

Durango Hills Road District Number One Advisory Committee
Meeting Minutes
February 2, 2017
APPROVED

Formal notice was provided to La Plata County via Jan Mayer-Gawlik, and subsequently publically posted at the county administration building and in three locations within the road improvement district, regarding a meeting of the Durango Hills Road Improvement District Number One Advisory Committee. The meeting was announced by La Plata County to be conducted on February 2, 2017, and start at 6 PM. The meeting was to be conducted at the La Plata County Administrative Building at 1011 East 2nd Avenue, Durango, CO 81301 in the Training Room.

Said meeting was conducted as announced.

Date: February 2, 2017

Location: La Plata County Administrative Building at 1011 East 2nd Avenue, Durango, CO 81301 in the Training Room.

Start time: Meeting called to order by Advisory Board Chairman, Richard Woodbury, at 5:59 PM.

End time: Meeting closed at 7:56 PM.

Committee Attendees:

6 of 7 Committee Members were present in person.

- Mark Pearson
- Russell Kimble
- Jim Rockelmann
- Alan Shupe
- Richard Woodbury
- Dan Featheringill

1 committee member was absent:

- Dan Olson

County Attendees:

- Devon Schmidt

Members of the Public (who signed the sign-in sheet):

- Jim Bolton, Bob Koenig, Stela Koenig, Mary & Steve Rogers, Charles & Cheryl Berglund, Richard Carpenter, Howard Rachlin

Meeting Discussion and Directives:

Richard welcomed the public and county staff.

Approve Minutes From 10/27/2016 Meeting

Minutes approved as read without any comment.

Election of Officers

Richard Woodbury was elected chair by unanimous vote.

Mark Pearson was elected vice-chair by unanimous vote.

Dan Olson was elected secretary by unanimous vote.

Discussion about length of terms. Jim moved, Russ seconded to make terms run through the first meeting of 2018. Passed by unanimous vote.

Winter/Summer contracts

Devon Schmidt explained the contract process. Normally solicit 3 bidders for summer/winter contract. She provided a handout that described the contract options, potential bidders, the bid timeline, scoring. May have more bidders this year because of the decline in oil and gas construction work. Options are to either separate into winter and summer contracts, or combine into one contract to make more attractive.

In terms of water supply, Richard worked out an arrangement with Florida River Estates to access river water, so no longer limited to dealing with irrigation district. This is provided at no cost to us. Item for future discussion to express appreciation for their generosity.

Russ suggested we include in the contract specifics about how much mag chloride or road base to apply, and our expectation that we will follow county guidelines. The county guidelines will be attached, but not specifically required in the wording of the contract.

Winter contract discussion about the 184 hours and whether that can also include hours for other machinery such as bulldozer time. Alan reminded that 184 hours is part of the overall \$25K contract and is the inducement to cover dead cost of leaving equipment on the mountain. The committee decided to leave winter contract as is, i.e., that if additional equipment (dozer) is required we pay extra for that time. Winter contract should be explicit that it requires a motor grader.

Discussion about whether could change 6-month term (Oct. 15 – April 15) to see if that affects the amounts bid. Devon will include an option to bid for 5-month term in the contract (Nov. 1 – March 31).

Discussion about whether or how to specify in the summer contract broad requirements for other kinds of subcontracted work that might be required like hydrovac contractor or county-contracted geotech crew. Ensure flexibility in the contract that allows us to cover whatever additional subcontracted work is required.

Agreed that contract will be one contract for both winter-summer and not bid them separately.

Winter maintenance to date

Kudos to Waldo for good work this winter. Perhaps the roads are a bit narrower this winter, but may be a factor of wet snowfall and freezing rain event.

We had a couple of issues with slushy roads one afternoon, and slick ice on others.

Jim mentioned concern about segment of unplowed snow at Edgemont emergency access. Last year that snow berm causing flooding and erosion issues for us in spring. Dan F. will find Edgemont contact so we can contact Edgemont about clearing the snow.

Letter from Durango Road residents

Charles Berglund discussed concerns of North Durango road residents (letter included as attachment to minutes). Generally residents don't believe getting maintenance due them and feeling they are subsidizing rest of district because not getting same level of service. Suggested may be time to look at how to increase budget, i.e., such as a tax increase. Extensive discussion about whether there is enough money or not, relative amounts of taxes paid compared to where folks live in the district. Mark suggested we can be more efficient once we get a record of tracking winter plowing hours, plus how we use our unspent fund balance.

Russ suggested we set as an item for discussion whether to pursue a feasibility study of what it would take to undertake maintenance of more or all secondary roads in the district.

Fund balance

Mark suggested our fund balance now exceeds the two-year operating budget level recommended by county for a reserve. Our budget documents show a starting fund balance of about \$188,000 for this year, which has grown from about \$126,000 at start of FY2012. Our two-year operating budget balance would be about \$160,000, so we have as much as \$28,000 above targeted reserve level.

Appointed Alan and Jim to assess capital projects that we could prioritize with a surplus and report back at next meeting for further discussion.

Resident questions/concerns

Appreciation for work put in by board.

Howard suggested we install parabolic mirrors at key locations. Dan mentioned a stop sign at Nusbaum/Stagecoach would be beneficial.

Next scheduled meeting

Will wait until Devon gets back with information on contract to set next meeting date.

[North Durango Road residents letter]

December 14, 2016

Dear DHRID Advisory Committee,

Some residents of Durango Road have been attending DHRID Advisory Committee meetings, and while we see some encouraging signs, we have not seen a long-term plan that addresses our interests and concerns. The format of those meetings makes it difficult to convey the details of our positions, so we are providing this letter to let you know what we think ought to be done, and to offer some suggestions. We have no way of knowing whether or not you share some of our views, or have discussed these issues before.

