

Town of Crested Butte
Regular Town Council Meeting
Minutes
Monday, April 7, 2014
Council Chambers, Crested Butte Town Hall

Mayor Huckstep called the meeting to order at 6:02 p.m.

Council members present: Jim Schmidt, David K. Owen, Chris Ladoulis, Shaun Matuszewicz, and Glenn Michel. Roland Mason arrived at the start of the Public Hearing.

Staff present: Todd Crossett, Town Manager; John Belkin, Town Attorney, and Kathy Napoli, Deputy Town Clerk.

Staff present for part of the meeting: Jake Jones, Parks and Recreation Director, Shelley Jansen, Town Clerk, Rodney Due, Public Works Director, Bob Gillie, Building & Planning Director, and Lois Rozman, Finance Director.

APPROVAL OF AGENDA

Owen moved and Schmidt seconded to approve the agenda with Item 2 under Public Hearing removed.

A roll call vote was taken with all voting "Yes." **Motion Passed.**

CONSENT AGENDA

- 1) Approval of March 17, 2014 Minutes.
- 2) Approval of Butte View Condominiums Map and Party Wall Agreement.

Schmidt moved and Owen seconded to approve the consent agenda.

A roll call vote was taken with all voting "Yes." **Motion Passed.**

PUBLIC COMMENTS

Ethan Hicks, community member stated that he would like to speak about the half percent sales tax increase. Mayor Huckstep stated that there is a discussion with sales tax later in the evening. Hicks stated he is more interested in the ramifications of increasing any sales tax. Mayor Huckstep stated they will discuss this topic later in the evening around 7:30 p.m. Councilman David Owen stated he will text Hicks and let him know a time to come back and further discuss.

STAFF UPDATES

Bob Gillie- Stated they hired Jerry Long as the new Building Inspector. He was previously the building inspector in Rifle. He will start the first week in May. John Fitzgerald's last day is this Friday. The roof on the Town Hall is out to bid right now. A separate Roof over the boiler room

was added to possibly bid on due to water problems. BOZAR has been extremely busy and recently had a seven hour meeting.

Councilman Schmidt asked Gillie about the 2nd and Elk space. Gillie stated that it is not appropriate to speculate what will go in there, but it cannot be office space on the ground floor due to zoning. Gillie stated, however, there are a number of other things it could be, but they have not received the application.

Lois Rozman- Reported that Sales Tax is up 9.2% in February and up 8.6% year to date. Rozman added this information to the e-packets. January and February were record highs for the Town of Crested Butte.

Kathy Napoli- Reported that Town clean up day is Saturday, May 17th from 9 a.m. to noon. As well, the Cemetery Committee will meet again on April 24th to plan the weed pulling day at the cemetery. CML Conference will be in Breckenridge June 17-20 and if Town Council is interested they need to let Shelley know by Friday, April 11th. Scarp Ridge Lodge changed their liquor license application to a private tavern and will now be on the April 21st Agenda for a Public Hearing.

Mayor Huckstep asked for clarification of the private tavern license. Jansen will share the letter from the state via email tomorrow to town council. Shelley explained the process of adding private has been done before in the state. Mayor Huckstep asked for clarification of the location and Jansen confirmed this license is in reference to 512 2nd street, not the slope building.

Rodney Due- Reported that a couple projects are moving along well. The bus stop will be improved this year and he is looking at moving it east about 35 feet. Due reported he will be paving up to the bus stop and including a valley pan (drainage concrete, does not have a sharp curb). Rodney stated that they will reuse the existing bus stop. The demolition for the sidewalks will start in May as well.

Councilman Schmidt asked about budget for snow removal. Rodney stated we did not dip into emergency fund.

Todd Crossett- Michael Yerman was introduced as new Town Planner and will start in May. Yerman thanked council for the additional time to transition from one job to the next job. Councilman Michael stated he would like his contact information sent out and Yerman stated he would do that once he receives an email address.

Councilman Schmidt asked Crossett about an update regarding the traffic and parking study. Yerman stated he will have the RFP out and baseline data done this summer. He stated it would be nice to push a public meeting in June, but the initial meeting will have to be pushed to after summer. However, he will have baseline data and a consultant hired to move forward with this. Yerman stated the RFP would ideally go out before he starts.

