

**TOWN OF YAMPA
TOWN BOARD MINUTES
December 4, 2024 – 6:00 pm**

BOARD MEMBERS PRESENT: Mayor Geilert, Trustee Lewis, Trustee Geanious, Trustee Montgomery and Trustee Kindsvater

EMPLOYEES PRESENT: Town Administrator/Clerk Sheila Symons, Treasurer/Planner Mary Alice Page-Allen

AUDIENCE PRESENT: Carl Ray; Dan Nielsen; Joe Edwards; Sue Walker; Jennifer Henninger and Luke Kerr (via Zoom), Community Planning Strategies; Ben Beall, Aquaworks DBO Inc.; Online: Christine Manzaneres, Amanda Laman, Aaron Symons

1. Call to Order

- Mayor Geilert called the meeting to order at 6:00 pm
- The Pledge of Allegiance was recited
- Roll call was taken

2. Audience Participation

Carl Ray expressed his opposition to the proposed increase in water and sewer rates.

Gary Burkholder raised concerns about the Land Development Code. He feels it is long-winded and unnecessary, questioning how many of the proposed rules are currently in use and why all the rules are necessary, referring to the draft code as an “over-glorified HOA” and continuing that he believes the regulations are too detailed and restrictive, limiting individual freedom. He also expressed his dissatisfaction with the current Planner, citing her lack of residence in Yampa as a concern. He emphasized the need for continuous review of the Land Development Code to ensure it remains relevant and appropriate.

3. Yampa Collection System Improvement Project – Wastewater Collection System Improvement Project Agreement – Change Order

Ben Beall, AquaWorks DBO Inc., provided an update on the Yampa Wastewater Collection System Improvement Project. He presented a change order for \$247,798.00 to utilize the remaining budget for additional work, including lining the sewer main to address inflow and infiltration issues at lateral connections, adding safety devices for future manhole entries, and reconciling final work quantities for the sewer main and manhole lining, point repairs, and manhole rung removals. He stated that the contract is complete, with the entire sewer system and manholes now fully lined, and the remaining funds will be used for necessary additional work, including rehabilitation at the service connections in the summer of 2025.

Trustee Kindsvater questioned why these items were not included in the original bid, and Mr. Beall clarified that some elements were removed initially to account for project contingencies due to unknowns, as AquaWorks anticipated potential issues from typical unknowns, as is the case during any construction project.

Trustee Montgomery inquired about the project's budget, which Mary Alice confirmed as \$2.319 million.

Trustee Geanious asked about the priority of replacements for the additional work this coming summer, and Mr. Beall explained that 25% of the Town would receive updated service connections as a high priority, with the remaining 75% in relatively good condition.

Motion

Trustee Lewis motioned to recommend approval for Change Order No. 6 in the amount of \$247,798.00 under the Yampa Wastewater Collection System Improvement Project Agreement to use the remaining available budget to perform lining at the sewer main where inflow and infiltration is occurring at lateral connections, provision of safety devices for future manhole entry, and reconciliation of final work quantities associated with sewer main and manhole lining, point repairs and manhole rung removals. Trustee Geanious seconded the motion; the motion passed unanimously.

4. Resolution 2024-24 – Yampa Fire District Annexation

Mary Alice provided an update on the proposed annexation process for a parcel of property just west of Town, located in the southeast corner of the Julie Redmond Drake property. She explained that if a petition is submitted that meets the state statutory thresholds of substantial compliance as cited at CRS §31-12-107(1), the Board is required to move forward with scheduling a public hearing, adding that it is her opinion that this petition meets the necessary criteria, and the proposed resolution reflects that. She stated that the public hearing is scheduled for January 22, 2025, noting that in accordance with the statutory requirements the hearing cannot be held sooner than 30 days and no later than 60 days after the petition is accepted. She explained that this hearing marks the beginning of a series of procedural milestones that must be met as the annexation process progresses.

Trustee Montgomery inquired about who would bear the expenses related to the process. Mary Alice clarified that while she is assisting with the process with the permission of the Board, the direct costs are being covered by the Yampa Fire Protection District.

