Town of Paonia
214 Grand Avenue
Tuesday, September 23, 2025 6:30 PM
Town Board Minutes

RECORD OF PROCEEDINGS

Mayor Smith calls the meeting to order at 6:30PM.

Roll Call
Present:
Mayor Smith
Trustee Czech
Trustee Heck
Trustee Hunter
Trustee Stelter

Absent:
Mayor Pro-Tem Swartz (excused)

Approval of Agenda

Trustee Hunter makes a motion to approve the agenda. Seconded by Trustee Heck.

The motion carries unanimously.

Announcements

It was reported by the Town Clerk that applications continue to be accepted for one vacant seat on the Zoning Board of Adjustments and one vacant seat on the Planning Commission. It was further noted that Ms. Davey has withdrawn her candidacy for the vacant Board of Trustees seat due to time constraints.

Public Comment

S. Gulick comments about Apple Valley Park bathrooms being locked during the day and asking for timer locks.

Consent Agenda
September 9, 2025 Regular Meeting Minutes
September 23, 2025 Disbursements

It was explained by the Town Administrator that the cause of an added local sales tax on a hotel charge had been identified, credited, and the matter has been corrected.

Trustee Stelter moves to accept the Consent Agenda. Seconded by Trustee Czech.

The motion carries unanimously.

Staff Reports

1) Departmental Scorecard
Town Administrator Wynn reported that updates to the departmental scorecard are pending due to staff absences and will be presented at the next meeting. He also discussed coordination with the Stewart Ditch Company and SGM Engineers on urgent repairs near Pan American to address an exposed water main. While the project is currently within budget, total costs may exceed $10,000 and will be brought to the Board for approval. Town Administrator Wynn noted he is exploring potential emergency funding through DOLA and added that new photographs from the Comprehensive Plan adoption have been posted to the Town's website.

2) Scheduling Budget Workshops
The Board identified September 25th from 5:00PM - 7:00PM and September 30th from 3:00PM – 5:00PM as the preferred dates, pending final confirmation and noticing

requirements for the Budget Workshops.

Executive Session
EXECUTIVE SESSION(S): Pursuant to C.R.S. §24-6-402(4)(b), the Town Board may, upon 2/3 vote of the Board, convene into executive session for the purpose of conferencing with the attorney for the local public body to receive legal advice on specific legal questions involving the civil litigation matter of Brunner v. Town of Paonia, et al., Delta County District Court case number 2024CV7.

Trustee Hunter makes a motion that pursuant to C.R.S. §24-6-402(4)(b), the Town Board may, upon 2/3 vote of the Board, convene into executive session for the purpose of conferencing with the attorney for the local public body to receive legal advice on specific legal questions involving the civil litigation matter of Brunner v. Town of Paonia, et al., Delta County District Court case number 2024CV7. Seconded by Trustee Stelter.

The motion carries unanimously.

The Board moves to Executive Session begins at 6:47PM

Executive Session concluded at 7:16PM.

Participants in the Executive Session were Trustee Czech, Trustee Stelter, Trustee Hunter, Trustee Heck, Mayor Smith, Town Administrator Wynn, Clerk Vetter, Attorney Peter Doherty, and Town Attorney Clay Buckner.

No action taken.

Public Hearing
Consideration of an Application from Loretha (Barnes) Rolf for a Rezoning of a Property located at 201 Box Elder Avenue, Paonia CO, 81428, from Community Commercial District (C-2) to Higher Density Residential District (R3).

Mayor Smith opens the public hearing at 7:16PM.

Clerk Vetter confirms proper notification and no conflicts noted.

Town Administrator Wynn reads the staff report.

Liz Hiedrick, representative of Loretha Barnes-Rolf, speaks briefly.

Public Comment:
An email from Ryan Racicot, a neighbor, is read into the record.

Liz Heidrick rebuts with information about the basement and no current plans for further actions to be taken.

Town Administrator Wynn talks about how record keeping has improved in recent years which would prevent a bad precedent from being set.