Councilman Schmidt asked that the Town Council have a small work session before the RFP goes out because it was previously discussed at retreat. Crossett stated that would be no problem.

PUBLIC HEARING

1) Ordinance No. 3, Series 2014 - An Ordinance Amending Chapter 10, Article 8 of the Crested Butte Municipal Code to Allow the Open Carry of a Firearm Except in Certain Town-owned Buildings or Other Specific Areas. (Continued).

Mayor Huckstep asked if public notice has been given and Deputy Clerk Napoli stated yes.

Discussion ensued from the comments made at the last meeting. Attorney Belkin stated the confusion was wrong and he made some clarification to the ordinance in the sections so that it is more reader friendly. Attorney Belkin stated nothing was deleted from the code.

Councilman Schmidt asked Attorney Belkin how it reads and if there are any double negatives in the ordinance. Attorney Belkin clarified that it was not about concealed weapons. This code continues to be the same with concealed weapons. Councilman Schmidt said he understands that, but he does not understand how it reads. Attorney Belkin read the existing code and he does note the section 'or not' was removed.

Mayor Huckstep opened the public hearing.

Mayor Huckstep asked for public comment.

John Wirsing, Town of Crested Butte resident, spoke in favor of guns. He stated in light of last week's issues at Fort Hood, unfortunately our own soldiers cannot defend themselves on a base. We are in America and we have freedoms and that is what this republic was built on. He referenced guns being like seatbelts. Guns save lives; seatbelts save lives, but sometimes seatbelts can trap people in a car and kill them. The property that council is trying to dictate rules on is really the people's property not the town's property. Wirsing stated that we cannot wait around for an officer to come around when not allowed to have gun on Town Park.

Councilman Owen asked Attorney Belkin if he has an opinion of the constitutionality of the ordinance. Attorney Belkin explained that he made inquiries about this state wide, and basically our code is inconsistent with town. Attorney Belkin believes this ordinance is constitutional per state law.

Council discussion opened. Mayor Huckstep recapped that currently this gives Town Manager Crossett discretion on any town property. Town Council spent a lot of time talking about this at previous meeting and the question comes back to how much discretion on locations is needed.

Councilman Ladoulis stated there are two issues. Where should yellow dots be (yellow dots being places where you cannot open carry if it is signed) and who do we burden with this task? Councilman Ladoulis believes we should instruct the town manager where a yellow dot for an open carry is to happen. He stated the legislative function is Town Council's responsibility and not the town manager's. Councilman Matuszewicz said he agrees with Councilman Ladoulis.

Councilman Schmidt says he is fine with going through the yellow dots. Councilman Schmidt stated he disagrees with Wirsing's comments.

Councilman Michel stated that he does not want to get into tiny details or micromanage. Councilman Michel agreed with going through the yellow dots.

Mayor Huckstep asked town council to open their March 17th e-packet with yellow dots and the council voted on if there will be restrictions on open carry in the following locations:

| | |
|--------------------------------------|----------------------------------|
| Town Park-Yes | Big Mine Park Warming House -Yes |
| Gothic Park- Yes | Center for the Arts- No |
| Rainbow Park- Yes | Visitor Center- Yes |
| Big Mine Park- Yes | Public Works Shops and Yard-No |
| Tommy V- Yes | Public Works Storage Facility-No |
| 8 th Street Greenway- Yes | Parks Shop & Yard-No |
| Three Ladies Park- Yes | Wastewater Treatment Plant-No |
| Totem Pole Park- Yes | Water Treatment Plant-No |
| Henderson Park- No | Stepping Stones-Yes |
| Dirt Jump park-Yes | Denver & Rio Grande Depot-No |
| Old Town Hall- No | Tony's Shed- No |
| 308 3 rd Street- No | Search & Rescue-No |
| Old Rock Jail-No | Fire Hall-No |
| Old Rock Library- No | Zamboni Shed-No |
| Marshal Office- Yes | Park Bathrooms & Pavilions-Yes |
| Town Hall- Yes | |

Discussion ensued around having minimal signs so they do not pop up all over town.

