



*Critical to our success is an engaged community and knowledgeable and experienced staff.*

### **Town Council Values**

- *Preserve our high quality of Life*
- *Resource Efficiency/ Environmental Stewardship*
- *Support a sustainable and healthy business climate*
- *Maintain a "real" community*
- *Fiscally Responsible*
- *Historic Core*

## **AGENDA**

### **Town of Crested Butte**

### **Regular Town Council Meeting**

### **Monday, October 3, 2016**

### **Council Chambers, Crested Butte Town Hall**

#### **5:00 WORK SESSION**

Presentation and Discussion of the 2017 Budget.

#### **7:00 REGULAR COUNCIL MEETING CALLED TO ORDER BY MAYOR OR MAYOR PRO-TEM**

#### **7:02 APPROVAL OF AGENDA**

#### **7:04 CONSENT AGENDA**

- 1) September 19, 2016 Regular Town Council Meeting Minutes.
- 2) September 26, 2016 Special Town Council Meeting Minutes.
- 3) Resolution No. 32, Series 2016 - Resolutions of the Crested Butte Town Council Appropriating Matching Funds in an Amount not to Exceed \$10,000 from the General Fund for the Colorado Tourism Office Matching Marketing Grant Program Fiscal Year 2017 and Authorizing the Town Manager to Execute the Grant Application Regarding the Grant.

*The listing under Consent Agenda is a group of items to be acted on with a single motion. The Consent Agenda is designed to expedite Council business. The Mayor will ask if any citizen or council member wishes to have any specific item discussed. You may request that an item be removed from Consent Agenda at that time, prior to the Council's vote. Items removed from the Consent Agenda will be considered under New Business.*

#### **7:06 PUBLIC COMMENT**

*Citizens may make comments on item not scheduled on the agenda. Those commenting should state their name and physical address for the record. Comments may be limited to five minutes.*

#### **7:15 STAFF UPDATES**

#### **7:30 PUBLIC HEARING**

- 1) New Beer and Wine Liquor License Located at 313 3<sup>rd</sup> Street for Sherpa Dharma LLC DBA Sherpa Café.
- 2) Planned Improvements to the Crested Butte Wastewater Treatment Facility and Project Needs Assessment (PNA).

#### **8:00 NEW BUSINESS**

- 1) Update from the EPA on the Standard Mine Remediation Project and Emergency Action Plan.

**8:15** 2) Discussion and Possible Approval for the Mayor to Sign a Letter of Support from the Crested Butte Mountain Bike Association (CBMBA) to the Forest Service for Winter Fat Bike Grooming Amenity.

**8:35** 3) Discussion and Possible Approval for the Mayor to Sign a Letter of Support from the Mountain Pact on Public Lands and Fire Funding Reform.

**8:40** 4) Resolution No. 33, Series 2016 - Resolutions of the Crested Butte Town Council Supporting Ballot Question 2A Related to the Issuance of Debt for the Purpose of Preventing Mining Activity on Mt. Emmons.

**8:45** 5) Proposal by Cypress Equities LP for Water Service for Proposed Gunnison County Slate River Major Development Application and Possible Direction by Town Council.

#### **9:30 LEGAL MATTERS**

#### **9:35 COUNCIL REPORTS AND COMMITTEE UPDATES**

#### **9:45 OTHER BUSINESS TO COME BEFORE THE COUNCIL**

**9:55 DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE**

- Monday, October 17, 2016 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, November 7, 2016 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, November 21, 2016 - 6:00PM Work Session - 7:00PM Regular Council

**10:00 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) regarding 721 Butte Avenue Unit I and regarding the transactions with Freeport-McMoRan.

**11:25 ADJOURNMENT**



## Staff Report

September 28, 2016

**To:** Mayor and Town Council  
**Thru:** Dara MacDonald, Town Manager  
**From:** Lois Rozman, Finance Director  
**Subject:** **2017 Budget Work Session – October 3**

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Attached are the following 2017 Budget documents:

- Fund Revenue Flow Chart
- Conservation Fund
- Sales Tax Fund
- Street & Alley Fund
- Affordable Housing Fund

Included with each fund budget is a narrative to help explain what the purpose of the fund is and give highlights of the proposed budget. Staff would like to follow the order listed above for our work session discussion.

Reminder – Work Session is scheduled to start at 5:00 p.m.



**CONSERVATION TRUST FUND  
2017 BUDGET**

The purpose of the Conservation Trust Fund is receipt of lottery proceeds from both the State of Colorado and Gunnison County Metropolitan Recreation District. The State of Colorado has set very strict guidelines on the segregation of funds and how the funds may be expended. The Town of Crested Butte has used this money as matching money for grants on park capital projects such as Rainbow Park, Big Mine Park and most recently the Tennis Court Project. There are no expenditures from this fund planned for 2017 in an effort to allow the fund balance to accumulate and use it for some larger projects such as Big Mine Park, Town Park and Henderson Park improvements.

TOWN OF CRESTED BUTTE				
2017 BUDGET REQUEST				
CONSERVATION TRUST FUND	2015	2016	2016	2017
	ACTUALS	BUDGET	PROJECTED	BUDGET
STATE LOTTERY PROCEEDS	7,293	8,000	8,000	8,100
INTEREST INCOME	16	15	15	20
GUNN CNTY REC DIST	3,641	3,700	3,627	3,700
CONTRIBUTION FROM RESERVE				
TOTAL REVENUE	10,950	11,715	11,642	11,820
EXPENSES				
PARK MAINTENANCE		0	0	0
CAPITAL-PROJECT	1,100	0		0
TOTAL EXPENSES	1,100	0	0	0
EXCESS REVENUE OVER(UNDER) EXPENSES	9,850	11,715	11,642	11,820
FUND BALANCE	16,799	28,514	28,441	40,261

## **SALES TAX FUND 2017 BUDGET**

The purpose of the Sales Tax Fund is for the collection and distribution of the Town's sales tax. The main sources of revenue are the 4.5% Town sales tax and the share back of 50% of the County's 1% sales tax on sales within the Town of Crested Butte. Of the 4.5% Town sales tax, .5% is dedicated for parks, recreation and trails. The remaining 4% is split with 1% dedicated to transportation and 3% for the needs of General Fund or other Town fund as needed. Expenses of the Sales Tax Fund are distributions to the General Fund, Capital Fund and Transportation Fund expenses.

The Transportation Fund is housed within the Sales Tax Fund. It receives 25% of the Town's 4% sales tax. The Town pays the Mountain Express 95% of the revenue with the remaining 5% to go towards other transportation services such as bus stops, transportation planning, RTA contributions and Late Night Taxi Service.

The required Amendment 1 ("TABOR") Emergency Reserve is kept within the Sales Tax Fund. The Emergency Reserve requirement is 3% of overall expenditures with some exclusions such as enterprise fund and state grant funds. Expenditures out of this reserve are very restricted under TABOR.

The Interest Fund balance is an accumulation of interest earnings and excess revenue over time. The Council has reserved \$500,000 of this balance for the Center for the Arts building project.

### *Revenue:*

Sales tax revenue for 2017 is budgeted at 2% above the projected revenue for 2016 and 16% above 2015 actual collections.

### *Expenditures:*

Distribution to the General Fund is capped at 75% of Town 4% Sales Tax collections. Each year the distribution is based on the projected needs of the General Fund and any remaining amount is distributed to the Capital Fund, Affordable Housing Fund, Street Fund or Sewer/Water Fund as needed. The distribution percentage for 2017 has been increased from 73% to 75%.

The \$100,000 Bus Stop Upgrade line item is for of a new transit stop and bathrooms at the current 4-way location. The estimated cost of the project is \$400,000 with the remaining funds coming out of the General Capital Fund.

The \$200,000 Center for the Arts Expansion is for expenses of the proposed expansion project. Town anticipates incurring expenses for utilities, tap fees, pro-forma review and legal fees for 2017. Council approved a \$1,000,000 total contribution to the project with the maximum of \$500,000 of this in cash. Staff anticipates a large portion of the cash being needed in 2018.

TOWN OF CRESTED BUTTE				
2017 BUDGET	2015	2016	2016	2017
SALES TAX FUND	ACTUAL	BUDGET	PROJECTED	BUDGET
INTEREST & PENALTY	15,285	15,000	18,000	15,000
TOWN SALES TAX-MISC	1,781	0	-7,855	0
TOWN SALES TAX-DIRECT	3,149,856	3,156,007	3,602,845	3,674,902
COUNTY SALES TAXES	362,408	355,765	378,686	382,473
CONTR. RESERVE-TRANSPORTATION	0	14,550	14,550	100,000
CONTR. RESERVE-ARTS CENTER				200,000
INTEREST INCOME	1,034	1,200	1,200	1,200
TOTAL REVENUE	3,530,364	3,542,522	4,007,426	4,373,575
EXPENSES				
GENERAL FUND DISTRIBUTION	2,100,000	2,628,090	2,395,179	2,832,407
TRANSPORTATION DISTR	748,514	749,552	758,942	775,813
GENERAL CAPTIAL DISTRIBUTION	94,549	94,680	95,866	
GENERAL CAPITAL - PARKS			400,316	408,322
AFFORDABLE HOUSING CONTR.	220,000			
OTHER/BANK FEES	-28	100	1,000	1,000
TRANSPORTATION CHARGES	13,636	19,000	19,000	19,000 *
CONTRIBUTION-RTA	7,500			0
BUS STOP UPGRADES		35,000	35,000	100,000 **
TRANSPORTATION STUDY	21,186	0	6,000	0
CENTER FOR THE ARTS EXPANSION				200,000
CAPITAL PURCHASE	261,780			
TOTAL EXPENSES	3,467,137	3,526,422	3,711,304	4,336,543
NET REVENUE	63,227	16,100	296,122	37,032
FUND BALANCE				
TRANSPORTATION	112,905	98,355	97,842	24,779
INTEREST	228,854	220,054	220,054	225,054
TABOR RESERVE	238,930	218,930	238,930	228,930
CENTER FOR THE ARTS EXPANSION	500,000	500,000	500,000	300,000
* Breakdown of Transportation Charges:				
Bus Stop Utilities	\$ 1,300			
Bus Stop Maintenance	\$ 3,000			
Bus Stop Snow Removal	\$ 5,000			
Late Night Taxi Contribution	\$ 7,700			
Other Expenses	\$ 2,000			

## **STREET & ALLEY FUND 2017 BUDGET**

The Street & Alley Fund came into existence in 1987 by virtue of a voter approved mill levy for the purpose of providing and maintaining the Town's streets, alleys and right-of-ways. The main source of revenue is property tax. Highway Users Tax from the State is also included in the Street & Alley Fund.

The Parking Fund is included under the Street & Alley Fund and its sole source of income is Parking in Lieu Fees. Parking in Lieu fees are collected on commercial building projects which are unable to comply with the required amount of parking for their business. Expenditures from the Parking Fund are for acquisition of additional parking which includes purchase of land and improvements to land in order to increase available parking.

Beginning with the 2015 budget, Council elected to put a small amount of the Street & Alley mill levy towards future needs as identified in the Transportation Plan. This Transportation Plan reserve is segregated out separately from the regular Street Fund balance.