Motion

Trustee Lewis made a motion approve the signing of Resolution 2024-24, A Resolution Finding That a Petition for Annexation is in Substantial Compliance with CRS §31-12-107(1) and Setting a Hearing Date for January 22, 2025 the Annexation Petition for the Yampa Fire District Annexation to the Town of Yampa. Trustee Geanious seconded the motion; the motion passed unanimously.

5. Ordinance 2024-01 – Title 6: Yampa Land Development Code

Mayor Geilert open the public hearing on Ordinance 2024-01, An Ordinance adopting Title 6, Yampa Land Development Code, inviting Jennifer Henniger, Community Planning Strategies (CPS), to start off with her presentation.

Ms. Henniger presented the proposed Land Development Code, that has been developed with the assistance of the Planning Commission and the Town Board since January 2024. She added that the public draft became available for review in October.

Trustee Kindsvater emphasized that the Code has been described as a "living document" in previous meetings with CPS, meaning that as new situations arise, the Code can be modified to remain relevant and up-to-date. She added that it is her expectation that it will be reviewed annually to ensure its relevance.

Trustee Montgomery inquired about changes made since the last meeting. Ms. Henniger clarified that only grammatical errors and comments from Ben Beall, Town Engineer, were updated, noting that Mr. Beall was in person for elaboration is needed. Trustee Montgomery expressed that he did not need Ben Beall to elaborate on his comments for the Land Development Code.

Trustee Montgomery also sought clarification on who Jen Henniger referred to as "we." Jen clarified that "we" includes the staff at CPS, the Planning Commission, Planner Mary Alice Page-Allen, the Town Engineer, Town Attorney, Town Board members, and members of the community that provided input during the Public Outreach and Open Houses.

Trustee Montgomery proposed that the entire Land Development Code be sent back to the Planning Commission and the Town Board for a page-by-page review due to concerns about the approval process and additional items he did not detail. The consensus of the rest of the Town Board members was such was not necessary.

There were no additional comments from those in attendance. Mayor Geilert closed the Public Hearing.

Motion

Trustee Lewis made a motion for approval and authorization to sign Ordinance 2024-01, An Ordinance of the Town of Yampa, Colorado, Adopting Title 6: Yampa Land Development Code by Reference; Repealing All Conflicting

Ordinances; Providing for Severability; and Providing An Effective Date. Trustee Geanious seconded the motion; the motion passed with four (4) votes in favor and one (1) opposed.

6. **2023 Audit**

Mary Alice mentioned that there were still a few outstanding items required from the Auditor, and reiterated that due to the difficulty in finding an auditor statewide, they have been struggling to meet the deadline and cannot complete the process without the necessary additional information. She added that as a result, this matter will need to be postponed until the Auditor is prepared to move forward.

Motion

Trustee Lewis made a motion to table the 2023 Audit to a future date. Trustee Geanious seconded the motion; the motion passed unanimously.

7. **Resolution 2024-18 Water and Sewer Rates**

Mary Alice reviewed the proposed water and sewer rate increases, discussing the approximately \$9 total increase that aligns with the proposed 2025 Budget and incorporates recommendations from the Water Rate Study. She noted that this information was shared in the November 2024 newsletter and will also be included in the December 2024 newsletter and, if approved, the new rates will take effect on January 1, 2025, impacting users February bill. She explained that the operations would be covered, with the water enterprise fund expected to experience a very small net loss and the sewer enterprise fund generating a net income of \$47,930 of which the required reserve amount would be \$40,623.00, noting that the Rate Study suggests capital reserves should be \$80,000 annually per fund. She stated that currently the Town is allocating less than half of that amount, subsidizing two enterprise funds with reserve funds instead of building them as recommended by the Rate Study.

Trustee Montgomery asked about the financial status of the water and sewer funds. Mary Alice explained that the water enterprise fund is projected to operate in the red at \$4,427, while the sewer enterprise fund is projected to operate in the black at \$36,305, with \$37,774 being allocated to reserves. She also noted that increased operational costs are included in the Rate Study but are not expected to come into effect until 2026, adding that the Town has an obligation to cover operational costs with revenues set at 125% to meet State and loan agreements.