The Town will not be doing signs for properties that are conservation easements.

Councilman Schmidt moved and Councilman Michel seconded to pass Ordinance No. 3, Series 2014.

A roll call vote was taken with all voting "Yes." Except for Councilman Mason voting "No."

Motion Passed.

Councilman Schmidt moved and Councilman Ladoulis seconded to direct the Town Manager to delineate where to put the signage for not having open carry on certain Town properties.

A roll call vote was taken with Schmidt, Owen, Ladoulis, and Michel voting "Yes." Matuszewicz, Mason, and Huckstep voting "No." **Motion Passed.**

NEW BUSINESS

1) Award Bid 2014 Elk Avenue Sidewalk Repair Project.

Councilman Schmidt asked a couple questions to Rodney Due about heating the sidewalks and who is Terravision. Due explained that Terravision is a company throughout the Western Slope

and they have done work in Delta and Montrose. The person doing concrete for town lives off Ohio creek road. Due stated that there were five people interested in the heated sidewalks, but Due needs this approved before getting back to them.

Councilman Michel revisits that he will not vote in favor of this and heating sidewalks. He feels this is inefficient and the opposite of what we are doing from solar panels. Councilman Schmidt disagreed with Councilman Michel, because safety overrides this and people are falling on the sidewalks. Councilman Schmidt added that there not as many falls on heated sidewalks.

Councilman Schmidt moved and Councilman Mason seconded to award the Bid for the 2014 Elk Avenue Sidewalk repair project. A roll call vote was taken with all voting "Yes." Except Councilman Michel voted "No." **Motion Passed.**

2) Discussion and Possible Action in Regards to Vending Carts Selling Activities/Services.

Packets were handed out from Lexi Argue, representing Scenic River Tours. Argue, stated that this business would serve as a mini chamber of commerce. Having this service cart would be non-biased to all businesses in the town and valley. She added that we want people to be informed all year round and it is hard to find online reviews and it is better to have a person there. This would be on private property on Elk Avenue, and it would be giving tourists well-rounded ideas.

A discussion ensued about the selling of services from a vending cart on private property from the Town Council. Councilman Schmidt asked who would be doing this and Argue stated Scenic Rivers is who is applying, but they will be promoting all of the rafting companies in the valley. Argue said the main goals is to promote all businesses in town and give everyone an even shot.

Councilman Michel asked Clerk Jansen if this is a natural evolution of our code. Clerk Jansen did not know the history to make a comment. However, services were never discussed per Councilman Schmidt's knowledge.

Town Manager Crossett added that there is concern about the impact on brick and mortar businesses and concern on where you draw the line with selling services. Town Manager Crossett also mentioned concerns about congestion.

Councilman Mason asked if this is happening in other towns and town staff said they did not know because they were not directed to research this.

Councilman Matuszewicz stated bricks and mortars are upset about everything, but Councilman Matuszewicz is not in favor of changing code. Councilman Michel asked why and Councilman Matuszewicz stated that the Chamber of Commerce meets these needs.

Mark Schumaker, owner of Three Rivers Resort, asked if he can apply for one license as well. He stated he bought a building at the 4-way and was not allowed to sell services from a cart. As well, he asked if the cart moves at night. He also asked how many brochures would be given out. He stated that there are other ways to have businesses other than service kiosks on Elk Avenue.

Mayor Huckstep added this is walking down a slippery slope. Currently, the Town code does not allow rental of things from a kiosk or cart. Councilman David K Owen stated he is interested in writing an ordinance. Like retail and food carts, there are tradeoffs, they are out in the elements, having no indoor space to operate from, and he sees this as a natural extension of the cart ordinance. No action was taken.

3) Approval of Special Event Gunnison Car Show Breakfast Run, August 17, 2014, 9-11 a.m., Elk Avenue Closure.

Councilman Matuszewicz moved and Councilman Mason seconded to approve the special event application for the Gunnison Car Show Breakfast Run on August 17th with an Elk Avenue Closure, 7 a.m. to Noon.