### *REVENUE:*

The total mill levy available for the Street & Alley Fund is 16 mills. This is adjusted annually to the amount needed taking into consideration current expenditures and the long-range 15 year plan. In the mid 1990's, the Town moved away from issuing debt and to saving up fund balance to do street projects. The 15 year plan helps lay the ground work for this philosophy and the adjusting of the mill levy to accomplish it.

The mill levy for 2017 is set to remain at the same 8.00 mills as in 2016. The amount of the mill levy set aside for the transportation plan needs goes from .500 mills in 2016 to 1.000 mills in 2017 and the amount to the regular street fund drops from 7.500 mills to 7.000 mills to maintain the 8.000 mill levy.

### *EXPENDITURES:*

Personnel costs are based on 50% of the Public Works crew with the amount split 60/40 between snow removal and street maintenance. The remaining 50% of the Public Works crew personnel cost goes into the General Fund. 2017 wages have a projected 4% increase.

Paving Projects for 2017 include the mill down and full repaving (Full Depth Recycling or "FDR") for the streets marked in purple on the attached map, increasing the size and paving of the 4-way parking lot, paving of the public lot by the fire hall and work on the 412 3rd Street lot.

The increase in engineering is for paving projects. The 2016 budget anticipated the engineering work to be done on the 4-way lot project, however, staff does not believe this will be accomplished by year end and is budgeting for it as a carry-over in 2017.

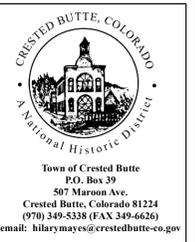
### Decision Points:

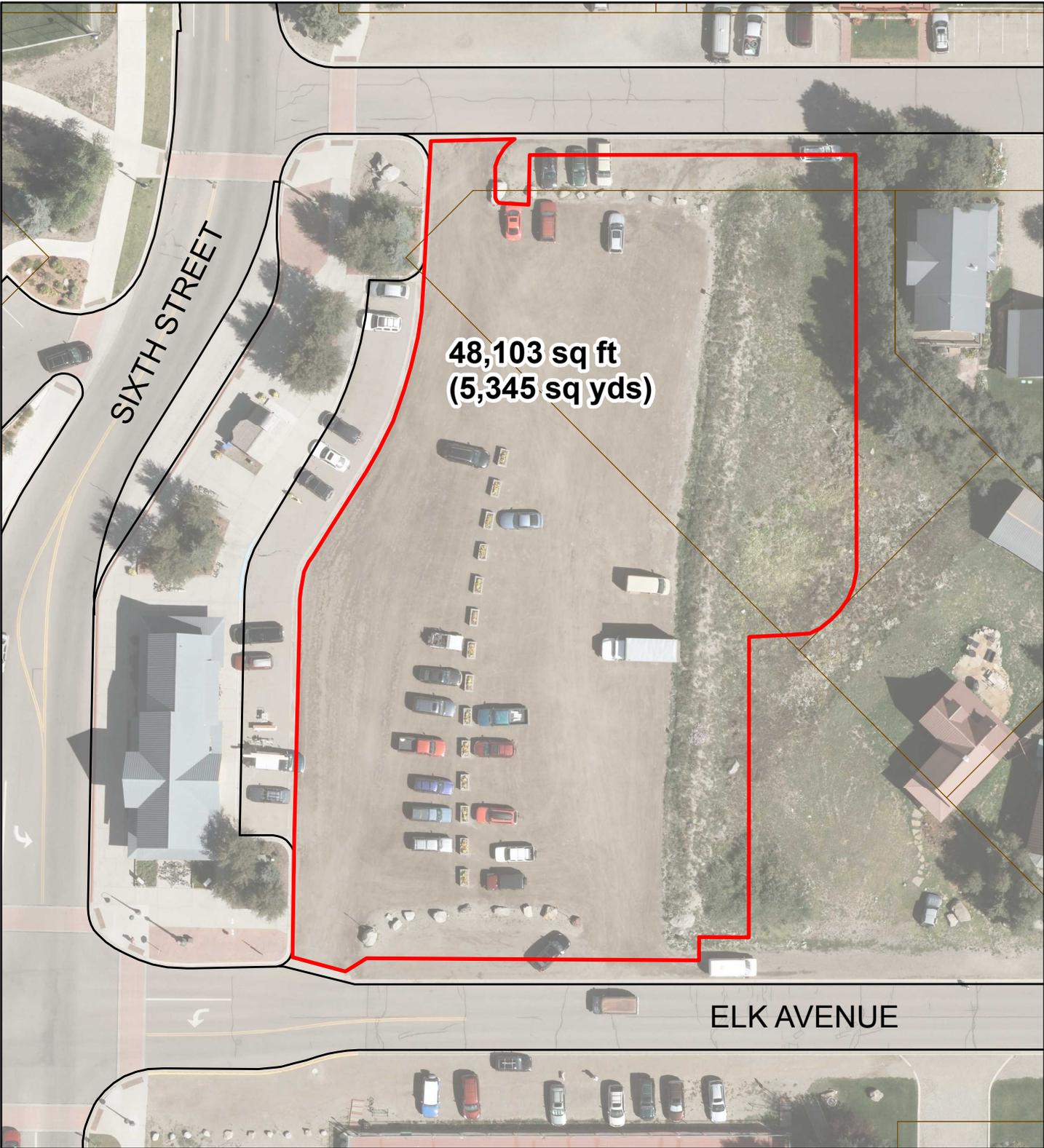
- 4-way lot paving:
  - Existing berm -- remove and replace with trees to increase number of parking spaces – yes/no
  - bonfire location -- keep it and at what size or move it
- Paving fire hall lot & 412 3<sup>rd</sup> Street lot – yes/no

TOWN OF CRESTED BUTTE								
Street Fund 15 Year Plan								
Transportation Plan Utilizing Grant Funds								
	Actual	Projected						
Revenue	2015	2016	2017	2018	2019	2020	2021	2022
Property Tax-Street	633,648	655,060	606,198	668,983	671,250	691,388	696,375	717,266
Property Tax-Transportation	36,681	43,645	86,600	89,198	89,500	92,185	92,850	95,636
Interest & Penalties	1,778	1,500	1,500	1,300	1,300	1,300	1,300	1,400
Interest Income	860	2,000	2,500	5,000	5,000	10,000	10,000	5,000
Highway Users Tax	50,270	50,552	52,865	53,365	53,865	54,365	54,865	55,365
Other Rev/Contributions	2,100	2,000	2,000	4,000	4,000	5,000	5,000	5,000
Total Revenue	725,337	754,757	751,663	821,846	824,915	854,238	860,390	879,667
Payroll Obligations	73,694	64,625	67,835	79,227	83,188	87,347	91,715	96,301
Repair & Maint. Streets	103,548	90,922	95,933	118,770	123,521	128,462	133,600	138,944
Snow Removal	93,919	145,883	153,900	174,056	181,018	188,259	195,789	203,621
Fuel	16,151	18,000	25,000	25,750	26,523	27,318	28,138	28,982
R&M Vehicle	18,385	30,000	40,000	18,000	18,000	18,000	18,000	20,000
Paving Projects	125,925	132,000	720,000	85,000	85,000	85,000	85,000	1,000,000
Engineering	9,640	5,000	25,000	5,000	5,000	5,000	50,000	20,000
Sidewalk Repair & Maint	1,297	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Storm Water Projects	10,186		30,000		30,000		30,000	
Treasurers Fees	16,790	24,456	25,763	23,414	23,494	24,199	24,373	25,104
Street Signs/Other Expenses	6,877	24,300	20,000	18,000	18,000	18,000	18,000	18,000
Blower/Sweeper/Plow Blade	24,998	24,202			150,000			
Total Expenditures	501,410	579,388	1,223,431	567,217	763,744	601,585	694,615	1,570,952
AVAILABLE FUND BALANCE	1,734,761	1,912,130	1,353,762	1,519,193	1,490,864	1,651,332	1,724,256	937,335
ASSESSED VALUE FOR TAXES	87,290,110	86,599,760	89,197,753	89,500,000	92,185,000	92,850,000	95,635,500	95,650,000
MILL LEVY	8.059	7.500	7.000	7.500	7.500	7.500	7.500	7.500
Transportation Needs Mill	0.441	0.500	1.000	1.000	1.000	1.000	1.000	1.000
Transportation Revenue	36,681	43,645	86,600	89,198	89,500	92,185	92,850	95,636
Fund Balance - Trans.	236,681	280,326	366,926	456,124	545,624	387,809	480,659	76,294
Red Lady/135/7th						250,000		500,000
3% growth reassessment years								

TOWN OF CRESTED BUTTE								
Street Fund 15 Year Plan								
Transportation Plan Utilizing								
<u>Revenue</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
Property Tax-Street	717,375	788,156	886,725	913,327	913,500	931,770	931,950	959,909
Property Tax-Transportation	95,650	98,520	98,525	101,481	101,500	103,530	103,550	106,657
Interest & Penalties	1,400	1,400	1,400	1,500	1,500	1,500	1,500	1,500
Interest Income	5,000	10,000	12,000	15,000	1,000	5,000	8,000	8,000
Highway Users Tax	55,865	56,365	56,865	57,365	57,865	58,365	58,865	59,365
Other Rev/Contributions	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Revenue	880,290	959,441	1,060,515	1,093,673	1,080,365	1,105,165	1,108,865	1,140,430
Payroll Obligations	101,116	106,171	111,480	117,054	122,907	129,052	135,505	142,280
Repair & Maint. Streets	144,502	150,282	156,294	162,545	169,047	175,809	182,841	190,155
Snow Removal	211,766	220,236	229,046	238,208	247,736	257,645	267,951	278,669
Fuel	29,851	30,747	31,669	32,619	33,598	34,606	35,644	36,713
R&M Vehicle	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Paving Projects	85,000	85,000	85,000	85,000	1,100,000	85,000	85,000	85,000
Engineering	7,500	7,500	7,500	60,000	20,000	10,000	10,000	10,000
Sidewalk Repair & Maint	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Storm Water Projects	35,000		35,000		35,000	35,000		
Treasurers Fees	25,108	27,585	31,035	31,966	31,973	32,612	32,618	33,597
Street Signs/Other Expenses	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Blower/Sweeper/Plow Blade	225,000	220,000						
Total Expenditures	927,843	910,522	750,024	790,393	1,823,260	822,724	812,560	839,414
AVAILABLE FUND BALANCE	794,132	744,531	956,497	1,158,296	313,900	492,811	685,566	879,926
ASSESSED VALUE FOR TAXES	98,519,500	98,525,000	101,480,750	101,500,000	103,530,000	103,550,000	106,656,500	106,700,000
MILL LEVY	7.500	8.000	9.000	9.000	9.000	9.000	9.000	9.000
Transportation Needs Mill	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Transportation Revenue	95,650	98,520	98,525	101,481	101,500	103,530	103,550	106,657
Fund Balance - Trans.	171,944	270,464	368,989	470,469	571,969	675,499	779,049	885,706
Red Lady/135/7th								
3% growth reassessment years								

