInnis attended the Wildfire collaboration meeting this month. They are trying to meet grant deadlines and to come to an agreement for the MOU. The MOU is an agreement that everyone is going to play nice and is not binding by a monetary contribution.

Ms. McInnis mentioned her recent legislative AGNC meetings topics, severance tax, use tax, liens for cleaning up weeds and debris, gun rights and several bills in effect or already passed. Ms. McInnis wanted to bring this to the attention of our community members so that they are aware. Ms. McInnis explained that the AGNC grant came up fast and we submitted a proposal for a new grill at Gazebo Park. We were awarded the grant with a 50% match up to \$5000.00. Staff has been busy with tax and audit season. She explains we are still in the process of the audit at this time, with no red flags. Ms. McInnis mentioned that we did well last year. Ms. McInnis thanked Lisa for carrying out the financial duties most of this last year and Katherine towards the end of the year. Ms. McInnis mentioned that it was noted that we have improved our financial procedures and policies and we will continue to move forward in these developments.

Ms. McInnis stated the Design and Engineering SRF funding successfully closed on February 3rd. There are plans to seek Tier II funding for our water plant from DOLA. We had an on-site visit from a DOLA representative (Dana) and gave him a tour of our water plant. Ms. McInnis explained that discussions about the Redi-grant were also discussed with Dana. This grant is a grant for new businesses that would bring employment to the Town. The Town would have no part of meeting the 50% match requirement, but the Town would help businesses write the grants.

Ms. McInnis informed the Board about the awarded Congressional Direct Spending grant for the water plant will come in the form of an EPA grant and there will be no time frame on it, but being Federal money there are additional regulations such as, American made, wages, drug policy, etc. There is also a 20% cost share attached to the money and we have already filled out the waivers for this.

Ms. McInnis informed the board that Joe Feeley had agreed to have the mud runs on his property for Wild Horse Days this year. The next Wild Horse Days meeting will be held March 21st. Ms. McInnis informed the board that the rec department will have Karaoke March 25th and the boys' basketball has wrapped and the Spring sports are under way with registrations. Marge anticipates doing an Easter Egg Hunt and she has the Spring craft fair coming up on April 22nd.

Mayor Hansen had questions about the water rights issue. She asked if we are not using that expiring water right to pull from the water, are there others we are using to pull from the river? Ms. McInnis answered yes, this is correct we are not currently using this conditional water right and we have absolute water rights that we are continuing to use. With this conditional water right we want to keep it for future growth within the Town and every 6 years we have to provide the proof that we do need this right.

Executive Session (1): “An executive session pursuant to C.R.S 24-6-402(4)(b) and (f) for the purpose of receiving legal advice from an attorney on issues related to personnel benefits and personnel policies of the Town.”

Motion:

Trustees Hambrick motioned to start executive session.

Trustee Farris seconded the motion.

Motion carried: 7-0

Executive session began @ 19:24:18 pm

Attorney Michael Santo explained the Town’s PTO policy and the proposed change to separate the holiday hours from the accrual process. Mayor Hansen questioned whether we should increase the PTO accrual rate as other communities’ rates are higher. Trustee Farris was concerned that employee could find themselves sick with no leave to cover the absence. Mr. Santo and Ms. McInnis both explained that while our PTO may be a little low compared to other communities, our overall pay/benefits package is very competitive.

Trustee Hambrick motioned to table the Personnel manual till March 28th, 2023, BOT meeting.

Trustee Farris seconded the motion.

Motion carried: 6-1

Executive session ended @ 20:47:37 pm

No decisions were made pertaining to the Town’s Beautification project. It will continue to be discussed at the March 28th, 2023, BOT meeting.

Executive Session (II): “An executive session pursuant to CRS 24-6-402(4)(d) for the purpose of discussing two pending criminal law enforcement investigations involving possible violation of the De Beque Municipal Code or state law.”

Executive Session (III): “An executive session for discussion of a personnel matter under C.R.S 24-6-402(4)(f) and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or of an elected official; or personnel policies that do not require discussion of matters personal to particular employees. Specifically, the Town Administrator/Manager.”

Motion:

Trustee Hambrick motioned to start Executive Sessions (II) and (III)
Trustee Wood seconded the motion.

Motion carried: 7-0

Executive Session (II) and (III) began @ 9:02 pm

Executive Session (II) and (III) ended @ 10:52pm

Mayor Hansen called for the Adjournment of Regular meeting @ 10:52 pm.

Respectfully submitted,

Approved by the Board of Trustees

Lisa Rogers, Town Clerk

Shanelle Hansen, Mayor