Board Questions: Is a Curb Cut needed or not needed, based on the drawings presented. Applicant representative noted she drew it in the wrong place, and it is actually through the alley.

Mayor Smith closes the public hearing at 7:47PM.

Board discussion: The Board expressed general agreement that the proposed rezoning was appropriate for the area, noting that potential impacts, such as an additional housing unit and related permitting or parking considerations, would be manageable within existing regulations.

Trustee Hunter makes a motion to approve Ordinance 25-09 for a limited rezoning and amending the official zoning map regarding the property known as 201 Box Elder Avenue, with the condition that the property owner complies with all provisions of the Town's utility code for water, sewer, and trash. Seconded by Trustee Czech.

Voting Aye:
Trustee Stelter
Trustee Czech
Trustee Hunter
Trustee Heck

Voting Nay:
None

The motion carries.

Trustee Hunter makes a motion for a 10-minute recess, until 8:00PM. Seconded by Trustee Stelter.

The motion carries unanimously.

The Board reconvenes the meeting at 7:57PM.

Actions & Presentations

1) Consideration of Request from Paonia Senior Center

Marsha Brezonick presents on behalf of the Paonia Senior Center, now merged with the Paonia Senior Center, presented an update on the organization's efforts to improve services for local seniors. The group is pursuing building upgrades, including installation of an ADA-accessible restroom and a functional kitchen, supported by a $10,000 matching grant from the Boettcher Foundation. Ms. Brezonick, as the representative, requested a $1,000 contribution from the Town to help meet the community match requirement.

Town staff confirmed that such support would be processed as a grant for services, with potential funding available after January 1. The organization indicated that a commitment from the Town would be acceptable.

Public Comment:
L. Howe: comments in support of this project.

Topics: budget season, grants, formal grant funding program for 2026 to cover TABOR, separate from normal operational request.

Town staff clarified that such support would need to be structured as a grant for community services, with funds potentially available after January 1. The organization indicated that a future-dated commitment from the Town would be acceptable.

Trustee Stelter makes a motion to approve this grant in the budget discussion. Seconded by Trustee Heck.

The motion carries unanimously.

2) Consideration of Appointing an Applicant to the Vacant Seat on the Board of Trustees

The Board considered appointments to the vacant Trustee seat, noting that four applications were received and that Megan Davey withdrew, leaving three candidates: Monica Schaefer, Karen Tarnow, and Hector Mejorado. Clerk Vetter outlined the selection process.

Candidates Monica Schaefer, Karen Tarnow, and Hector Mejorado briefly introduced themselves, answered the Board's questions, and discussed availability, including willingness to serve on required bodies (Planning Commission, Tree Board) and ad hoc committees; staff confirmed Zoom participation is permitted, and quorum rules were reviewed.

Clerk Vetter reads the votes as follows;

Voting for Hector Mejorado:
Trustee Stelter

Voting for Karen Tarnow:

Trustee Heck
Trustee Czech
Trustee Hunter

Voting for Monica Schafer:
None

Karen Tarnow is selected to fill the empty Trustee seat and is sworn in by Clerk Vetter.

3) Consideration of Approval of a Contract with Clayton M Buchner Attorney at Law LLC

The Board discussed approving a contract with Attorney Clayton M. Buckner to revert to the town's original agreement without cost changes; minor edits were made for consistency and to clarify that only the Administrator, Clerk, Chief of Police, and Mayor, not Trustees, may contact the attorney directly.

Trustee Hunter makes a motion approving the contract, but include that the Mayor's edits are scriveners' errors be taken, that the only content change being the clarification that Board Member (the Trustees) don't contact the attorney. Seconded by Trustee Stelter.

The motion carries unanimously.