TOWN OF CRESTED BUTTE				
2017 BUDGET				
STREET & ALLEY	2015	2016	2016	2017
	ACTUAL	BUDGET	PROJECTED	BUDGET
<b>REVENUE:</b>				
TAX FROM MILL LEVY-Street	670,329	655,060	655,060	606,198
TAX FROM MILL LEVY-Transportation		43,671	43,671	86,600
INTEREST & PENALTIES	1,778	2,000	1,500	1,500
OTHER REVENUE	2,100	3,000	2,000	2,000
PARKING IN LIEU	320,819		13,000	
HIGHWAY USERS TAX	50,270	47,829	50,552	52,865
INTEREST INCOME	860	1,200	2,000	2,500
<b>TOTAL REVENUE</b>	<b>1,046,156</b>	<b>752,760</b>	<b>767,783</b>	<b>751,663</b>
<b>EXPENSES:</b>				
SNOW REMOVAL-LABOR	69,163	90,883	90,883	93,000
R&M STREETS-LABOR	83,969	58,922	58,922	60,333
SNOW REMOVAL-SEASONAL LABOR	9,438	20,000	20,000	20,000
FICA	12,302	12,990	12,990	13,260
HEALTH INSURANCE	40,383	30,851	30,851	1,500
RETIREMENT	13,177	13,275	13,275	14,197
UNEMPLOYMENT INSURANCE	16	509	509	520
WORKMANS COMP INSURANCE	7,816	9,680	7,000	7,700
R&M STREETS-SUPPLIES	19,579	35,000	32,000	35,000
SIDEWALK REPAIR/MAINT	1,297	20,000	20,000	20,000
WEED SPRAY-RIGHT OF WAY	1,800	2,800	2,800	3,000
PARKING LOTS	2,191	2,000	2,000	2,000
ENGINEERING	9,640	10,000	5,000	25,000
PAVING PROJECT	125,925	132,000	132,000	720,000
STORM WATER PROJECT	10,186	0	0	30,000
SPILL RESPONSE	0	1,500	1,500	1,500
FUEL	16,151	40,000	18,000	25,000
R&M VEHICLES	18,385	20,000	30,000	40,000
SNOW REMOVAL-SUPPLIES/CONTRACT	15,318	35,000	35,000	40,000
STREET SIGNS	2,989	3,000	3,000	4,000
STREET LIGHTS	690		2,000	2,500
DAMAGE LIABILITY	0	5,000	5,000	5,000
TREASURER FEES	16,790	24,456	24,456	24,248
CAPITAL EQUIPMENT	24,998	22,000	24,202	0
OTHER EXPENSES	1,398	3,000	10,000	4,000
<b>TOTAL EXPENSES</b>	<b>503,601</b>	<b>592,867</b>	<b>581,388</b>	<b>1,191,758</b>
<b>EXCESS REVENUE OVER(UNDER) EXPENSES</b>	<b>542,555</b>	<b>159,893</b>	<b>186,395</b>	<b>(440,095)</b>
<b>FUND BALANCE</b>	<b>1,734,761</b>	<b>1,896,654</b>	<b>1,910,156</b>	<b>1,385,461</b>
SNOW REMOVAL CONTINGENCY	100,000	100,000	100,000	100,000
PARKING IN LIEU FUND BALANCE	1,338	(662)	12,338	10,338
DESIGNATED FOR TRANSPORTATION	236,681	278,637	280,326	366,926
<b>2017 Project/Capital Detail:</b>				
<b>Paving Projects:</b>				
Full Depth Recycle - streets marked in purple on map	\$455,000			
Pave & increase size of 4-way lot	\$200,000			
Pave parking lot - fire hall & 412 3rd St	\$65,000			

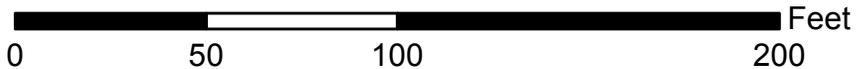
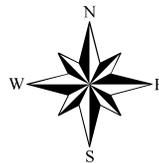




### 4-Way Parking Lot - Paving Project

 Parcel Boundaries

Area to be paved = 48,103 square feet





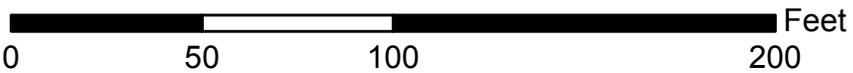
MAROON AVENUE

THIRD STREET

11,664 sq ft  
(1,296 sq yds)

### Fire Hall Parking Lot - Paving Project

Area to be paved = 11,664 square feet



## **AFFORDABLE HOUSING FUND 2017 BUDGET**

The purpose of the Affordable Housing Fund is for the advancement of lower priced housing stock in Crested Butte. Over the years, the gap between worker's wages in the Crested Butte area and the price of housing has significantly widened. The Town of Crested Butte has been active on many fronts in an effort to help ease this issue.

### *2016 Changes:*

Affordable Housing Payment in Lieu fees are lower than budgeted. 2016 fees were budgeted to be down from 2015, however, the building market was slower than anticipated. The Block 79/80 Infrastructure project is a carry-over from 2015. The Town was unable to complete as much of the project in 2015 as planned, leaving a larger portion to be done in 2016 than originally planned. The 2016 budget anticipated the sale of 8 lots in blocks 79 & 80, however, only 4 lots were able to close by the end of 2016. The sale of the remaining 4 lots should close in 2017.

There were two cost savings in 2016 including the GVRHA Architectural design services which is anticipated to only expend \$25,000 of the \$125,000 budgeted by the end of this year. An additional \$25,000 will be appropriated into next year's budget for the completion of the designs. Also \$25,000 was budgeted for preliminary designs for the Space to Create application that will be due in January. This is projected to only expend \$10,000 on the preliminary design.

### **2017 Budget**

#### *Revenue:*

The main source of revenue is the housing payment in lieu fees. These fees are collected on both residential and commercial building projects. Fees for 2017 are projected to be similar to the anticipated 2016 collections.

The 2017 budget anticipates the sale of 4 lots in blocks 79 & 80, Paradise Park subdivision. No revenue is projected for the transfer of three lots to the GVRHA for the facilitation of the construction of seven for sale units in the coming year.

#### *Expenditures:*

Line items with significant increases:

- Affordable Housing Taps – (this is the 2/3 difference between a deed restricted tap-in fee and a regular tap-in fee) – 2017 anticipates up to 20 taps; 2 ADU's, 4 Block 79/80, 7 GVRHA project, 1 Town build, 6 ROAH units for 6<sup>th</sup> Street Station project
- Housing Authority – Town's share of GVRHA cost, up due to wage increase of the Executive Director and additional time spent in Crested Butte
- Space to Create – Applications for this project are due in January. The grant could provide several million dollars to facilitate this build. Funds budgeted for 2017 are for design and financing services. If selected additional funds may be needed to facilitate the project dependent on required matching funds.
- Town Rental Build – This is the project being done in conjunction with the school district and the high school engineering class. This unit is anticipated to break ground this summer and become a Town employee rental upon completion.
- GVRHA Build- \$25,000 to assist with building designs and donations of 3 lots in Blocks 79 & 80

**Decision Points:**

The proposed budget anticipates three affordable housing projects for 2017. Staff needs confirmation from the Council on proceeding on the following projects:

- GVRHA for sale Units- Seven for sale units targeted for 100%-200% AMI (2 duplexes and 1 Triplex). These units will be entered into a lottery.
- Community School Town Rental Build- This project is estimated at \$130,000 with the Town paying for materials, paying for skilled trade work, and in-kind work such as foundation prep and utility work. The School will be providing labor and assisting with the build.
- Space to Create- The Town's application is due in January. It is anticipated there will be 3 other municipalities applying in the Northwestern DOLA region. The project would be 16-20 rental units on the 1 acre annexation parcel next to the Gas Café. The Town has significant matching funds in the land already and additional land to the east of the project can be reserved for additional affordable housing. The space to create program has significant funding potential and the Town will only be permitted to apply in this coming year. If the Council elects to not pursue this project, staff will investigate the possibility of a developer build of Block 76. This will have significant budget ramifications and require the use of the Affordable Housing Reserves.

TOWN OF CRESTED BUTTE				
2017 BUDGET				
AFFORDABLE HOUSING	2015	2016	2016	2017
	ACTUAL	BUDGET	PROJECTED	BUDGET
REVENUES:				
AFFORDABLE HOUSING PMT IN LIEU	212,412	130,000	60,000	60,000
DUPLEX/RANCH HOUSE-RENTS	32,893	35,280	35,280	35,280
RED LADY ESTATE RENT	5,675	5,220	5,220	5,220
PARADISE PARK LOT SALES		340,000	195,000	190,000
PARADISE PARK - UNIT SALES	137,307	0		
INTEREST INCOME	154	100	100	100
OTHER/GRANTS	712,500	0		
CONTRIBUTION FROM RESERVE		75,200		
TOTAL REVENUE	1,100,941	585,800	295,600	290,600
EXPENSES:				
TEMPORARY HELP	798			
LEGAL FEES	(3,000)	30,000	20,000	10,000
AUDITING	750	1,000	750	1,000
INSURANCE	3,694	4,000	4,000	4,000
AFFORDABLE HOUSING TAPS	385,058	128,500	32,000	240,000
TRAVEL & EDUCATION	1,691	1,500	1,500	1,500
UTILITIES	2,474	3,800	3,800	3,800
HOUSING AUTHORITY	30,000	48,000	48,000	55,000
HOUSING PROJECT BUILD/GVRHA		125,000	25,000	25,000
TOWN RENTAL BUILD				130,000
SPACE TO CREATE	0	25,000	10,000	15,000
BLOCK 79/80 INFRASTRUCTURE	361,774	155,000	230,000	
HOUSING MAINTENANCE	10,684	48,000	35,000	15,000
NEEDS ASSESSMENT		16,000	13,000	
OTHER EXPENSES	677	0	1,500	
TOTAL EXPENSES	794,600	585,800	424,550	500,300
REVENUE OVER(UNDER) EXPENSES	306,341	0	(128,950)	(209,700)
FUND BALANCE	452,687	377,487	323,737	114,037

**MINUTES**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, September 19, 2016**  
**Council Chambers, Crested Butte Town Hall**

Mayor Michel called the meeting to order at 7:02PM.

