



IGNACIO TOWN BOARD MEETING MINUTES

Monday, February 13, 2023 – 6:00 PM

Abel F. Atencio Community Room, 570 Goddard Avenue
and via Remote Public Meeting

I. **CALL MEETING TO ORDER:** Mayor Craig called the meeting to order at 6:00 PM by leading in the pledge of allegiance.

II. ROLL CALL

Present: Mayor Clark Craig, Mayor Pro Tem Edward Box III, Trustee Joseph Atencio, Trustee Tom Atencio, Trustee Alison deKay, Trustee Sandra Maez

Absent: Trustee Jeremy Schulz

III. APPROVAL OF AGENDA

IV. **PUBLIC COMMENTS:** None

V. CONSENT AGENDA

A. Regular Town Board Meeting Minutes from January 9, 2023

B. Financial Records – January 2023 Accounting Reports

Mayor Craig asked if there were any questions or comments on the consent agenda. Trustee Tom Atencio asked Ms. Dunton to give a breakdown of the bill that the Town paid to the Tribe. Ms. Dunton stated that the entire bill that the Town received in January was \$368,692.71. The Town can only have \$250,000 in the checking account at one time; staff reached out to the Tribe and they agreed that the Town could make two payments on the gas portion of the bill. The first payment was made on January 18 for half of the gas portion of the bill and all the other utilities. On February 1 the other half of the gas portion of the bill was paid; it does not show on the financial report because it was paid in the February accounting period. The Town has already received the next bill from the Tribe and that will be paid on February 15; the total amount of that bill was \$157,326.80. Trustee Atencio stated that he wanted this information on record so that the community can see what the Town had to pay.

Action: Trustee deKay moved to approve the consent agenda; Mayor Pro Tem Box III seconded the motion. The motion passed unanimously.

VI. UNFINISHED BUSINESS

VII. NEW BUSINESS

A. Natural Gas Rate Structure – Public Hearing

Ms. Dunton gave the background on this item. At the January 30 Special Meeting, several ideas were presented that would help customers with the current unprecedented and astronomical gas rate increase. At that meeting, the Board directed staff to look for other options as well. What is being presented this evening is commonly referred to as budget billing; a rate is set per MCF and that rate would remain constant throughout the year, regardless of the rate that the Tribe bills the Town. These temporary changes, if approved by the Board, would be for the 2023 Calendar year: set the rate at \$16/MCF; review the gas rates on a monthly basis to ensure that

the Town's cost to the Tribe will be covered by the end of the year; during 2023 the Board will have the authority, without the need for a Public Hearing, to adjust the natural gas rate (increase or decrease) for unanticipated expenses throughout the year; if the Tribal rate drops to \$10/MCF or less, add the 10% Capital Factor back into the gas rate (the SUIT gas rate will continue to be shown on the bills that are sent out each month and the increase for the capital factor – if any – would be explained); late fees would be reinstated in April, and disconnections and reconnect fees would be reinstated in May (unless prior payment arrangements are made); staff will credit partial payments to all other utilities before crediting the natural gas utility.

Mayor Craig opened Public Comment at 6:13 PM. Mandy Brown stated that her concern with the flat rate proposal is that the Town would return to the idea of using that to create a "cash cow," as it was referred to in the past. She did not see exactly how that was beneficial to the community. Because the Town cannot afford to subsidize the customers she stated that she would prefer that the Town charge the same as in the previous year (based on the Tribe's charge to the Town).

Neoma Quintana, 435 Shoshone, asked for clarification on the rate that each customer will pay. She recommended doing a historical analysis of each customer and bill accordingly.

Sheryle Hunter asked if everyone will get charged the same rate regardless of usage.

Mayor Craig ensured that there were no others desiring to make public comment and closed the Public Hearing at 6:19 PM. He stated, in response to Ms. Brown's concern, that it is not the intent of the Town to have a cash cow. The intent is to track this on a monthly basis to ensure that we get back to a zero balance due. He asked Ms. Dunton to respond to the other questions from Ms. Quintana and Ms. Hunter.