Trustee Montgomery inquired about the loan that the Town had, which had the possibility of being canceled or forgiven. Mary Alice confirmed that the design and engineering loan for \$250,000 has been forgiven and treated as a grant. She stated she believed the loan Trustee Montgomery is referring to is the one used for this year's collection system improvements, and there may be a possibility of that financing being forgiven and being able to be treated as a grant, adding there are a lot of moving parts to when and if that will happen.

Trustee Kindsvater asked when the rate increases would cap off. Mary Alice indicated that, with inflation, the rates would likely increase by at least 3% annually, and after the Rate Study is revisited next year, they will have more information about additional future increases. She added that future planning for replacement, operational, and maintenance costs will need to account for rising prices and the Town does not want to find itself in the position it is in with no funding to support needed infrastructure upgrades and replacements. Trustee Kindsvater noted that other communities of similar size have faced rate increases of up to 60%, and she is grateful that their situation is not as severe.

Trustee Montgomery asked about the water rights and the potential cost of diverting water and using the infiltration gallery simultaneously. Mary Alice confirmed that this is included in the Town's capital improvement plan and would be constructed using any reserves being set aside, adding that the preliminary engineering report was completed on this project in 2017. She added that this project is secondary to the distribution system replacement due to its age and condition, and it would involve using the same pool of limited grant funds. Trustee Lewis mentioned that filtering river water brings in a lot of dirt, and the filters required for that process are very expensive.

Motion

Trustee Lewis made a motion to authorize to sign Resolution 2024-18, A Resolution Setting the Monthly Water & Sewer Charges. Trustee Geanious seconded the motion; the motion passed unanimously.

8. Resolution 2024-19 Salary Schedule

Trustee Kindsvater provided an update on her research after contacting towns comparable to Yampa, noting the challenge in finding towns of similar size that are near a ski resort. She stated she spoke with Kevin Bommer, Executive Director, Colorado Municipal League (CML) as well, and he emphasized that for salary information, towns surrounding resort communities would be what needs to be considered for an accurate salary comparison. She advised that for the towns she did speak with it seems most salaries are averaging out pretty generally to what Yampa is paying staff and that the struggles Yampa is facing seem to be state-wide.

Trustee Montgomery requested a detailed breakdown of benefit expenses, specifically separating the costs of insurance and the Health Reimbursement Account (HRA). Sheila clarified that the total benefit expense per employee is \$10,500, and this amount covers insurance premiums, with the remaining funds allocated to the HRA account. She noted that providing personal private health information, including individual allocations, would violate HIPAA regulations. In response to Trustee Montgomery's question, Mary Alice stated that the Town pays a monthly total of \$3,276.50 for its five employees, and this information was previously provided to Trustee Montgomery.

Trustee Montgomery raised the point that the general public in the county, who are taxpayers, do not have access to medical benefits comparable to those offered by the Town of Yampa. Aaron Symons explained that during his tenure as Mayor, the Town Board had to make changes to the insurance plan due to escalating costs, and this included reallocating \$10,500 for health insurance premiums and directing any leftover funds per employee to Health Reimbursement Accounts (HRAs) that reduced Town expenses by 17%. He added that this strategy allowed the Town to manage a predictable budget without facing yearly increases of 20% or more. Mr. Symons emphasized the importance of offering a competitive pay and benefits package to retain employees, noting that without this, the Town risks high turnover and the costs associated with training new hires who might leave for better opportunities once trained.

In response to other questions from Trustee Montgomery, Sheila stated that the authorization was given to start the 457-plan program, but the Town is not currently contributing to it, only employees, and explained that the Deputy Clerk and Public Works staff must be paid on an hourly basis and are eligible for overtime based on the nature of FLSA whereas in contrast, the Town Administrator and Planner/Treasurer are exempt employees, receiving a salary.

Motion

Trustee Lewis made a motion to authorize to sign Resolution 2024-19, A Resolution Adopting an Updated Employee Salary Schedule in Accordance with Title 2, Town of Yampa Municipal Code. Trustee Geanious seconded the motion; the motion passed unanimously.