Council Members Present: Jim Schmidt, Erika Vohman, Chris Ladoulis, Roland Mason, Laura Mitchell, and Paul Merck

Staff Present: Town Manager Dara MacDonald, Town Attorney John Belkin, Public Works Director Rodney Due, Town Planner Michael Yerman, and Building and Zoning Director Bob Gillie

Town Clerk Lynelle Stanford, Finance Director Lois Rozman, and Parks and Recreation Director Janna Hansen (all for part of the meeting)

**APPROVAL OF THE AGENDA**

Schmidt moved and Mason seconded a motion to approve the agenda with the addition of adding to New Business item #1: Discussion of the Red Lady Roundabout Presentation from the State-wide Transportation Improvement Program and under New Business #2 to include request for the Mayor to sign a letter of support for the Town regarding the Crested Butte Mountain Heritage Museum's grant application. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**CONSENT AGENDA**

- 1) September 6, 2016 Regular Town Council Meeting Minutes.**
- 2) Resolution No. 28, Series 2016 - Resolutions of the Crested Butte Town Council Authorizing the Town Manager to Execute the Engagement Letter with Butler Snow LLP for Butler to Serve as Municipal Bond Counsel Regarding the Town Pursuing a Tax Bond Issue for the Town's Land Transfer Excise Tax (RETT) to be Submitted to the Electors at the General Election on November 8, 2016.**
- 3) Resolution No. 29, Series 2016 - Resolutions of the Crested Butte Town Council Authorizing the Town Manager to Execute the Municipal Advisors Agreement with Ehlers & Associates, Inc. for Ehlers to Serve as Municipal Financial Advisor Regarding the Town Pursuing a Tax Bond Issue for the Town's Land Transfer Excise Tax (RETT) to be Submitted to the Electors at the General Election on November 8, 2016.**
- 4) Resolution No. 30, Series 2016 - Resolutions of the Crested Butte Town Council Appropriating Matching Funds in an Amount not to Exceed \$15,000 from the**

**General Fund for the Colorado Creative Industries and Boettcher Leadership Award and Authorizing the Town Manager to Execute a Memorandum of Understanding with Colorado Creative Industries Regarding Such Award.**

**5) Resolution No. 31, Series 2016 - Resolutions of the Crested Butte Town Council Appropriating Matching Funds in an Amount not to Exceed \$10,000 from the Open Space Fund for the 2017 Great Outdoors Colorado Youth Corps Crews Baxter Gulch and Open Space Maintenance Project Grant and Authorizing the Town Manager to Execute the Grant Application Regarding the Grant.**

Merck moved and Mitchell seconded a motion to approve the Consent Agenda. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**PUBLIC COMMENT**

Sue Navy

- Was at the meeting because of the first ever joint clean-up of the Slate River Valley on October 16.
- They would be having a BBQ with beer after the clean-up, and she requested a donation from Town for \$800. The money would need to go through CBMBA.
- Merck questioned the location for the event. The majority of the event would be out the Slate River. The party would be at the Musicians Camp or in Town.
- Schmidt added that Alpine Express would be providing a vehicle, and he volunteered to drive.
- The request for \$800 was added under New Business as #4.

Zach Vaughter - Executive Director of Coal Creek Watershed Coalition - Reported to live at 111 1/2 Gothic Avenue.

- Mentioned that they pulled one portable toilet from Musicians Camp, and he estimated that they mitigated 660 gallons of human waste with it.
- There was one more (portable toilet) out there for two more weeks. He estimated they would mitigate 1,500 gallons of human waste in that area.
- They had \$300 left from the Council's award from the spring service grant, which they planned to roll over.

**STAFF UPDATES**

Lynelle Stanford

- There would be a public hearing at the next meeting for the Sherpa Café's beer and wine license.
- Reported there were eight burials in the cemetery this summer, and six lots had been sold.
- Mentioned upcoming special events.

Janna Hansen

- They had a productive work day at the bike park.

- The built features would arrive on September 26.
- Big Mine Park was looking good, and it was almost done.
- The second community meeting for the Town Park playground would be Thursday, September 29.
- Friday, September 30 would be Arbor Day in Crested Butte. They would be planting trees in the park with fourth graders.

Rodney Due

- The utilities crew at Big Mine finished the last lateral today.
- United had been talking about paving the first part of next week. They needed to work on patching around Town, too.
- The issue with drainage at True Value had been worked out.
- They put in an ADA accessible ramp across the street from Anthracite Place today.
- He would be working with someone from CSI to address sidewalks around Town. Ladoulis confirmed the gully in Crank's Plaza would be addressed.

Michel mentioned that he saw that sales tax was up 17% year-to-date as reported by the *Denver Post*. Rozman stated she had not been contacted, and the information was incorrect.

## **PUBLIC HEARING**

### **1) Ordinance No. 11, Series 2016 - An Ordinance of the Crested Butte Town Council Amending Chapter 7, Article 3 of the Crested Butte Municipal Code to Include New Regulations for the Management of Undesirable Plants.**

Hansen confirmed that nothing had changed. Michel confirmed with Stanford that proper public notice had been given.

The public hearing was opened:

Sue Navy

- She wondered how the weed control would interface with organic gardens.
- Hansen said they would make considerations for people who didn't want spraying near their properties. She clarified that private property would not be sprayed.

Public comment was closed, and there was no further Council discussion.

Schmidt moved and Vohman seconded a motion to approve Ordinance No. 11, Series 2016. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

## **NEW BUSINESS**

### **1) Presentation on Red Lady Roundabout for Funding from the State-wide Transportation Improvement Program by the Colorado Department of Transportation (CDOT).**

Yerman and Schmidt attended the TPR meeting. CDOT was taking proposals for the next round of STIP funding, which started in 2021. They were taking proposals from each TPR region. Yerman stated that October 25 was the pivotal date for making it on the STIP list. He needed confirmation from the Council that they wanted to proceed with asking for STIP funding, which took a lot from the transportation fund, a \$750K match. Additionally, Yerman needed to get letters of support. He also asked for a second Councilperson, in addition to Schmidt, to be involved in participating in meetings. He wanted to know for proper public noticing if more than two Council members would be attending the meeting on October 25.

Michel suggested the meeting be noticed on the premise that two Council members would be attending. Vohman volunteered to work with Schmidt and Yerman. Schmidt asked whether Gunnison was still considering redoing Hwy 50. Yerman had read there was opposition. He had a call into the Town Manager in Gunnison to see if they would apply for STIP funding as well.

Schmidt moved and Ladoulis seconded a motion to direct Staff to get letters of support from regional partnerships. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **2) Request from the Crested Butte Mountain Heritage Museum for Matching Funds in the Amount of \$6,500 for a Grant Application to the History Colorado State Historical Fund to Preserve Tony's Conoco.**

Shelley Popke, Executive Director of the Crested Butte Mountain Heritage Museum, introduced herself. She spoke about the value of the museum to the community. She explained the museum was an independent non-profit, and the building was an asset to the community. They raised funds 15 years ago to do rehab work on Tony's Conoco, and they were applying to the State Historical Fund for a grant this year. They were asking for an extra \$6,500 from the Town, so the total contribution, including the funds that had already been granted, would be \$15,000.

Molly Frame - Board Member and Community School teacher

- Mentioned the Junior Docent Program, which maintained teaching and sharing with children on what the museum had to offer.
- She hoped history was considered essential to children in the community, and she thanked the Council for their consideration.
- Popke added that they had annual field trips for students.

There was a discussion on the timeline for the funds, and Popke stated they needed the funds in 2017. MacDonald questioned how close they were to reaching the \$80K commitment. Popke voiced confidence they would reach their goal. Showing Town was committed would help as they reached out to donors.

Glo Cunningham

- When she was the director, she wanted to make sure the building was in good shape. She was thrilled they had gone so professionally, and she was comfortable with the historic architects and engineers.

Mason questioned if he had a conflict of interest because his mom worked at the museum. Michel was okay and did not have an issue.

Vohman supported the ask from the museum. She thought it was a special building and an important asset to the community. Ladoulis agreed that it fell in with the Center (for the Arts) and the Creative District. Merck agreed he was in full support. Schmidt also agreed.

There was discussion of budget and the timing of budget cycles. They also discussed if the \$6,500 contribution was contingent upon the grant. Popke stated that other gifts had not been contingent upon the grant, and they could use the funds for maintenance of the building regardless.

Ladoulis moved and Merck seconded a motion for Town to provide \$6,500 to the Crested Butte Mountain Heritage Museum to facilitate their historic preservation of Tony's Conoco building. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **3) Approval for the Mayor to Sign a Letter of Support for the Crested Butte Mountain Heritage Museum's Grant Application.**

Schmidt moved and Merck seconded a motion to approve the Mayor signing a letter of support for the Museum's grant application. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **4) Request from Sue Navy for \$800 for the Slate River Valley Clean-Up.**

Merck moved and Vohman seconded a motion to grant CBMBA up to \$800 for Slate River clean-up to facilitate refreshments from discretionary funds. A roll call vote was taken with all voting, "Yes," except for Vohman who was absent from the room. **Motion passed unanimously.**

## **LEGAL MATTERS**

Belkin distributed a memo on the Fair Campaign Practices Act in reference to the ballot issue. Basically, Council lobbying for the issue was constrained by the act; they could

not lobby for the ballot issue. Other groups could advocate for it. Michel confirmed with Belkin they could answer questions of fact. Belkin told Michel they could not go door to door. They could personally, but the lines would be blurred. Michel asked about an interview on the radio. Again, Belkin said it would be difficult because Michel would be heard as the Mayor. Ladoulis mentioned that the governing body could adopt a resolution in support. Belkin said he was on it.

## **COUNCIL REPORTS UPDATES AND COMMITTEE UPDATES**

Jim Schmidt

- The Housing Committee meeting had been postponed to this Wednesday.
- Attended a highway meeting in Montrose with Yerman. The takeaway from the meeting was that Telluride applied for a very similar measure, and they were funded. Telluride's contribution was bigger than what Crested Butte's would be.
- There was discussion on the widening of 135 through Little Blue Canyon, and the funding for that project.

Erika Vohman

- Sustainable CB had a website.
- The bag bin at Clark's was full, and it was working well.

Roland Mason

- Attended a RTA meeting. They decided to continue summer flights. Houston was a successful route.
- There were two diesel busses coming. They were over the road coaches.
- They discussed hiring an administrative assistant to help get education pieces out to the public and to help in the office.
- Schmidt questioned the airport closure schedule. Mason reported it started at the beginning of May and would run through June 11. It could possibly be extended to June 23, with leeway for weather.
- Attended a Mountain Express meeting. They discussed service to Judd Falls for next summer. However, the County and Forest Service had not done much. They hoped there would be work done next season, and they could run service in 2018.
- They looked at four trips a day to Gothic next year. They were taking it on without requesting funding from RMBL.
- The bus service to CB South service would continue. They would request \$16K from their board.
- RTA had been running a GPS app on busses to give people an idea of when busses would be at the stops. It was working well, but it was based on cell phone coverage. Mountain Express considered using the app on busses that ran to CB South.

## **OTHER BUSINESS TO COME BEFORE THE COUNCIL**

Schmidt questioned MacDonald on an email notification, which Stanford explained.

Schmidt mentioned that the short-term rental committee had been meeting, and they wanted to present to Council. Committee Chair, Alex Fenlon, and Staff would lead the presentation. Schmidt identified a timing issue with hiring a possible position and changing fees by January. He suggested a special meeting for next Monday. Gillie concurred. He stated the committee recommendations were done in July, and there were a lot of material and decision points. If they didn't get ahead of 2016, they would lose a year. Six of the Council members said they could attend a meeting next Monday; Ladoulis would be out of Town. The Council directed Staff to schedule a special meeting for next Monday, September 26 at 6PM.

Vohman referred to an email from the Mountain Pact that they were working to secure more funding for wildfire funding and mitigation. They wanted Council to sign on to a letter. Two Council members, Merck and Vohman, supported the consideration of the letter on an agenda. It was decided it would be under New Business on the next agenda.