Ms. Dunton explained that the \$16 rate is per MCF, so it will fluctuate based on the individual customer's usage. If a customer uses 10 MCF, their gas rate for that month would be \$160; if they use 20 MCF, their gas rate for that month would be \$320. Trustee deKay commented that there is a base rate that will be included in the gas rate each month; Ms. Dunton stated that the base rate for 2023 was set at \$25.92 and it is added to the billing for natural gas. Trustee Joseph Atencio asked if there is a different base rate charged to commercial accounts; there is not.

Ms. Hunter raised her hand; Mayor Craig stated that the Public Hearing had been closed. She said she wanted to ask about gas tax. Mayor Craig stated that, because this is extraordinary, Ms. Dunton could respond. Ms. Dunton stated that gas is the only utility that is taxed; the rate is set by the state and the tax amount is a percentage of the amount charged for natural gas.

Mayor Craig clarified that these rates are for 2023 only. Ms. Dunton concurred, stating that staff will be tracking this and make recommendations to the Board in August or September, prior to the formal presentation of the 2024 Budget in October.

Trustee Joseph Atencio stated that this is the first year that heating with electricity is less expensive than gas. Trustee deKay stated that this will be a recurring agenda item so the Board is tracking this very closely; staff will also notify the Board if there is need to address a concern prior to a regularly scheduled Board meeting.

The Board expressed appreciation to the public and they reciprocated. Mayor Craig called for a motion.

Action: Trustee deKay moved to make rate changes to the natural gas rates for 2023 as detailed in the rate memorandum which is included in the packet, which is public information; Trustee

Maez seconded the motion. Mayor Craig called for a roll call vote; the motion passed unanimously.

B. ELHI Acquisition

Mr. Garcia stated that this has been discussed in public meeting and joint work sessions with the Ignacio School Board. At the last regular meeting, the Board directed staff to make an offer to the School Board for the ELHI property at 1.1 million dollars with zero interest with equal payments over the years; the School Board has accepted this offer. There is a draft lease purchase agreement that the attorneys for the Town and School Board are working on. Mr. Garcia stated that he seeking approval from the Board to continue work on the lease purchase agreement.

Mayor Craig asked for public comment at 6:29 PM.

Mr. Garcia stated that he has apprised the ELHI Board that the School District Board has accepted the Town's offer, and they are excited to begin working on the lease with the Town that will be in effect on July 1. No confirmation yet on the term of the lease with ELHI; he asked for drafts of the lease proposal that would be in one, two, and three year increments to present to the Town Board for consideration. ELHI would be responsible for all of the Operations and Maintenance of the property while it is leased to them.

Mayor Craig stated that the public comment period is still open if anyone has a comment they would like to share; there were no public comments. Mayor Craig closed the public comment time at 6:31 PM. He stated that the Town has been working on this for four or five years and, if this goes through, there will be a lot of community involvement in what the future of this property looks like.

Action: Trustee Joseph Atencio moved to approve the work required to draft the lease purchase agreement with the Ignacio School District for the ELHI property; the lease purchase terms to be detailed in the EHLI Lease Purchase Agreement are for 1.1 million paid over 3 years in equal payments at 0% interest. The Town Board shall review and approve the final Lease Purchase Agreement. Trustee Tom Atencio seconded the motion. Mayor Craig called for a roll call vote; the motion passed unanimously.

VIII. STAFF REPORTS

A. Police Department

Chief stated that we recently had a domestic violence related homicide; that is two in the last two and a half years. He reached out to Alternative Horizons (they are the domestic violence service provider in our region that operates a safe house and offers legal services) and Sexual Assault Services Organization (SASO) to request that both organizations be more present in our community.

Chief stated that he has served on the Emergency Telephone Association (911) Board for La Plata County for many years; he was elected as Chairman for 2023.

Officers will be taking an gas pipeline emergency response training in March. POST is considering upping the mandatory training from 24 to 40, which is a good thing.

Chief is requesting permission to apply for a JAG Grant of about \$55,000 to replace the in-car radios. By consensus, the Board gave approval for this application.