9. Resolution 2024-20-2025 Fee Schedule

Mary Alice noted that there are only a few minor changes to the existing fee schedule, one of which addresses additions is a cleaning deposit amount for the facilities rentals and some items, like fences and sheds, have been moved from the general category to a more specific one. In response to a question from Trustee Montgomery, she stated that the retail liquor license fees are determined by the state and are fixed.

Motion

Trustee Lewis made a motion to authorize to sign Resolution 2024-20, A Resolution of the Town of Yampa, Colorado Adopting a Town of Yampa Fee Schedule. Trustee Geanious seconded the motion; the motion passed unanimously.

10. 2025 Outside Entity Funding Application Recommendation

Mary Alice noted that after previous review the 2025 outside funding applications were incorporated into the 2025 Budget. She stated that the Board's approval ensures that the letters sent to the awardees of the outside entities accurately reflect the approval of their funding awards.

Motion

Trustee Lewis made a motion to approve the 2025 Outside Entity Funding Application allocations. Trustee Geanious seconded the motion; the motion passed unanimously.

11. Resolution 2024-21 – 2025 Budget

In response to a question from Trustee Montgomery, Mary Alice stated that the 457 matching from the Town cannot be spent until the actual plan itself is approved by the Town Board, and such can be approved or modified as the Board sees fit. She stated that the proposed matching amount is 1.5% of the employee's salary.

Trustee Montgomery proposed that the Town match 1.5% of the employee's annual gross wages only if the employee contributes 3% of their annual gross wages.

A discussion on the Mill Levy was held. Mary Alice stated that the final numbers from the County Assessor indicate that, without the 5.5% table limitation, our revenue limit is \$141,544; with the imposition of the maximum 5.5% increase, the Town will collect \$84,092 in 2025 based on 2024 valuations. She stated that this year's mill rate is 14.022, and the mill rate for 2024 was 13.174, which generated \$81,513.00 in revenue this year and is projected to generate \$84,092 in 2025, adding that per household, this would amount to approximately \$10.

Motion

Trustee Lewis made a motion to approve and the authorization to sign Resolution 2024-21, A Resolution Summarizing Expenditures and Revenues for each Fund and Adopting a Budget for the Town of Yampa, Colorado, for the calendar year beginning on the first day of January 2025 and ending on the last day of December 2025. Trustee Geanious seconded the motion; the motion passed unanimously.

12. Resolution 2024-22 Appropriate Sums of Money

Motion

Trustee Lewis made a motion to authorize to sign Resolution 2024-22, A Resolution to Appropriate Sums of Money – A Resolution Appropriating Sums of Money to the Various Funds and Spending Agencies, in the amount and for the purpose as set forth below for the Town of Yampa, Colorado for the 2025 Budget Year. Trustee Geanious seconded the motion. The motion passed unanimously.

13. Resolution 2024-23 – Setting of Mill Levies

Motion

Trustee Lewis made a motion to authorize to sign Resolution 2024-23, A Resolution to Set Mill Levies – A Resolution levying General Property Taxes for the Year 2024 to help defray the costs of government for the Town of Yampa, Colorado for the 2025 Budget Year. Trustee Geanious seconded the motion; the motion passed unanimously.

14. Consent Agenda

Motion

Trustee Lewis made a motion to approve the Consent Agenda as presented, specifically the November 20, 2024 Regular Meeting Minutes and the October 2024 Financial Statements. Trustee Geanious seconded the motion. The motion passed unanimously.

15. Staff and Board Member Reports/Updates

Sheila provided updates on several items:

- The upcoming Christmas celebration is scheduled for December 21, 2024.
- Holiday Lighting Contest sponsored by YVEA/Luminate.
- 4th of July Committee needs volunteers and possible sponsorship on the fireworks.
- Salsa contest to benefit the 4th of July Committee in February.
- Water/Sewer job opening update.

16. Scheduled Meeting/Work Sessions

- a. Town Board and other requests for Agenda Items
 - i. January 8, 2025 @ 6:00pm– Town Board Special Meeting (Due to New Year's holiday)
 - ii. January 22, 2025 @ 6:00pm– Town Board Special Meeting
 - iii. January 29, 2025 @ 6:30pm – Planning Commission Meeting (Tentative)