Vohman brought forth complaints she heard from neighbors of busses speeding down Whiterock Avenue. She thought that if they pursued Elk being a one-way they should focus on mitigating speeding in Town. Michel thought that after budget, they could do a work session on the transportation grid in Town as a policy discussion with the new Chief Marshal. Mitchell supported Vohman's proposal.

#### **DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE**

- Monday, October 3, 2016 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, October 17, 2016 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, November 7, 2016 - 6:00PM Work Session - 7:00PM Regular Council

#### **EXECUTIVE SESSION**

Merck moved and Mason seconded a motion to go into 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) Regarding Cypress Equities Pre-Annexation Agreement. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

The Council went into Executive Session at 8:26PM. Council returned to open meeting at 10:16PM. Mayor Michel made the required announcement before returning to open meeting.

**ADJOURNMENT**

Mayor Michel adjourned the meeting at 10:18PM.

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Glenn Michel, Mayor

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Lynelle Stanford, Town Clerk      (SEAL)

**MINUTES**  
**Town of Crested Butte**  
**Special Town Council Meeting**  
**Monday, September 26, 2016**  
**Council Chambers, Crested Butte Town Hall**

Mayor Michel called the meeting to order at 6:02PM.

Council Members Present: Jim Schmidt, Erika Vohman, Roland Mason, Laura Mitchell, and Paul Merck

Staff Present: Town Manager Dara MacDonald, Town Attorney John Belkin, Public Works Director Rodney Due, Town Planner Michael Yerman, and Building and Zoning Director Bob Gillie

Town Clerk Lynelle Stanford (for part of the meeting)

**APPROVAL OF THE AGENDA**

Merck moved and Vohman seconded a motion to approve the agenda. A roll call vote was taken with all voting, “Yes,” except for Mason who was not yet present. **Motion passed unanimously.**

**A. Presentation by Alex Fenlon on Recommendations of the Short-Term Rental Committee and Possible Action by the Council.**

Gillie began by explaining that many entities were grappling with the issue of short-term rentals (STRs). They created a short-term rental committee in May, and Gillie listed the committee members. The committee came up with recommendations for the Council at the end of July. Members of the committee were at the meeting to present and review the committee’s recommendations.

Alex Fenlon, chairperson of the committee, presented. He described the make up of the committee. He explained that they went all over the map and hit a lot of subjects. First, he reviewed the findings. Next, he listed the recommendations. The only recommendation that limited the number of STRs was based on groupings: Category 1, historic residential and mixed use zones; Category 2, non-historic residential zones; and Category 3, commercial zones, deed restricted zones, and public/open space zones. The committee recommended that existing STRs were grandfathered. Zones that were already over the proposed caps would be reduced by attrition through property transfers, violations, and inspections. Fenlon said that definitions should be enacted to define the types and impacts of STRs. He reviewed the proposed license fees. He stated that a large part of the committee’s discussion was around affordable housing. Another recommendation was that all STRs needed a local contact.

Fenlon continued and stated that all STRs should be assigned a distinct number to be displayed on a placard placed on each STR and in all advertisements for the property. He explained what inspections would entail. A legal requirement was that a provision for appeal of revocation of a license should be enacted.

Fenlon reviewed pros and cons of STRs. Michel explained that the committee's recommendation was not to ban STRs in the Town of Crested Butte, and the Council was not contemplating banning them either. Fenlon stated that the biggest pro was that there was a lot of money being generated. The real estate market felt an uptick since owners could use the houses as rentals. Another pro was an increase in the bed base. Cons that were listed by Fenlon included: short term rentals damaged the long-term rental market; regional effects; neighborhood impacts; damage to the Crested Butte brand; and no next generation of residents. The thesis statement they used in guiding the committee was whether there was a point where STRs were harmful to Crested Butte, and the committee voted 5-2 there was a point that they were.

Michel asked for comments from committee members that were present. Dan Escalante wished the committee did a better job of putting together a visual of what other towns and cities were doing. Steve Ryan thought it was a lot bigger issue than anyone thought. He had concerns with low percentages on capping because he thought the free market system would dictate. Schmidt stated that Town had a lot of limitations to include zoning. No ski town had a great solution, and he listed restrictions he heard were tried in other towns. He thought the rules, such as who to call and safety requirements, should be a slam-dunk. Schmidt suggested discussion items would be getting down to the percentages, and he thought that homes rented out 60 days or less per year should not be restricted. Mitchell felt the fees were arbitrary. The caps treaded on private property issues, and she thought they should get public input. Since people located in the B1 Zone were already paying three times the property taxes (as residential), she wondered where they fell. She liked where they went with safety issues. Kat Hassebroek added that the long-term housing issue was a large part of what was discussed. She said they tried to figure out how to tie STRs to long-term housing.

Gillie told the Council that Town needed a licensing regime beyond the BOLT that hit on the points recommended by the committee. He stated they would need to fund a position to deal with issues. MacDonald clarified that the Council needed to decide which of the fourteen recommendations from the committee they wanted to pursue for the draft ordinance.

Michel began with recommendation #3, a STR license should be created above and beyond the BOLT license and should be renewable annually. Schmidt thought it was reasonable, and he didn't think the amounts were unreasonable. Fenlon listed the fees, and he defined short-term rental unlimited, short term rental limited, and short-term room rental. Escalante explained that fees would cover the cost of a new employee and staff time. Vohman and Mitchell thought the fees were reasonable. Merck thought it was hard to enforce, and he didn't know what they were defining. Mason thought that a separate fee made sense. He wanted to see the short-term rental limited fee come down, or he

wanted to increase the unlimited. Gillie explained that a lot of the process was the same for both, such as inspections. Mason didn't want to hit people with such large fees when they were trying to pay their mortgages. Belkin stated that fees were to defray costs, and a fee was not a penalty. Michel supported the licensing fee. Vohman supported increasing the fee for unlimited. Mitchell thought the fees could be based on the number of bedrooms. Michel reiterated that fees had to be related to the costs to the Town.

Michel moved on to recommendation #4, which was the fine. Merck agreed with the enforcement of the rules. Belkin stated the fine served as a deterrent more than anything. No one on the Council voiced opposition to the proposed fines.

Next, the Council discussed recommendation #6, collecting information to identify the nexus between STRs and affordable housing. Everyone on the Council agreed they wanted data collected.

Recommendation #7 addressed that all STRs needed to have a local contact. All of the Council members agreed.

Recommendation #8 was about the advertising. Each STR was to be assigned a unique number. Michel thought the placard to be displayed on each property would be similar to a building permit. He confirmed the Council agreed to the recommendation, and no one voiced opposition.

The Council agreed with recommendation #9 that the Town's website should have information on STRs to include rules, maps, location, and contact information.

Recommendation #10 was that the maximum occupancy of any STR was ten people. Gillie told the Council the reasons he was comfortable with ten. No one on the Council voiced opposition to the ten person maximum. Mason thought it seemed reasonable, but he wanted to hear from people who were affected.

Recommendation #11 was that all STRs must have all the off street parking that was approved with the property, and the parking must be usable all year around. Michel summarized the parking requirement. Gillie said that homeowners needed to provide the parking that was committed. Mason thought it made sense, but day-to-day enforcement was nearly impossible. Merck agreed. Gillie explained it was a tool for complaint driven issues. Schmidt acknowledged that some homes didn't have parking spaces assigned. Mason thought they needed to make exceptions for people who didn't have parking, so he was fine the way it was presented. Michel summarized that the Council agreed with the recommendation.

The Council agreed with #12 that information be provided to all STR renters. They agreed with #13, the requirement of bi-yearly inspections to check compliance. The Council also agreed with #14, the provision for appeal. Michel asked to whom they would appeal, and Belkin stated it would be the Town Manager.

The Council discussed recommendation #2 that definitions be enacted. Per Michel's request, Fenlon defined short-term rental unlimited, short-term rental limited, and short-term room rental. Michel confirmed that a rental period of 31 days was legally defined as a long-term rental. Mitchell clarified that the short-term rental limited allowed up to 60 days but not consecutively. Michel asked where the Council was on the mixes. Mitchell was okay. Mason wanted to see the definition of limited be extended to allow renting out for more than two months a year. Mason thought 90 days was reasonable. Fenlon thought the committee could have easily landed on 90 days. Schmidt suggested they set 60 days, and they could make it less restrictive. Michel thought the 90 day period was a lot. Merck countered that he thought the term of 90 days was okay. Michel polled the Council, and there were four Council members that agreed to the 90 days. Schmidt and Michel thought it should be 60 days. Escalante suggested that if the limit was too long, it would make it attractive to choose limited. Hassebroek stated that most homes didn't rent that many nights per year. MacDonald pointed out that a homeowner couldn't pull the limited license unless it was a primary residence. Michel told the Council that the decision now was they were doing 90 days for a short-term rental limited. Vohman dropped back to 60 days, so the vote became 3-3. Mason wanted to give locals a better opportunity to do as they wanted with their property. Michel stated they were at 3-3, going back and forth in discussion.

Lastly, the Council discussed recommendation #1, to limit STRs based on percentages placed on zones. The Council briefly discussed the fact that Town was already above the stated goal of 25% in the historic residential and mixed-use zones. Gillie stated the \$10 per pillow was a cheap placeholder for people who wanted to retain their ability to short-term rent, so he expected some would drop off. Merck recognized there was no hard data, and it was hard to tell how it would affect people. He thought appeals needed to happen on a case-by-case basis. Hard lines had not worked well in other communities. Schmidt struggled with the limitation the most. He doubted that someone would long-term rent a house after purchasing it for \$1.2M. He wanted to open up the category (short-term rental limited) for primary residents. He thought it would take a long time to bring the cap to 25%. Mitchell did not like that there was a cap and then attrition was expected bring down the number. She could get on board with the limitations as long as there was not significant push back from the real estate community. Vohman liked the percentages that were proposed, and she thought they could get there with attrition and sales. She also thought it was important to have parking restrictions. Mason agreed with Schmidt on not putting a limit on properties that were primary residences. If they pulled out the number of people who had primary residences, then he would be okay with pulling the days back (on short term rental limited). By pulling the primary residences out, then the number would drop to around 25 to 30%. He supported keeping a cap, which was helpful for keeping the community what it was. MacDonald said they needed more time for Staff to look at the limitations on a transfer of that use and the license. Michel asked Mason to summarize. Mason said that under definitions, they should put a limit on unlimited short-term rentals between 25 and 30%, then pull out of the percentage of short-term rental limited anyone who was renting out their primary residence, and anyone could apply at any time. He was fine taking it back to 60 days, and he was fine with the room rental. Yerman stated that Airbnb would not go towards the cap, and

Mason agreed. Gillie said they had a hybrid with locals who owned two houses. He predicted they would have new percentages to discuss after another rush.

Michel opened the discussion to Public Comment:

Keith Payne

- All homes in this town were investment properties.
- If they had restrictions that didn't pass to the next owner, it would scuttle with the market for re-sales.

Jaima Giles

- Homeowners were not purchasing homes for strict commercial purposes.
- People were not making money on their properties.
- There would be a value placed on properties that were available to rent, and it would have a negative impact on the real estate market.