Once again we have been trying to raise funds to cover the costs of snow removal and, optimistically, some gravel for the coming year. For many families, paying for gravel, on top of paying for snow removal, on top of paying normal DHRID taxes, is a hardship. We do not think that we, along with other DHRID residents living on non-maintained roads, should have to bear this extra financial burden, effectively subsidizing road maintenance for those residents who live on maintained roads. We strongly feel that all tax-paying residents are entitled to live on roads that are improved and maintained to be “safe and comfortable.” While we understand how, historically, we got into this mess, it is also clear that if we were to start from scratch today to design how the DHRID functioned, we would not have a system anything like what we now have. Instead of persisting to do things the way we do them because they have always been done that way, we want to see a plan for updating how the DHRID operates, and we have some suggestions for how to proceed.

From attending DHRID Advisory Committee meetings, two things are abundantly clear: Resolution 1997-21 prevents the Advisory Committee from allocating resources equitably and in a way that meets current needs, and current revenue is inadequate. We need a plan for dealing with both of these issues.

Rather than live with or try to work around a resolution that no longer fits our needs, why not get rid of it? County Commissioners have changed resolutions regarding the number of members on the DHRID Advisory Committee twice in the past, so why not revoke Resolution 1997-21? There are several reasons why Resolution 1997-21 needs to be repealed.

1. It does not reflect where people now live. As an example, in 1997 there were four residences accessed from Durango Road. Now there are about 20, with more on the way. Properties accessed from Durango Road (some currently vacant) account for 20-25% of the tax revenue for DHRID, yet not a shovel full of gravel or any snow removal has been provided in over 20 years. You can look at traffic counts or just count houses and reach the same conclusion: the DHRID is not spending money to improve and maintain roads where a sizable fraction of tax payers live. The same argument applies to all non-maintained roads.

2. It guarantees inequitable use of resources and forces a sizable minority of tax payers to subsidize the majority by making those living on non-maintained roads pay out-of-pocket for basic services. The argument that everyone benefits when money is spent on lower roads seems logical on the surface, but ignores the fact that everyone should be entitled to comparable levels of service. (If we paved lower Nusbaum with asphalt everyone would benefit, but there would not be enough money left to provide services for anyone else.) There is nothing wrong with spending less on less-traveled roads. There is something wrong with denying services to a large minority of tax payers because 20 years ago the roads they live on were largely unoccupied.
3. Inadequate maintenance (grading and snow removal) on non-maintained roads, as a result of Resolution 1997-21, is not only a matter of comfort, but also of safety. It seems that liability should be a consideration for the DHRID.
4. It is clear that we need more revenue to improve and maintain our road system as it is used today as opposed to how it was 20 years ago. As long as Resolution 1997-21 is in place it will continue to be used as an excuse to allow those on maintained roads to exploit those on non-maintained roads. On the other hand, without Resolution 1997-21, “we are all in this together,” and residents will be more inclined to find solutions (increase taxes?) that spread the burden of maintaining roads equitably.

There has been some discussion of ways to increase revenue (getting funds from the Forest Service, tower users, contractors), and we enthusiastically support those efforts. In the short term they could provide some relief by providing “residual funds.” (Resolution 1997-21 specifies “Other roads within the district may be improved and maintained with any residual funds...”) However, these sources of revenue seem inadequate in the long term.

Raising taxes is certainly difficult, but not impossible. Consider the following:

1. For the 35% to 40% of residents living on non-maintained roads, a tax increase would be financially neutral or a net cost reduction since out-of-pocket expenses would be eliminated.
2. If we improve the quality of all roads, then all of our property values will increase. The poor quality of non-maintained roads adversely affects all of us.
3. The survey taken last spring indicated some support for increasing taxes for better quality roads.
4. If we don’t do anything now, then in 5, 10 or 20 years, when almost all lots have been built on, we will still have a system in which a sizable minority of *residents* (not non-resident owners) have to pay out-of-pocket for road maintenance in addition to DHRID taxes, effectively subsidizing the rest of the district. Residents will eventually strongly object to the two-class system.
5. How much of a tax increase is needed is a complicated issue. Snow removal costs may double, but since most currently non-maintained roads are comparatively low traffic, other cost increases may be less than double. So perhaps tax revenue would need to increase by \$50,000 to \$70,000 per year. From an economics point of view, it makes sense to spend a few thousand dollars on an election, if necessary, as soon as possible to get that increased revenue.

6. Without Resolution 1997-21, all residents will realize that by not approving a tax increase, the road they live on may be the one that sees decreased services.

We understand that these are complicated issues with a long history, and we would be happy to discuss them with you in small groups (within the guidelines of open meeting laws) if you like. Please contact Charles Berglund or Richard Carpenter if you would like to arrange discussions with Durango Road/Sandlewood Circle residents. If you prefer to discuss at an Advisory Committee meeting, please let us know as much in advance as possible when these issues will be on the agenda.

The following individuals have read this letter and approve of and support its content.

Regards,

Charles and Cheryl Berglund, 655 and 695 Durango Road
Erika Winton and Jeremy Nelson, 1115 and 1121 Durango Road
Richard Carpenter, 590 Durango Road
Elle and Paul Ambrose, 767 Durango Road
Gretchen and Brett Willis, 786 Durango Road
Patrick and Kimberly Reese, 139 Sandlewood Circle
Richard and Lisa Lerner, 1127 Durango Road
David Stokes, 150 Sandlewood Circle
Pam and Fred Kautter, 1118 Durango Road
Craig Anderson, 688 Durango Road
Gale and Naomi Pennington, 498 Durango Road