A roll call vote was taken with all voting "Yes." **Motion Passed.**

4) Approval of Special Event AWEfest, Zero Block of Elk Avenue, Local Art Festival, Every Sunday from June 21-August 24, 2014.

Councilman Matuszewicz moved and Councilman Schmidt seconded to approve the special event application for AWEfest, Zero Block of Elk Avenue, Local Art Festival, And Every Sunday from June 21-August 24, 2014 with an Elk Avenue Closure.

A roll call vote was taken with all voting "Yes." **Motion Passed.**

5) Continued Discussion and Possible Action in Regards to the USA Pro Challenge 2014 Request of \$35,000.

Mayor Huckstep recused himself and stepped out of the room due to his relationship with the local organizing committee. Councilman Schmidt acted as mayor pro tem and asked for comments from audience.

Dave Ochs reiterated the points from his presentation from the previous meeting. He stated there are 14 million euro sport viewers watching this, and iconic views of our town and mountain. As well the USA Pro Challenge is showing Crested Butte over and over not just the day they bike here. The people influx is only for that day, but the people who might come back and spend money, affluent people, could continue to come back. He added that we used to have the x games and we didn't want to fund it, and then missed out on it and then it moved. He encouraged the town to not make the same mistake with this event.

A discussion ensued around the amount of money the USA Pro Challenge would cost the town and how much money it actually brings to the town. Ethan Hicks, local business owner, stated it keeps people from his local business. He added it might be good for Numbers for hotels and restaurants but not retail Ochs disagreed with Hicks and stated people come the next day or the next year.

Mike Nolan, Elk Mountain Lodge Owner, stated the USA Pro Challenge is the best deal for marketing for international coverage. The magazines in Europe and USA showcase Crested

Butte and this is beyond any marketing you could ever come across. He added his hotel is already booked for this event. Nolan added he would rather see the Tourism Association spend the money than the town. Councilman Owen asks if they have asked the Tourism Association for funding and Nolan stated this is not where they want to spend their money. The hope is the Tourism Association will change this in the future.

Councilman Schmidt acknowledged a letter from Graves, but notes the Town only budgeted \$25,000 and are now being asked to do \$35,000. Councilman Schmidt opens to the council for discussion. Councilman Michel stated this is magnet branding, it's pulling people here, and he supports this. Councilman Michel added that it is our target demographic – healthy, wealthy, outdoor people.

Councilman Michel moved and Councilman Mason seconded to approve \$30,000 for the USA Pro Challenge.

A roll call vote was taken with all voting “Yes.” **Motion Passed.**

7) Discussion and Possible Action in Regards to Parks and Recreation Funding.

Mayor Huckstep pointed out that two work sessions on this topic have already happened so far. He reiterated that the discussion is about a potential sales tax to town of Crested Butte and/or a possible excise tax to retail marijuana sales. Specifically, there is about \$250,000-300,000 of money that is in question to close the gap.

Councilman Ladoulis tried to clarify that we need more money to shift funds away from general capital, and none of those suggest there is a cliff we are going to go off next year. Finance Director, Lois Rozman, stated that the cliff will be in 2017, if all request on our 5 year capital budget are accomplished the capital funds will be exhausted. The Town of Crested Butte is dipping into capital funds for equipment, buildings, etc. Rozman stated that each year the town struggles with what projects are priorities to move forward on. Not all projects are able to be accomplished, due to lack of funds. Mayor Huckstep stated that fixing \$100,000 problem does not fix the deferred projects and we are not getting ahead. He stated that deferred maintenance can cause mandatory maintenance.

Town Manager Crossett reviewed the first work session in regards to all the parks and recreation locations. He stated that the community has expectations and we need to decide if we either stop going forward with what community wants or cut services. The do nothing option is always on the table, per Town Manager Crossett.

Jake Jones, Director of Parks and Recreation stated they have contemplated ‘dooms day what if scenario’. Jones added that an example of this would be having no flowers on Elk Avenue which would save \$30,000 year. As well, Jones shared that the Tennis courts are 35 years old and would cost \$250,000 to replace. Jones stated that there is a need to be strategic on how we replace things.