DeeDee McLeod - 305 3<sup>rd</sup> Street

- Short-term rentals abided by more rules because they were their homes.
- She was here as much as she could be, but she lost less money by renting out her property.
- She would not long-term rent her property.
- Said to impose the same rules to long-term rentals.

Erich Ferchau - 311 5<sup>th</sup> Street

- Suggested that they enforced the same rules for local residents, including looking at parking issues with residents.
- There were hybrids out there.

Jim Starr

- Stated that they were heading in the right direction.
- He agreed there shouldn't be a cap on primary residences that short-term rented.
- It would become more affordable if the price of real estate was driven down.
- They didn't need a nexus for a tax issue that went to a vote.
- The fees should go to affordable housing.

Eric Davis - 311 1<sup>st</sup> Street

- The last thing his house was, was his investment.
- 60 days was a little too narrow of a cap.
- Safety inspections should be conducted whether a rental was short-term or long-term rented.

Molly Starcher

- She long-term rented and worked in Town.
- Hard to find high quality workers since the long-term rental market was limited.

- Other towns found ways for short-term housing to give back to the long-term pool.
- Mentioned a situation with Escalante where his unit was pushed out of Town because it was an eye sore.

Peter Sherman - 711 Whiterock

- Wondered why the fee covered the cost the cost of an employee, instead of sales tax.
- Transferability (of licenses) would cause the value of homes to go down, and it might not be legally possible. It would be wrong to take away.

When questioned by MacDonald, the Council agreed to start the work session next Monday at 5PM.

### **EXECUTIVE SESSION**

Schmidt moved and Vohman seconded a motion to go into 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) Regarding Cypress Equities Pre-Annexation Agreement. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

The Council went into Executive Session at 8:07PM. Council returned to open meeting at 8:49PM. Mayor Michel made the required announcement before returning to open meeting.

### **ADJOURNMENT**

Mayor Michel adjourned the meeting at 8:50PM.

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Glenn Michel, Mayor

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Lynelle Stanford, Town Clerk (SEAL)



## Staff Report

October 3, 2016

**To:** Mayor Michel and Town Council

**From:** Michael Yerman, Director of Planning

**Thru:** Dara MacDonald, Town Manager

**Subject:** **Resolution 32, Series 2016- Colorado Tourism Office Marketing Grant**

**Date:** October 3, 2016

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The Creative District Commission is currently working on a budget to present to the Council during the 2017 budget work session for the Council's consideration for the Creative District. As part of the Creative District Budget, the Commission would like to pursue a marketing grant from the Colorado Tourism Office. This is a dollar for dollar grant that will allow the Creative District Commission to leverage funding for the regional marketing of the Creative District. The Commission is requesting the Council allow \$10,000 of funding to go towards this grant opportunity. The Tourism Association ("TA") will assist with the marketing effort and provide an additional \$5,000 match.

The total match will be \$15,000 which would allow the grant award to be up to \$15,000, for a regional marketing budget of \$30,000 for 2017. The Commission would work with the TA to produce marketing materials. The marketing would be targeted to the Front-Range and would promote the Crested Butte as an arts destination. The TA would use their resources to secure the best marketing pricing and use the marketing materials with other marketing ventures they do for the valley.

**Recommendation:**

Town Staff recommends the Town Council approve Resolution 32, Series 2016 Appropriating Matching Funds in an Amount not to exceed \$10,000 from the General Fund for the Colorado Tourism Office Matching Marketing Grant Program and Authorizing the Town Manager to execute the grant application.

**RESOLUTION NO. 32**

**SERIES 2016**

**RESOLUTIONS OF THE CRESTED BUTTE TOWN COUNCIL APPROPRIATING MATCHING FUNDS IN AN AMOUNT NOT TO EXCEED \$10,000.00 FROM THE GENERAL FUND FOR THE COLORADO TOURISM OFFICE MATCHING MARKETING GRANT PROGRAM FISCAL YEAR 2017 AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE GRANT APPLICATION**

WHEREAS, the Town of Crested Butte, Colorado (the "Town") is a home rule municipality duly and regularly organized and now validly existing as a body corporate and politic under and by virtue of the Constitution and laws of the State of Colorado;

WHEREAS, the Town was designated a Certified Colorado Creative District in 2016;

WHEREAS, Colorado Creative Industries ("CCI") has awarded a matching fund grant to the Town in the amount of \$30,000.00 for use by the Town's Creative District Commission in connection with the Town's Creative District;

WHEREAS, CCI grants funds can be used for matching grant proposes; and

WHEREAS, the Crested Butte Creative District Commission requests to appropriate \$10,000.00 of these grant funds towards a matching grant for regional marketing efforts of the Crested Butte Creative District; and

WHEREAS, the Town Council desires to apply to the Colorado Tourism Office ("CTO") for the matching funds grant and appropriate the Town's share of matching funds in an amount not to exceed \$10,000.00 from the Town's 2017 General Fund for the Creative District Commission; and, accordingly, hereby instructs the Town staff to apply to the CTO for matching grant funds and hereby appropriates said amounts, the Town Council finding that the Crested Butte Creative District is in the best interest of the health and welfare of the Town, its residents and visitors.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO, THAT:

1. **Findings; Application; Direction**. In addition to the findings set forth in the recitals above, which such findings shall be deemed material terms hereof, the Town Council hereby directs the Town staff to apply to the CTO for matching grant funds and hereby appropriates the Town's share of matching funds in an amount not to exceed \$10,000.00 from the Town's 2017 General Fund, for the Creative District Commission use in support of marketing for the Crested Butte Creative District, all of such actions being in the best interest of the health and welfare of the Town, its residents and visitors.

2. **Authorization of Town Manager**. The Town Council hereby authorizes the Town Manager to enter into any and all agreements as shall be approved by the Town Attorney to accomplish such transactions.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2016.

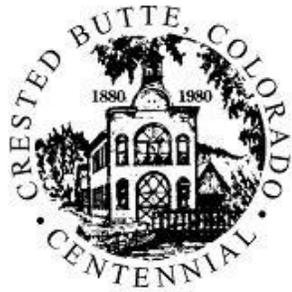
TOWN OF CRESTED BUTTE, COLORADO

By: \_\_\_\_\_  
Glenn Michel, Mayor

ATTEST

\_\_\_\_\_  
Lynelle Stanford, Town Clerk

(SEAL)



## Staff Report

October 3, 2016

**To:** Mayor and Town Council  
**Thru:** Dara MacDonald, Town Manager  
**From:** Lynelle Stanford, Town Clerk  
**Subject:** New Beer and Wine Liquor License for Sherpa Dharma LLC DBA Sherpa Cafe  
**Date:** September 19, 2016

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### SUMMARY:

Sherpa Dharma LLC DBA Sherpa Cafe has applied for a new Beer and Wine Liquor License at 313 3<sup>rd</sup> Street. Staff submits the following findings regarding the application:

1. Notice of public hearing on the application was posted on the premise at least 10 days prior to the public hearing, and notice was published in the *Crested Butte News* on September 23, 2016.
2. A complete application has been submitted and all application fees have been paid.
3. It appears from evidence submitted that the applicant is entitled to possession of the premises for which the application for a liquor license has been applied.
4. It is confirmed that the sale of beer and wine on the premises is not a violation of zoning, building, health and fire laws or regulations.
5. There was an existing Hotel and Restaurant Liquor License at the location that expired on October 5, 2015, and in the two years prior to the application there has not been a denial of an application by the Local Liquor Licensing Authority (Crested Butte Town Council) at the location.
6. The Crested Butte Marshal's Department has conducted background investigations concerning the principals of Sherpa Dharma LLC: Linda L. Wessman and Mingma Sherpa. Fingerprints have been submitted to CBI/FBI.

### RECOMMENDATION:

Staff recommends the application be approved with the following motion: Motion to approve the new Beer and Wine Liquor License for Sherpa Dharma LLC DBA Sherpa Cafe located at 313 3<sup>rd</sup> Street; Crested Butte, Colorado for the reasons stated in the staff report.

## Colorado Liquor Retail License Application

**New License**     **New-Concurrent**     **Transfer of Ownership**

- All answers must be printed in black ink or typewritten
- Applicant must check the appropriate box(es)
- Applicant should obtain a copy of the Colorado Liquor and Beer Code: [www.colorado.gov/enforcement/liquor](http://www.colorado.gov/enforcement/liquor)
- Local License Fee \$ 500.00

1. Applicant is applying as a/an  Individual  
 Corporation  Limited Liability Company  
 Partnership (includes Limited Liability and Husband and Wife Partnerships)  Association or Other

2. Applicant If an LLC, name of LLC; if partnership, at least 2 partner's names; if corporation, name of corporation FEIN Number  
 Sherpa Dharma LLC [REDACTED]

2a. Trade Name of Establishment (DBA) State Sales Tax Number Business Telephone  
 Sherpa Cafe [REDACTED] 970-349-0443

3. Address of Premises (specify exact location of premises, include suite/unit numbers)  
 313 3rd Street

City Crested Butte	County Gunnison	State CO	ZIP Code 81224
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4. Mailing Address (Number and Street) PO Box 2363	City or Town Crested Butte	State CO	ZIP Code 81224
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5. Email Address  
 wildrewolf@yahoo.com

6. If the premises currently has a liquor or beer license, you must answer the following questions

Present Trade Name of Establishment (DBA)	Present State License Number	Present Class of License	Present Expiration Date
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Section A Nonrefundable Application Fees	Section B (Cont.) Liquor License Fees
<input checked="" type="checkbox"/> Application Fee for New License.....\$920.00	<input type="checkbox"/> Liquor Licensed Drugstore (City)..... \$227.50
<input type="checkbox"/> Application Fee for New License w/Concurrent Review .....\$1020.00	<input type="checkbox"/> Liquor Licensed Drugstore (County) ..... \$312.50
<input type="checkbox"/> Application Fee for Transfer .....\$920.00	<input type="checkbox"/> Manager Registration - H & R..... \$75.00
	<input type="checkbox"/> Manager Registration - Tavern..... \$75.00
<b>Section B</b> <b>Liquor License Fees</b>	<input type="checkbox"/> Master File Location Fee .....\$25.00 X _____ Total _____
<input type="checkbox"/> Add Optional Premises to H & R..... \$100.00 X _____ Total _____	<input type="checkbox"/> Master File Background ..... \$250.00 X _____ Total _____
<input type="checkbox"/> Add Related Facility to Resort Complex \$75.00 X _____ Total _____	<input type="checkbox"/> Optional Premises License (City)..... \$500.00
<input type="checkbox"/> Arts License (City) ..... \$308.75	<input type="checkbox"/> Optional Premises License (County) ..... \$500.00
<input type="checkbox"/> Arts License (County) ..... \$308.75	<input type="checkbox"/> Racetrack License (City)..... \$500.00
<input checked="" type="checkbox"/> Beer and Wine License (City)..... \$351.25	<input type="checkbox"/> Racetrack License (County) ..... \$500.00
<input type="checkbox"/> Beer and Wine License (County) ..... \$436.25	<input type="checkbox"/> Resort Complex License (City)..... \$500.00
<input type="checkbox"/> Brew Pub License (City) ..... \$750.00	<input type="checkbox"/> Resort Complex License (County) ..... \$500.00
<input type="checkbox"/> Brew Pub License (County)..... \$750.00	<input type="checkbox"/> Retail Gaming Tavern License (City) ..... \$500.00
<input type="checkbox"/> Club License (City)..... \$308.75	<input type="checkbox"/> Retail Gaming Tavern License (County)..... \$500.00
<input type="checkbox"/> Club License (County) ..... \$308.75	<input type="checkbox"/> Retail Liquor Store License (City)..... \$227.50
<input type="checkbox"/> Distillery Pub License (City)..... \$750.00	<input type="checkbox"/> Retail Liquor Store License (County) ..... \$312.50
<input type="checkbox"/> Distillery Pub License (County) ..... \$750.00	<input type="checkbox"/> Tavern License (City) ..... \$500.00
<input type="checkbox"/> Hotel and Restaurant License (City) ..... \$500.00	<input type="checkbox"/> Tavern License (County)..... \$500.00
<input type="checkbox"/> Hotel and Restaurant License (County) ..... \$500.00	<input type="checkbox"/> Vintners Restaurant License (City) ..... \$750.00
<input type="checkbox"/> Hotel and Restaurant License w/one opt premises (City) ..... \$600.00	<input type="checkbox"/> Vintners Restaurant License (County)..... \$750.00
<input type="checkbox"/> Hotel and Restaurant License w/one opt premises (County)..... \$600.00	