4) Repeal or Extension of Res 13-2025 Moratorium of Enforcement

The Board considered the extension of Resolution 13-2025, a temporary moratorium on enforcement of certain provisions of Chapter 16 of the Paonia Municipal Code related to short-term rentals. Town Administrator Wynn explained that, due to the temporary pause in the Short-Term Rental Ad Hoc Committee's work until Mayor Pro-Tem Swartz returns, an extension of the existing moratorium is necessary. He recommended a six-month extension.

Trustee Stelter makes a motion to direct staff to draft a new resolution extending the temporary moratorium of the enforcement of certain provision of Chapter 16 of the Paonia Municipal Code as they apply to the short-term rentals for an additional 6-month extension. Seconded by Trustee Czech.

The motion carries unanimously.

5) Consideration of lowering cap on Marijuana Licenses from 3 to 2

Trustee Hunter gives some background on the reasons for this agenda item.

The Board considered a proposal to lower the number of allowable marijuana dispensary licenses within the Town from three to two. Clerk Vetter noted that a written statement from Micah Erickson, owner of Valley Hich LLC, had been submitted for the record. Town Administrator Wynn introduced the item, explaining that local dispensary owners had requested the change due to the community's limited market capacity and a history of business closures when three licenses were active.

Local dispensary owners of Jimmy's Joint spoke in support of lowering the cap, citing declining revenues, regional competition, and the need for market stability.

Public Comment:
R. Santiago, speaking as a citizen, agreed that two dispensaries would better reflect current demand.

Trustees discussed whether reducing the cap would constitute unnecessary market regulation. Some members expressed concern about restricting business competition, while others acknowledged the town's historical practice of setting limits for highly regulated industries, such as marijuana and liquor establishments. Clerk Vetter provided background, explaining that the original three-license cap was established when retail marijuana was first legalized in Paonia as a compromise to address community concerns at the time.

Trustee Hunter makes a motion that staff prepare an ordinance changing the cap on Marijuana dispensaries from three (3) to two (2). Seconded by Trustee Heck.

Voting Aye:

Trustee Hunter
Trustee Heck

Voting Nay:
Trustee Stelter
Trustee Czech and Trustee Tarnow

The motion fails.

Trustee Stelter makes a motion to extend the meeting until 10:00PM. Seconded by Trustee Hunter.

The motion carries unanimously.

6) Discussion about Occupational Tax for Marijuana

The Board discussed the marijuana occupational tax applied to each retail sale. Town Administrator Wynn explained that dispensary owners had requested the Town consider changing the current $5-per-transaction tax to a 5% tax on sales, aligning with rates used by nearby municipalities.

Clerk Vetter requested the discussion be continued to a later meeting to allow time to gather election information and confirm procedures, as any change would require voter approval under TABOR. Town Administrator Wynn presented comparative data showing that, under the current structure, a Paonia dispensary with approximately $34,000 in monthly sales remitted $3,085 to the Town, while a Hotchkiss dispensary with $101,000 in sales remitted $4,519 under a 5% rate.

Trustees acknowledged that a percentage-based tax might be more equitable but noted that any modification would need to appear on a future ballot. The discussion was continued to a later agenda; no action was taken.

7) Consideration of Posting and Coordinating with Dark Skies Paonia on their Matching Fund Program in Town Hall

The Board heard a presentation from Lyn Howe, representing Dark Skies Paonia, requesting permission to post informational materials in Town Hall and to coordinate with the Town on public outreach regarding the community's dark sky lighting requirements.

Trustee Stelter makes a motion for sponsoring the poster in the front office and send out postcards with the enforcement letters. Seconded by Trustee Tarnow

The motion carries unanimously.

8) Consideration of Adding a Standing Agenda Item for STR Committee Requests

The Board discussed establishing a standing agenda item for updates and requests from the Short-Term Rental (STR) Committee. Trustees agreed that creating a recurring item, rather than relying on trustee reports, would streamline communication once the ad hoc committee resumes meetings.

Trustee Hunter makes a motion to add a standing agenda item for the Short-Term Rental committee as needed. Seconded by Trustee Stelter

The motion carries unanimously.