Ethan Hicks, resident and local business owner in the Town of Crested Butte stated that he has been in retail since 1983 and it has changed a lot. He explained that tax on retail sales makes

people turn to the internet instead of buying local. He suggests taxing the online sellers more and also asked to exempt him from sales tax and even the playing field to online retail shops. Hicks stated that restaurant and hotel businesses are different and effected less than internet retail sales. Hicks stated that raising sale tax for retail is the wrong way to go for the local business owners. Hicks also brought up taxing services or areas that are not currently being taxed. For example, he referenced the Big Mine Ice Arena and Skate Park being built and asked if that was really necessary. Hicks stated that the Town Council keeps pumping money into these.

Ali Fukes, local business owner and resident of the Town of Crested Butte, stated she is against sales tax raise for retail shops. Fukes stated that sales tax adds up on big items, and it is very tough to compete with the internet and trying to keep stores open.

Mayor Huckstep opens discussion to the Council. Councilman Matuszewicz stated he is not in favor of sales tax because it is not right for the local businesses. Councilman Schmidt stated he is a proponent of sales tax and would still shop local with tax increase. Councilman Ladoulis stated a ballot initiative to raise taxes would be a big deal and not sure the Town is ready for it.

Councilman Michel reminded council that we have acknowledged this topic for the past two years, and there are a lot of good things we can do for our community with this increase. Councilman Michel stated that now is the time to support it.

Councilman Mason stated he is luke warm on sales tax, but feels like they have very few options. He added that it's not just sales tax that will bring the town out of this. Councilman Mason suggested possibly looking at budget in a more detailed way, and Councilman Owen agrees with Councilman Mason. Councilman Owen agreed sales tax is too high and is not a silver bullet. Councilman Owen also stated that there needs to be a combination of things to get us there. Councilman Owen would support staff looking at the current budget and see what can be cut. However, Councilman Owen will still support sales tax increase.

Councilman Michel compliments Rozman for doing a good job with the budget and said looking at cutting more from the budget is not fair to staff, Mayor Huckstep agreed. Mayor Huckstep does not think cutting dollars out of budget an option.

Mayor Huckstep asked Town Manager Crossett if it is possible to carve out retail from the sales tax increase. Town Manager Crossett does not know the answer for sure. Town Manger Crossett stated that the ballot language needs to be in by June 16th and the town council needs to make decisions in next two months. Councilman Mason says we need to show the public we have done our due diligence before asking for a tax increase and does not suggest town is not doing a bad job.

Excise tax on retail marijuana discussion was opened to the council.

A discussion ensued around retail marijuana and an excise tax. Councilman Michel stated he is against excise tax to have marijuana sales tax tied to parks and recreation, and that it doesn't make sense. It should go back into education and any revenues go to education.

Councilman Matuszewicz believes a need to focus on parks and recreation funding. Councilman Michel disagreed with him and feels it should go back to prevention and education. Councilman Mason asked if county has any plans regarding these topics. Councilman Mason feels an obligation should be put towards education or prevention for a part of it and some could go to parks and recreation. Councilman Schmidt stated that funding activities are something that gives an alternative to children and thinks there is a direct link between parks and recreation and the tax is appropriate to have split. Councilman Ladoulis added he is all for the excise tax being used with a better part of it going to education. Councilman Mason asked if there is a difference between types of taxes and why an excise tax versus other taxes. Town Manager Crossett stated it was the direction of the council.

Mayor Huckstep stated many issues will be coming on the November ballot, and excise tax may only fix part of a problem. He added that the parks and recreation funding issue and excise tax will not fix that issue.

GCSAPP, Matt Kuehlhorn, asked the council to add the excise tax issue on the ballot this fall, and believes it will pass. Kuehlhorn stated that this tax can help with education and GCSAPP has seen a decrease in drug use by teenagers over last several years. Kuehlhorn encourages the excise tax from the town council.

Last item to discuss is a change in the fee schedule to help fund parks and recreation. Councilman Matuszewicz does not want to see an increase in fees. Town Manager Crossett stated that Parks and recreation are understaffed already and need more staff. Town Manager Crossett stated that revenues taken in by parks and recreation do not cover costs to run the Parks and Recreation Department.