**Questions? Visit: [www.colorado.gov/enforcement/liquor](http://www.colorado.gov/enforcement/liquor) for more information**

**Do not write in this space - For Department of Revenue use only**

Liability Information

License Account Number	Liability Date	License Issued Through (Expiration Date)	Total \$
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## Application Documents Checklist and Worksheet

**Instructions:** This checklist should be utilized to assist applicants with filing all required documents for licensure. **All** documents must be properly signed and correspond with the name of the applicant exactly. **All** documents must be typed or legibly printed. Upon final State approval the license will be mailed to the local licensing authority. Application fees are nonrefundable.

**Questions? Visit: [www.colorado.gov/enforcement/liquor](http://www.colorado.gov/enforcement/liquor) for more information**

### Items submitted, please check all appropriate boxes completed or documents submitted

**I. Applicant information**

- A. Applicant/Licensee identified
- B. State sales tax license number listed or applied for at time of application
- C. License type or other transaction identified
- D. Return originals to local authority
- E. Additional information may be required by the local licensing authority

**II. Diagram of the premises**

- A. No larger than 8 1/2" X 11"
- B. Dimensions included (does not have to be to scale). Exterior areas should show type of control (fences, walls, entry/exit points, etc.)
- C. Separate diagram for each floor (if multiple levels)
- D. Kitchen - identified if Hotel and Restaurant
- E. Bold/Outlined Licensed Premises

**III. Proof of property possession (One Year Needed)**

- A. Deed in name of the Applicant (or) (matching question #2) date stamped / filed with County Clerk
- B. Lease in the name of the Applicant (or) (matching question #2)
- C. Lease Assignment in the name of the Applicant with proper consent from the Landlord and acceptance by the Applicant
- D. Other Agreement if not deed or lease. (matching question #2)  
(Attach prior lease to show right to assumption)

**IV. Background information and financial documents**

- A. Individual History Records(s) (Form DR 8404-I)
- B. Fingerprints taken and submitted to local authority (State Authority for Master File applicants)
- C. Purchase agreement, stock transfer agreement, and or authorization to transfer license
- D. List of all notes and loans (Copies to also be attached)

**V. Sole proprietor / husband and wife partnership**

- A. Form DR4679
- B. Copy of State issued Driver's License or Colorado Identification Card for each applicant

**VI. Corporate applicant information (if applicable)**

- A. Certificate of Incorporation dated stamped by the Secretary of State
- B. Certificate of Good Standing
- C. Certificate of Authorization if foreign corporation
- D. List of officers, directors and stockholders of Applying Corporation (If wholly owned, designate a minimum of one person as Principal Officer of Parent)

**VII. Partnership applicant information (if applicable)**

- A. Partnership Agreement (general or limited). Not needed if husband and wife
- B. Certificate of Good Standing (If formed after 2009)

**VIII. Limited Liability Company applicant information (if applicable)**

- A. Copy of articles of organization (date stamped by Colorado Secretary of State's Office)
- B. Certificate of Good Standing
- C. Copy of operating agreement
- D. Certificate of Authority if foreign company

**IX. Manager registration for hotel and restaurant, tavern licenses when included with this application**

- A. \$75.00 fee
- B. Individual History Record (DR 8404-I)
- C. If owner is managing, no fee required

7. Is the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager under the age of twenty-one years?		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
8. Has the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager ever (in Colorado or any other state):				
(a) Been denied an alcohol beverage license?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
(b) Had an alcohol beverage license suspended or revoked?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
(c) Had interest in another entity that had an alcohol beverage license suspended or revoked?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If you answered yes to 8a, b or c, explain in detail on a separate sheet.				
9. Has a liquor license application (same license class), that was located within 500 feet of the proposed premises, been denied within the preceding two years? If "yes", explain in detail.		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10. Are the premises to be licensed within 500 feet of any public or private school that meets compulsory education requirements of Colorado law, or the principal campus of any college, university or seminary?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Waiver by local ordinance? Other: _____		<input type="checkbox"/>	<input type="checkbox"/>	
11. Has a liquor or beer license ever been issued to the applicant (including any of the partners, if a partnership; members or manager if a Limited Liability Company; or officers, stockholders or directors if a corporation)? If yes, identify the name of the business and list any <u>current</u> financial interest in said business including any loans to or from a licensee.		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
12. Does the Applicant, as listed on line 2 of this application, have legal possession of the premises by virtue of ownership, lease or other arrangement?				
<input type="checkbox"/> Ownership <input checked="" type="checkbox"/> Lease <input type="checkbox"/> Other (Explain in Detail) _____				
a. If leased, list name of landlord and tenant, and date of expiration, exactly as they appear on the lease:				
Landlord William Oberling	Tenant Sherpa Dharma LLC	Expires May 31, 2018		
b. Is a percentage of alcohol sales included as compensation to the landlord? If yes complete question 13.		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
c. Attach a diagram and outline or designate the area to be licensed (including dimensions) which shows the bars, brewery, walls, partitions, entrances, exits and what each room shall be utilized for in this business. This diagram should be no larger than 8 1/2" X 11".				
13. Who, besides the owners listed in this application (including persons, firms, partnerships, corporations, limited liability companies), will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money from this business. Attach a separate sheet if necessary.				
Last Name NIA	First Name NIA	Date of Birth NIA	FEIN or SSN NIA	Interest/Percentage NIA
Last Name NIA	First Name NIA	Date of Birth NIA	FEIN or SSN NIA	Interest/Percentage NIA
<b>Attach copies of all notes and security instruments, and any written agreement, or details of any oral agreement, by which any person (including partnerships, corporations, limited liability companies, etc.) will share in the profit or gross proceeds of this establishment, and any agreement relating to the business which is contingent or conditional in any way by volume, profit, sales, giving of advice or consultation.</b>				
14. Optional Premises or Hotel and Restaurant Licenses with Optional Premises: Has a local ordinance or resolution authorizing optional premises been adopted?		NIA <input type="checkbox"/> <input type="checkbox"/>		
Number of additional Optional Premise areas requested. (See license fee chart)		<input type="checkbox"/>		
15. Liquor Licensed Drug Store applicants, answer the following:				
(a) Does the applicant for a Liquor Licensed Drug Store have a license issued by the Colorado Board of Pharmacy? If "yes" a copy of license must be attached.		NIA <input type="checkbox"/> <input type="checkbox"/>		
16. Club Liquor License applicants answer the following: <b>Attach a copy of applicable documentation</b>				
(a) Is the applicant organization operated solely for a national, social, fraternal, patriotic, political or athletic purpose and not for pecuniary gain?		NIA <input type="checkbox"/> <input type="checkbox"/>		
(b) Is the applicant organization a regularly chartered branch, lodge or chapter of a national organization which is operated solely for the object of a patriotic or fraternal organization or society, but not for pecuniary gain?		NIA <input type="checkbox"/> <input type="checkbox"/>		
(c) How long has the club been incorporated?		<input type="checkbox"/>		
(d) Has applicant occupied an establishment for three years (three years required) that was operated solely for the reasons stated above?		NIA <input type="checkbox"/> <input type="checkbox"/>		
17. Brew-Pub, Distillery Pub or Vintner's Restaurant applicants answer the following:				
(a) Has the applicant received or applied for a Federal Permit? (Copy of permit or application must be attached)		NIA <input type="checkbox"/> <input type="checkbox"/>		
18a. For all on-premises applicants. (If this is an application for a Hotel, Restaurant or Tavern License, the manager must also submit an individual History Record - DR 8404-I)				
Last Name of Manager Wessman	First Name of Manager Linda L.	Date of Birth 		
18b. Does this manager act as the manager of, or have a financial interest in, any other liquor licensed establishment in the State of Colorado? If yes, provide name, type of license and account number.		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Name	Type of License	Account Number		
19. Tax Distraint Information. Does the applicant or any other person listed on this application and including its partners, officers, directors, stockholders, members (LLC) or managing members (LLC) and any other persons with a 10% or greater financial interest in the applicant currently have an outstanding tax distraint issued to them by the Colorado Department of Revenue?		<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If yes, provide an explanation and include copies of any payment agreements.				

20. If applicant is a corporation, partnership, association or limited liability company, applicant must list all **Officers, Directors, General Partners, and Managing Members**. In addition, applicant must list any stockholders, partners, or members with **ownership of 10% or more in the Applicant**. All persons listed below must also attach form DR 8404-I (Individual History Record), and submit fingerprint cards to the local licensing authority.

Name	Home Address, City & State	DOB	Position	% Owned
Mingma Sherpa	20 Snowfall Drive #A6, Crested Butte, CO	[REDACTED]	Member	50
Linda L Wessman	20 Snowfall Drive #A6, Crested Butte, CO	[REDACTED]	Member	50
Name	Home Address, City & State	DOB	Position	% Owned
Name	Home Address, City & State	DOB	Position	% Owned
Name	Home Address, City & State	DOB	Position	% Owned

\*\* If Applicant is owned 100% by a parent company, please list the designated principal officer on question #20  
 \*\* Corporations - The President, Vice-President, Secretary and Treasurer must be accounted for on question #20 (Include ownership percentage if applicable)  
 \*\* If total ownership percentage disclosed here does not total 100%, applicant must check this box:

Applicant affirms that no individual other than these disclosed herein, owns 10% or more of the applicant, and does not have ownership in a prohibited liquor license pursuant to Title 47 or 48, C.R.S.

**Oath Of Applicant**

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge. I also acknowledge that it is my responsibility and the responsibility of my agents and employees to comply with the provisions of the Colorado Liquor or Beer Code which affect my license.