9) Update on Tree Board — Trustee Heck

Trustee Hunter makes a motion to extend the meeting by 15 minutes, until 10:15PM. Seconded by Trustee Heck.

The motion carries unanimously.

Trustee Heck reported that the Tree Board meeting had become contentious, but members intend to work collaboratively moving forward. Town Administrator Wynn clarified the board's advisory role, financial procedures, and procurement limits under Town policy. Discussion focused on clarifying responsibilities between the Tree Board, Public Works, and Town administration.

Mayor Smith and Trustees agreed the Tree Board's purpose and processes need review, suggesting a work session and possible code updates. The Town will also use existing state forestry data and software to guide tree management efforts.

No action was taken.

10) Consideration of Suspending Paonia Municipal Code 8-2-10 through 8-2-80

The Board considered suspending enforcement of Paonia Municipal Code Sections 8-2-10 through 8-2-80, which currently require permits for certain unlicensed vehicles, including powered wheelchairs. Town Administrator Wynn explained that this provision is discriminatory under ADA standards and should not apply to mobility devices.

The Board agreed to suspend enforcement of these sections as they relate to powered wheelchairs and other ADA-protected devices, pending formal amendment of the ordinance.

Trustee Stelter makes a motion to suspend enforcement of Paonia Municipal Code 8-2-10 through 8-2-80, as applied to powered wheelchairs and other ADA protected mobility devices, pending formal amendment of the ordinance, by having staff provide an amendment to the ordinance. Seconded by Trustee Hunter.

The motion carries unanimously.

11) Sole Source Roop Excavation for plumbing in Temp Tank

The Board approved sole-source funding of approximately $30,000 for Root Excavating to complete plumbing connections for the temporary water tank. The work, done ahead of formal approval to maintain project timelines, met procurement requirements and will appear in the October disbursements.

Trustee Stelter makes a motion to approve the sole source funding of the Roop Excavation for temporary tank tiling. Seconded by Trustee Heck

The motion carries unanimously.

12) Consideration of Approval of Town's Scoping Comments Regarding the BLM Colorado March 2026 Oil & Gas Lease Sale, specifically pertaining to parcels CO- 2026-03-6157 and CO-2026-03-6169 within the Uncompahgre Field Office

Mayor Smith explained that the letter continues the Town's historical stance opposing additional leasing due to potential risks to the watershed, agriculture, and local economy. Trustee Tarnow suggested revising the final paragraph for clarity by rewriting the paragraph to make the intended point clearer: that leasing more land is unnecessary when much of the already-leased acreage remains undeveloped. Mayor Smith agreed to adjust the wording while retaining key data.

Trustee Stelter makes a motion to approve with the aforementioned edits. Seconded by Trustee Tarnow.

The motion carries unanimously.

13) Consideration of Accepting the Region 10 Mini-Grant

Trustee Hunter makes a motion to extend the meeting until 10:30PM. Seconded by Trustee Stelter.

The motion carries unanimously.

The Board considered approval of the Region 10 Mini-Grant, awarded in partnership with the North Fork Valley Creative Coalition. Town Administrator Wynn explained that the $12,500 grant will fund replacement of deteriorating town banners, refurbishment of "Welcome to Paonia" entry signs, installation of solar-powered, dark-sky-compliant lighting, and creation of wayfinding signs designed by local artists.

The required matching funds are already budgeted, though a minor budget amendment will be made later in the year to reflect the grant revenue and expenditures.

Trustee Hunter makes a motion to accept the Region 10 Mini-Grant and direct staff to begin working with the North Fork Valley Creative Coalition and Region 10 on the procuring and planning improvements. Seconded by Trustee Stelter.

The motion carries unanimously.

Mayor & Trustee Reports

None

Adjournment

Mayor Smith adjourned the meeting at 10:30PM.

Samira M Vetter

Samira M. Vetter, Town Clerk

TOWN OF PAONIA
SEAL
1902
DELTA COUNTY COLORADO

Paige Smith

Paige Smith, Mayor