B. Public Works

Working with SEH on a capital improvement plan to replace all the steel piping replaced with HTPE pipe that will eliminate corrosion.

Sewer and storm drain reports identified some problem areas; work will begin in March to mitigate those problem areas.

Storm drain pipe will be ordered this month for the first phase of the storm drain replacement project.

C. Clerk / Treasurer

Ms. Dunton stated that she wanted to draw attention to the Joint Work Session with the La Plata Board of County Commissioners on March 23 at 6 PM at Willows Café.

She informed the Board that they received a thank-you note from Dancing Spirit for the financial support that was provided.

Mr. Garcia stated that Willows is only open for breakfast and lunch; Ms. Dunton said she would work out the details.

D. Town Manager

Colorado Housing and Financial Authority Technical Assistance Grant has been awarded to La Plata County; Mayor Craig has written a letter to the Commissioners, requesting \$700,000 that would go toward the required match for the Rock Creek project. The latest renderings from Renin Consulting are included in the packet. The current plan has 25 multi-family units situated within five five-plexes and 24 single family units; there are no apartments in this rendering. The Town will also submit an innovative housing assistance grant application in March to the Department of Housing for 2 million dollars that would go toward infrastructure. The site plan will need to go to the Planning Commission for review; work will take place toward entitlements of the lots. The Planning Commission will use the new Land Use and Development Code, particularly the planned unit development section, to review this project. Ultimately there will be approval by the Board; all of these units are being built for private, affordable ownership (which is up to 140% of AMI). Mr. Garcia is working on a Professional Services Agreement with HomesFund where they will provide us with deed restriction support; they also provide funding for down payment assistance, up to 120% of AMI.

Trustee Joseph Atencio asked what the price would be for one of these homes. Mr. Garcia stated that he does not have the price yet; he will send the Board the current AMI range later this week. Mayor Craig stated, for the benefit of those in attendance, that the property in the rendering is where the burn pile currently is situated.

Mr. Garcia moved on to the CDOT agreement, which covered sidewalk improvements for \$135,000. The cost is coming in at about \$70,000 higher than anticipated; his recommendation is that we pay the higher cost and not make modifications to the scope of work. Mayor Craig stated that he would meet with Mr. Garcia this week and Mr. Garcia can bring this back to the Board at a later date.

Trustee Joseph Atencio requested that Mr. Garcia push for an update on the Broadband Project as he feels this is a priority for the Town. The Tribe has stated an intent to work with the Town and Mr. Garcia will reach out to them for an update.

E. Attorney

Mr. Liberman listed the items he has been working on for the Town: ELHI Lease Purchase Agreement and the Ordinance that will approve that agreement; assisted Tuggy regarding sick

leave under HFWA (Healthy Families and Workplaces Act) with regard to COVID and the Public Health Emergency Act. He is continuing work on the raw water easement issue; he sent a Freedom Of Information Act request to BIA in September; he received a response in January where the BIA stated that they only keep records in the local office for 2 to 10 years; the requested information could be in the archives in Fort Worth, Kansas or Denver. Mr. Liberman may need to submit another FOIA request to the BIA.

Trustee deKay asked if the Jurisdictional Agreement is with the Tribe; Mr. Liberman stated that it is.

IX. TRUSTEE REPORTS

Mayor Pro Tem Box III stated that he still needs a letter of support for the Colorado Geographic Naming Commission but that the priority is for him to submit the application. He will get information to Ms. Dunton for the letter that Mayor Craig will sign on behalf of the Board.

Mayor Craig stated that he was asked to be a judge for HCCA's History Day on Thursday.

X. MISCELLANEOUS

None.

XI. ADJOURNMENT

Being no further business before the Board, the meeting was adjourned at 7:00 PM. The next regularly scheduled meeting will be on Monday, March 13, 2023, at 6:00 PM in the Abel F. Atencio Community Room and via Remote Public Meeting.



Clark Craig, Mayor

03/13/2023

Date



Attest: Tuggy Dunton, Town Clerk