A discussion ensued regarding how much the users of parks and recreation fees contribute to the programming costs. In Crested Butte it is 77% and those fees go towards salaries, dues, etc. Park maintenance comes out of another fund. Councilman Matuszewicz again opposed increasing program fees, Councilman Michel, Councilman Ladoulis, and Councilman Schmidt agreed. Jones pointed out that they look at fees yearly and parks and recreation adjusts their fees accordingly.

Town Council gives town staff direction to explore sales tax initiative and an excise tax on sale of marijuana, but not to increase fees.

8) Crested Butte Land Trust Funding Request for a Land Acquisition.

Mayor Huckstep explained that there is a \$700,000 request to purchase land that would come from the real estate transfer tax fund. Jakes Jones explained that the timing of this has been a short fuse, but it is a highly visible and high impact conservation parcel. Jones stated that the parcel is similar to other properties that the town council has supported in the past, and is in keeping with what has been done in the past. However, Jones stated the biggest issue in question is that the request is more than what the town has on hand in regards to money. Jones stated that something would need to be done creatively in order to have this full funding passed.

Ann Johnston from the Land Trust explained that Jones is correct in many ways, but the Land Trust has been looking at this project for a long period of time and finally now the Prometory Ranch is on the market. Johnston stated that the ranch is on four different parcels and they are interested in one parcel (which includes Snodgrass trails and wetlands). Johnston stated that currently, the Land Trust has received numerous phone calls with this issue and that Snodgrass is important to many people within the area. Johnston stated that due to other interested parties, the owners gave a time limit to the Land Trust to get funding before summer came as they plan to put it back on the market. Johnston stated that the Land Trust has had discussions with owners to negotiate the one parcel. Johnston stated that currently, they are under contract as of March 10, 2014 and came to the Town of Crested Butte first because they have always partnered well in the past. Johnston explained that this project is very important to the Land Trust and it meets the organization's mission to preserve and restore natural areas.

Councilman Michel asked if the Land Trust will ask Mt Crested Butte for funding support. Johnston clarified that the Land Trust is still working out the details of this and they do not have a real estate transfer tax in Mt. Crested Butte. She added that \$700,000 is 25% of the total cost of the parcel of land. Johnston also asked GOCO for \$700,000 and does the same for the Town of Crested Butte and the percentage is on track with what the Land Trust has asked of the Town before.

Councilman Owen asked if the parcel is within Mt Crested Butte limits, and Johnston said yes it is. Councilman Owen asked staff if real estate transfer tax allows us to buy property inside another town limits, and Jones stated it does not state we cannot.

Mayor Huckstep asked about securing Parcel 2 with Parcel 1 and Johnston stated that it is still in a process of due diligence. Councilman Schmidt requested to consult with Rozman, Director of Finance to review funding details and the budget. Jones stated we did much better in 2013 than anticipated. Councilman Michel asked if Mt. Crested Butte was in support of this and asked if we are taking land out of their area and making it a public park. Councilman Michel does not want to disrespect Mt. Crested Butte. Johnston and Mayor Huckstep stated that they are in support of this happening.

Councilman Ladoulis asked what makes this project so special to put other ones on hold. Johnston stated that the Land Trust does about four projects a year and they are not always coming to the Town of Crested Butte for support. Johnston stated that this property will go back on the market on June 16th and it is very marketable to other people. So time is urgent and that is why the Land Trust is asking with short notice.

Council brought this to a conclusion and asked if they are willing to commit to \$700,000 in Real Estate Transfer Fund tax. Five council members stated yes as long as Mt. Crested Butte was okay with this.

Councilman Matuszewicz asked why there was no report from the Finance Director to Town Manager Crossett. Town Manager Crossett stated that if he wanted a report then Councilman Matuszewicz should have requested the needed information ahead of time. Johnston again stated this is similar to previous projects.

Jones stated that Finance Director Rozman is aware of this situation. Mayor Huckstep added that Jones would not recommend this if there were negative financial implications. Town Manager Crossett stated that multiple staff weighs in on staff reports and he has looked at this as well.

