

**REGULAR MEETING
OF THE
PONCHA SPRINGS BOARD OF TRUSTEES**

330 BURNETT AVE., PONCHA SPRINGS, COLORADO

MONDAY, MAY 10, 2010 - 6:30 p.m.

The meeting was called to order at 6:30 p.m. by Mayor Thonhoff, who asked for a roll call.
Those present:

Mayor:	Mark Thonhoff
Mayor Pro-tem:	Aaron Kroschel
Trustees:	Galen Angelo, Ron Slaughter, Darrell Donahoo, Bret Collyer
Town Attorney:	Brad Redmiles; arrived 7:43 p.m.
Town Administrator:	Jerry L'Estrange
Public Works Director:	Greg Smith
Clerk/Treasurer:	Diana Heeney
Town Planner:	Absent
Visitors:	Katy Grether, Gary Findlay, Stuart Huester, Dennis Saffell, Doug Kline, Dan Cathcart, Audrey Gilpin (Mtn. Mail)

ADDITIONS, DELETIONS, OR CORRECTION TO AGENDA:

APPROVAL OF MINUTES:

Motion: Mayor Pro-tem Kroschel made a motion to approve April 26, 2010 Board minutes; seconded by Trustee Slaughter. Motion carried unanimously.

OLD BUSINESS:

Hutchinson Homestead Contract

Administrator L'Estrange informed the Board that Attorney Redmiles has reviewed the contract provided to the Board. He went on to say the insurance to indemnify the town has been included in the contract. Ms. Katy Grether stated Guidestone and SPOT will review/sign the contract. Ms. Grether gave an overview of the Hutchinson Homestead project for the visitors attending, inviting everyone to the June 5, 2010 Open House at the homestead site.

MOTION: Trustee Slaughter made a motion to approve the Operating Agreement for the Hutchinson Ranch and Homestead Site, per Town Attorney's final review; seconded by Trustee Donahoo. Motion carried unanimously.

Standardized Trail Easement

MOTION: Mayor Pro-tem Kroschel made a motion to approve the “Standardized Trail Easement”, changing #12 – Abandonment – from (10) ten years to (15) fifteen years; seconded by Trustee Collyer. Motion carried unanimously.

NEW BUSINESS:

Presentation from Bent Tree LLC, Re: Friend Ranch

Mr. Gary Findlay introduced himself, stating a group has been formed to take over the Friend Ranch project, he stated the group, Bent Tree LLC, is not associated with the old Friend Ranch Investors Group. He added Bent Tree LLC went to the bank to see if the project could be saved, submitted a letter of intent and they are in the due diligence process with the bank right now. Mr. Findlay stated the group’s intent is to formulate a plan to complete the infrastructure and nine holes of the golf course with a limited budget, noting the group is proposing to use bank funding and raise money through closings of the reservations on lots to move forward with the project. Mr. Cathcart introduced himself, stating he has been in commercial real estate since 1995, noting the bank has stepped up due to there being a new group and they have a plan in place. He went on to say they will get the infrastructure in and develop nine holes on the golf course. Mr. Cathcart stated they have hired a consultant to conduct an exhaustive study and set out professional guidelines for the project, noting the budget is skinny. He went on to say the group understands the need to improve the development to create an asset for both the developer and the town. Mr. Cathcart stated the project will be registered with HUD, and the development group will follow the letter of the law, which protects all involved. Mr. Dennis Saffell stated the project location ends itself to success, noting it will be a long term project with no quick fixes, adding the success of the project will benefit Poncha Springs. He added that the climate has changed, ending the large “mcmansion” market in favor of smaller more affordable housing. Mr. Saffell stated the proposed phasing will drive the momentum of the project, noting sale of lots will be in conjunction with completion of utilities. Mr. Saffell stated selling vacant lots with no parameters on building is death to a project, noting time requirements for building will move the project forward. Mr. Stuart Huster introduced himself, stating the team intends become a part of the community, which lends to the success of the project. Mr. Dan Williams introduced himself, stating his background is in engineering and his part will be to pull all the planning together, build economically through phasing and stick to the budget. He went on to say he has thirty years of experience in managing projects, noting the success of the project will be a win/win for the developer and the town. Mr. Findlay closed by thanking the Board for their time and interest, noting the group will make every effort to keep the town in the loop. Trustee Angelo ask if there is a timeline for the due diligence. Mr. Findlay estimated two weeks.

Visitor’s Center Update

PW Director Smith informed the Board that three (3) bid packets had been received and a group meeting will be scheduled for review and award of the design and build project. He added the

three RFQ's were good, noting two of the three submittals will be selected to design the project and the final choice made for the construction. Smith stated the submittals were all local.