In a recap, the Land Trust does need the funding from the town and also needs a letter of support. Johnston added that there is still a lot of due diligence to do in this process.

Councilman Schmidt moved to approve the Town of Crested Butte to support the purchase and application for Great Outdoors Colorado (GOCO) from the Land Trust to not exceed \$700,000 and come out of the real estate transfer tax for open space from 2014-2015 contingent on Mt. Crested Butte's approval and Councilman Owen seconded. A roll call vote was taken with all voting "Yes." **Motion Passed.**

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. Section 24-6-402(4)(e).

Councilman Schmidt moved and Councilman Mason seconded to go into an executive session. A roll call vote was taken with all voting "Yes." **Motion Passed.**

Council went into executive session at 10:02 p.m. and ended at 10:55 p.m. Mason, Huckstep, Schmidt, Michel, Ladoulis, Matuszewicz, Owen, Town Manager Crossett and Town Attorney Belkin attended the executive session. No action was taken.

NEW BUSINESS CONTINUED

Discussion and Possible Action Regarding Confidentiality Agreement with U.S. Energy in Regards to U.S. Energy's Amended Voluntary Clean Up Application.

Mayor Huckstep stated there is a confidentiality agreement in the e-packet and it is a public document. Councilman Owen asked if the confidentiality agreement could be used to provide information to us that could not be shared with our partners, like HCCA and Red Lady Coalition. Attorney Belkin stated we could share this information with HCCA and Red Lady Coalition. Attorney Belkin does not believe this is an issue.

Councilman Michel stated that he is concerned that government and confidentiality make red flags go up in the public area. Town Attorney Belkin said the document identifies what is considered confidential information and what is not. As well, we will use good faith effort to treat it as confidential. Attorney Belkin stated that governments do actually do confidentiality agreements, but they are just not as common in Crested Butte. Attorney Belkin stated this is 'not out of the norm, but not super common.'

A discussion ensued around the confidentiality agreement regarding what is confidential and how the agreement can be interpreted both from the public and the town council. Huckstep stated that Town Council position is that we need a third party to review information with the VCUP.

Councilman Ladoulis asked if we have to spend money to make reasonable efforts to protect it and Attorney Belkin stated yes, but it would be based on the exact information and the circumstance. Attorney Belkin stated that the goal is to review the VCUP information and see if there is a way to work together for a meeting of the minds.

Councilman Matuszewicz stated he has a number of concerns and asked to stand at the podium to read them. He stated that this is a long standing problem and there will not be a mine in the next six months or six years, due to them operating in the red. Councilman Matuszewicz stated that in order to replace this treatment center it would cost \$25 million. Councilman Matuszewicz stated that he does not know what the long term effects of the Confidentiality Agreement are and US Energy has lost their chance to be trusted and by signing this agreement we may give up 'our trump card.' Councilman Matuszewicz stated that the Confidentiality Agreement does not cover legal fees and it does not seem unreasonable to be sued and end up in litigation with US Energy. Councilman Matuszewicz added that we are risking so much to gain information that may not be complete or totally accurate. He added he is not willing to compromise the town and the community and he will not do anything in secrecy.

Mayor Huckstep appreciated the comments, but added that this is a public company that we have been dealing with for years. Mayor Huckstep stated that if the community wants the town to have nothing to do with VCUP, then they can advise the town council to terminate the Confidentiality Agreement.

A discussion ensued about the possibility of the Confidentially Agreement possibly being used against Town Council and what would transpire if they did not sign the Agreement. Attorney Belkin stated we have asked US Energy to help us understand them and they are providing this agreement so that we can look at their company.

Mayor Huckstep stated we know what the risks are and we cannot get anything done without taking some risk. It would be nice to move forward, as we knew this agreement was coming tonight and this should have been discussed ahead of time. Mayor Huckstep stated that the hope is to bring resolution to this issue. Councilman Matuszewicz stated that we should not set ourselves up for litigation and maybe this issue is not accomplished in their term.