Arbor Day Proclamation

Mayor Thonhoff read the Arbor Day Proclamation, and declaring May 22, 2010 as Arbor Day for Poncha Springs.

ADMINISTRATOR'S REPORT:

County Wide Sales Tax – Joint Meeting – May 12, 2010

Administrator L'Estrange informed the Board that the joint meeting will be held at First Street Café in Salida at 6:00 p.m. on May 12, 2010.

Fairgrounds Sales Tax Update

Administrator L'Estrange informed the Board the Colorado Department of Revenue sent an email stating they are working out the details for issuing sales tax licenses at the fairgrounds. Clerk Heeney stated she had sent a map of Poncha Springs to the Colorado Department of Revenue, noting this will be of help when they are issuing special event sales tax licenses for events held at the fairgrounds.

USDA Grant Opportunity

Information included in the packet. Administrator L'Estrange informed the Board that USDA offers a wide opportunity for grant funding, noting this could be a tool for the Town in the future, if any water improvements were to be made.

Water Issues Update

Administrator L'Estrange informed the Board that on May 5, 2010, Steve Monson, Matt Loose, Doug Law, Greg Smith, and he met on site at the Friend Ranch to review the irrigation ditches that are becoming the Town's responsibility. He went on to say it took most of the day, stating the town's Henry Ditch traverses over property owner by Ed Rogers, who stated his concerns. L'Estrange stated Mr. Steve Monson, Town Water Attorney, was able to satisfy most of Mr. Rogers demands in a potential agreement document, which should get Mr. Rogers out of the Town's water case as an objector. L'Estrange went on to say having a reservoir site is extraordinary, noting the town wants to make sure it has water to fill the reservoir once it comes to fruition. He stated the town will need to plan for man power to take on the water testing mechanisms and ditch maintenance in the future. L'Estrange stated the BLM is considering allowing the Town to keep the ditch open through their parcel, noting they had ask for consideration to pipe the ditch through the parcel. L'Estrange stated Mr. Monson will send a cheat sheet of where all the town's water cases are, noting this will be beneficial to him and the Board, adding Mr. Monson thinks it will take some time to complete the town's water exchange case.

Citizens Request for Minutes Revision

MOTION: Mayor Pro-tem Kroschel made a motion to strike “former” from the April 12, 2010 minutes under Citizen Input-Doug Kline, 507 Ouray Ave, in the discussion regarding legal council; seconded by Trustee Slaughter. Motion carried unanimously.

Mayor Thonhoff stated he talked to current legal council and he stands on the advice given regarding this matter. He went on to say he is looking into placing a manufactured home on his lot in town, within the timeline he gave the Board that he would be back in town.

CDOT Update

Administrator L’Estrange informed the Board that Kerrie Neets, CDOT, had contacted him and scheduled a meeting for May 24, 2010, regarding the proposed studies. He went on to say the town’s portion of the cost is estimated at approximately \$10,000, with CDOT funding the larger portion. L’Estrange stated CDOT will do the car count first to see if the projected numbers will work through 2030, and then move to the next study for the highway diet.

Arkansas Valley Humane Society Groundbreaking Ceremony, May 22, 2010 – 10 a.m.

Administrator L’Estrange informed the Board that an RSVP invitation to the Ark-Valley groundbreaking ceremony had been received, anyone wanting to attend call town hall.

MAINTENANCE & UTILITIES:

May 5, 2010 Meeting Report

PW Director Smith stated the PW Crew has the town ditches in good shape and full of water. He stated due to budget constraints the town is looking at hiring only one summer employee instead of two, noting the information is in the Poncha Press and a local high school student will be hired. Smith reported the hazardous tree removal went well and everything is cleaned up, and some trees will be planted to replace those removed.

EXECUTIVE SESSION:

Mayor Thonhoff made a motion to adjourn to executive session for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. §24-6-402 (4) (e); regarding

1. Friend Ranch

to include Town Attorney, Mayor, Mayor Pro-tem and Trustees, and Town Administrator, and PW Director;

and

for a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. §24-6-402 (4) (b); regarding

1. Friend Ranch

2. Unemployment Matter

to include Town Attorney, Mayor, Mayor Pro-tem and Trustees, Town Administrator; seconded by Trustee Donahoo. Motion carried unanimously.

The regular Board meeting was adjourned at 7:43 p.m.

The Executive Session convened at 7:53 p.m.

The Executive Session adjourned at 9:11 p.m.

The Regular Board meeting reconvened at 9:11 p.m.

With no further business the regular board meeting was adjourned at 9:15 p.m.

Respectfully Submitted:

/s/ _____
Diana K. Heeney, CMC
Clerk/Treasurer

Approved As To Form and Content:

/s/ _____
Mark F. Thonhoff, Mayor

Attest:

/s/ _____
Jerry L'Estrange
Town Administrator