Councilman Michel moved and Councilman Mason seconded to make a motion for the Town of Crested Butte to enter into a Confidentiality Agreement with US Energy for purposes of receiving information for possible negotiations.

A roll call vote was taken with all voting "Yes." And Matuszewicz voting "No." **Motion Passed.**

LEGAL MATTERS

Town Attorney Belkin stated that the Redwell Unit is in bankruptcy and an update is coming. As well, the Paradise Park owner has been refinanced and that was a success.

Council Meeting packet timeliness issues were brought up from Councilman Michel. Attorney Belkin stated that it takes time to get the issues and packets ready. Attorney Belkin stated that for

a small town, we have some hard issues to address. Councilman Michel stated that getting the information by Thursday afternoon is ideal. Town Manager Crossett stated that we want to get it out on time and not later and that it is not necessarily going to get out late every time. Town Manager Crossett stated that staff does not want to get out an unprofessional product. Councilman Matuszewicz said it happens a lot more than it used to. Councilman Schmidt suggests if 90% of packet is ready then it could be sent out.

Town Council agreed that Friday is the exception, not the rule and the Town will try hard to get out the e-packets on Thursday.

COUNCIL REPORTS AND COMMITTEE UPDATES

Councilman Michel-

He went to the Council Meeting in the city of Gunnison with Town Manager Crossett. He stated this was a huge step to open the doors of communication and meet them to put faces together with other local community members.

Mayor Huckstep-

On April 1, 2014 was Mayor Buck of Mt. Crested Butte's last day as mayor. He has 10 years in public service and Mayor Huckstep went there to thank him for his service.

Councilman Mason-

He went to an RTA Board meeting and the flights did great. They had the highest load factor since RTA was created.

Councilman Ladoulis-

Tourism Association meeting tomorrow morning and he will ask how and why to gain support for the valley wide bike race- USA Pro Challenge.

Councilman Matuszewicz-

The Incubator group met last week and they looked at different spots for a location. They are weighing their options and a skeleton budget of what it would look like if it was created.

Councilman Owen-

Housing authority meeting last week and the county is planning on selling a unit in Buckhorn Ranch. Caddis flats presentation is May 13 in Denver. They are sending three members of the team to this presentation. Karl Fulmer and Paula Swenson will both be in attendance.

As well, the Housing foundation is working on an investment policy to guide the board how to use excess funds. He added that he will be at the next meeting, but will miss both meetings in May.

OTHER BUSINESS TO COME BEFORE THE COUNCIL

1. Mayor Huckstep stated that special events currently come under new business due to elk avenue closure. Huckstep stated it would be better under the consent agenda unless a change to the way that elk avenue is being used. He asked to put the special events on the consent agenda unless Elk Avenue changes are being made or if any negative public comments are brought to the town about the event. The Town Council agreed.
2. Mayor Huckstep stated that the CML Conference is June 17-20. Councilman Michel stated he is going and Town Manager Crossett is also going. Mayor Huckstep would be interested in going if there is money in the budget. Town Manager Crossett will check on that.
3. Councilman Matuszewicz made a comment about power outlets being around the desk instead of power strips. The Town Council did not have an opinion about this statement.

DISCUSSION TO SCHEDULE FUTURE WORK SESSION TOPICS

None

COUNCIL MEETING SCHEDULE

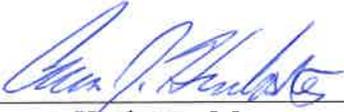
Monday, April 21, 2014-6 p.m. Work Session-7 p.m. Regular Council

Monday, May 5, 2014-6 p.m. Work Session-7 p.m. Regular Council

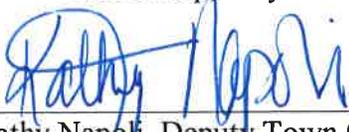
Monday, May 19, 2014-6 p.m. Work Session-7 p.m. Regular Council

Monday, June 2, 2014-6 p.m. Work Session-7 p.m. Regular Council

Mayor Huckstep adjourned the meeting at 11:48 p.m.



Aaron J. Huckstep, Mayor



Kathy Napoli, Deputy Town Clerk

(SEAL)