Authorized Signature <i>Linda L Wessman</i>	Printed Name and Title Linda L Wessman, Member/Manager	Date 07/15/16
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**Report and Approval of Local Licensing Authority (City/County)**

Date application filed with local authority July 26, 2016	Date of local authority hearing (for new license applicants; cannot be less than 30 days from date of application 12-47-311 (1) C.R.S.) October 3, 2016
--	--

The Local Licensing Authority Hereby Affirms that each person required to file DR 8404-I (Individual History Record) has:

- Been fingerprinted
- Been subject to background investigation, including NCIC/CCIC check for outstanding warrants

That the local authority has conducted, or intends to conduct, an inspection of the proposed premises to ensure that the applicant is in compliance with, and aware of, liquor code provisions affecting their class of license

(Check One)

Date of inspection or anticipated date \_\_\_\_\_

Will conduct inspection upon approval of state licensing authority

The foregoing application has been examined; and the premises, business to be conducted, and character of the applicant are satisfactory. We do report that such license, if granted, will meet the reasonable requirements of the neighborhood and the desires of the adult inhabitants, and will comply with the provisions of Title 12, Article 46 or 47, C.R.S.

**Therefore, this application is approved.**

Local Licensing Authority for TOWN OF CRESTED BUTTE	Telephone Number 970-349-5338	<input checked="" type="checkbox"/> Town, City <input type="checkbox"/> County
Signature <i>[Signature]</i>	Print Lynelle Stanford	Title Town Clerk
Signature (attest) <i>[Signature]</i>	Print BETTY WARREN	Title DEPUTY TOWN CLERK
		Date 7/26/16
		Date 7/26/16

OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO

**CERTIFICATE OF FACT OF GOOD STANDING**

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Sherpa Dharma, LLC

is a

Limited Liability Company

formed or registered on 05/16/2016 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20161338224 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 07/11/2016 that have been posted, and by documents delivered to this office electronically through 07/13/2016 @ 15:45:56 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 07/13/2016 @ 15:45:56 in accordance with applicable law. This certificate is assigned Confirmation Number 9739277 .



A handwritten signature in blue ink that reads "Wayne W. Williams".

Secretary of State of the State of Colorado

\*\*\*\*\*End of Certificate\*\*\*\*\*  
*Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."*



Colorado Secretary of State  
 Date and Time: 05/24/2016 02:53 PM  
 ID Number: 20161363300  
 Document number: 20161363300  
 Amount Paid: \$20.00

Document must be filed electronically.  
 Paper documents are not accepted.  
 Fees & forms are subject to change.  
 For more information or to print copies  
 of filed documents, visit [www.sos.state.co.us](http://www.sos.state.co.us).

ABOVE SPACE FOR OFFICE USE ONLY

**Statement of Trade Name of a Reporting Entity**

filed pursuant to §7-71-103 and §7-71-107 of the Colorado Revised Statutes (C.R.S)

1. For the reporting entity delivering this statement, its ID number, true name, form of entity and the jurisdiction under the law of which it is formed are

ID Number	<u>20161338224</u> <i>(Colorado Secretary of State ID number)</i>
True name	<u>Sherpa Dharma, LLC</u>
Form of entity	<u>Limited Liability Company</u>
Jurisdiction	<u>Colorado</u>

2. The trade name under which such entity transacts business or conducts activities or contemplates transacting business or conducting activities in this state is

Sherpa Cafe

3. A brief description of the kind of business transacted or activities conducted or contemplated to be transacted or conducted in this state under such trade name is

Full Service Restaurant

4. *(If the following statement applies, adopt the statement by marking the box and include an attachment.)*

This document contains additional information as provided by law.

5. *(Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)*

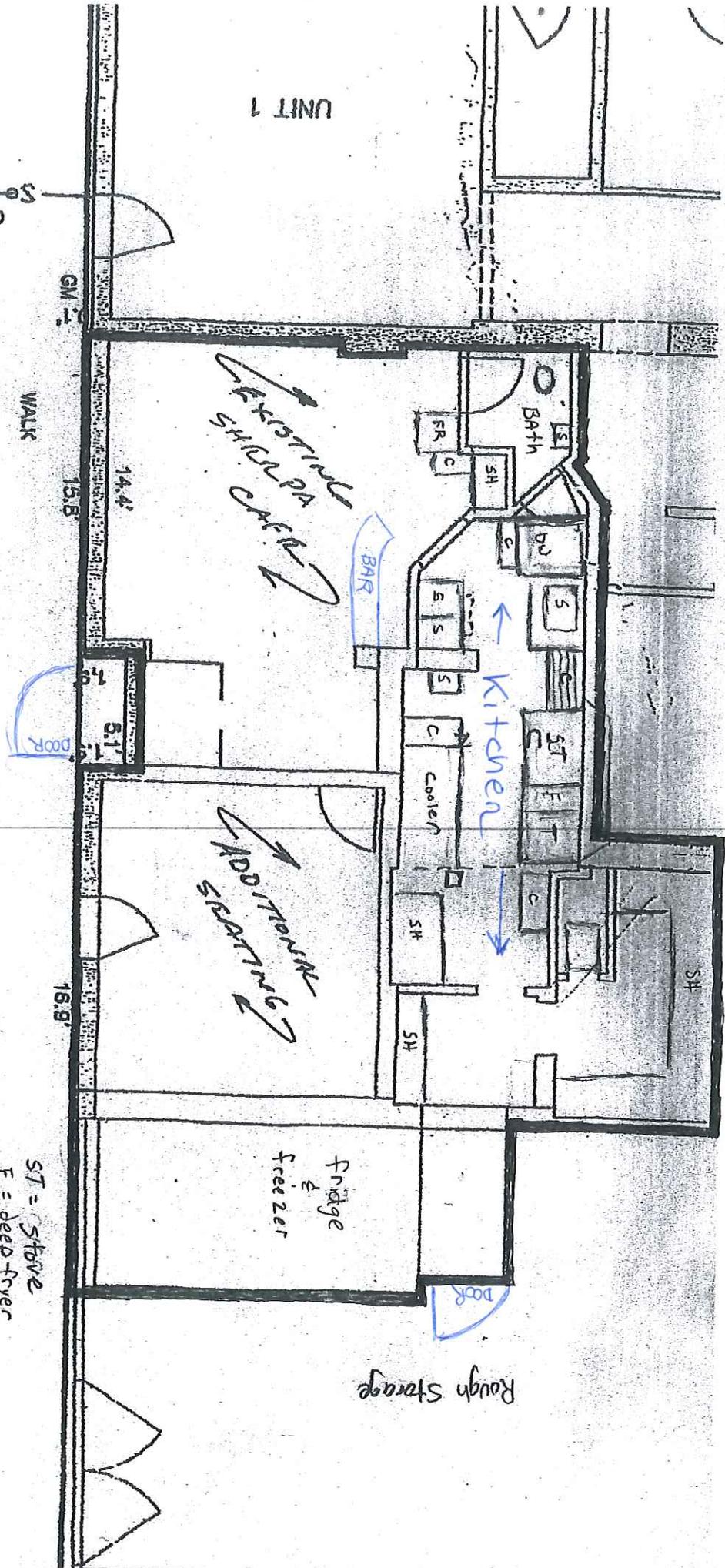
*(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)*  
 The delayed effective date and, if applicable, time of this document are \_\_\_\_\_  
*(mm/dd/yyyy hour:minute am/pm)*

**Notice:**

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that such document is such individual's act and deed, or that such individual in good faith believes such document is the act and deed of the person on whose behalf such individual is causing such document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S. and, if applicable, the constituent documents and the organic statutes, and that such individual in good faith believes the facts stated in such document are true and such document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is identified in this document as one who has caused it to be delivered.

UNIT 1



- ST = stove
- F = deep fryer
- T = landmark oven
- DW = dish washer
- = mop sink
- S = sink
- C = cart
- SH = shelves
- FR = fridge for soda

THIRD STREET

DBA SHEPPA CAFE 313 THIRD ST, CRESTED BUTTE, CO

THIS LICENSE MUST BE POSTED IN PUBLIC VIEW

DR 8402 (07/01/2012)

**STATE OF COLORADO  
DEPARTMENT OF REVENUE**

**LIQUOR ENFORCEMENT DIVISION**

1881 Pierce Street, Suite 108  
Lakewood, Colorado 80214

**SHERPA DHARMA LLC  
dba SHERPA CAFE  
313 3RD STREET  
CRESTED BUTTE CO 81224**

**ALCOHOL BEVERAGE LICENSE**

Liquor License Number <b>4706988</b>	License Expires at Midnight <b>September 08, 2017</b>
License Type <b>BEER &amp; WINE (CITY)</b>	
Authorized Beverages <b>MALT AND VINOUS LIQUOR</b>	

This license is issued subject to the laws of the State of Colorado and especially under the provisions of Title 12, Articles 46 or 47, CRS 1973, as amended. This license is nontransferable and shall be conspicuously posted in the place above described. This license is only valid through the expiration date shown above. Any questions concerning this license should be addressed to: Colorado Liquor Enforcement Division, 1881 Pierce Street, Suite 108, Lakewood, CO 80214.

In testimony whereof, I have hereunto set my hand. 9/9/2016MA



Division Director



Executive Director



## Staff Report

September 29, 2016

**To:** Mayor and Town Council  
**Thru:** Dara MacDonald, Town Manager  
**From:** Rodney E Due, Director of Public Works  
**Subject:** **WASTEWATER TREATMENT PLANT UPGRADES 2017**  
**Attachments:** Project Needs Assessment (PNA)  
**Date:** October 3, 2016

---

**Summary:** The Town Public Works Department will be applying for funding assistance from the State Revolving Fund through the Colorado Department of Health and Environment (CDPHE). The notice of public hearing was published in the September 2<sup>nd</sup> and 9<sup>th</sup> editions of the Crested Butte News. The public hearing is set to inform citizens and solicit public input, regarding the planned improvements to the Crested Butte Wastewater Treatment Facility, and recently prepared Project Needs Assessment (PNA). The PNA and associated reports have been submitted to the CDPHE.

The total projected cost for these improvements is \$3.3 million. The Town will seek to fund two thirds of the project costs through a 20-year, 2% low-interest loan from the State Revolving Loan fund through the CDPHE, matched with an Energy Impact Assistance Fund grant of \$1 million dollars through the Colorado Department of Local Affairs (DOLA).

**BACKGROUND:** The Town received \$90,000 in funding assistance from DOLA for the design of the wastewater treatment plant upgrades in 2016. The total cost of design is not to exceed \$250,000. The Town is currently requesting funding for the construction of the upgrades in 2017. The project is designed to maintain permit compliance, and to meet future effluent limits. The upgrades of the treatment plant are based on a design being provided by FEI Engineers. The proposed upgrades include; replacing the mechanical bar screen and grit collection system (that are at the end of their useable life), construction of a new biological treatment process (currently no redundancy, and unable to take off line for maintenance or cleaning), and replace the existing UV disinfection system (no longer serviced by the manufacturer, and has no redundancy as required by CDPHE Policy WPC-DR-1). The new treatment process will also help the system achieve future compliance with Regulation 85 nutrient requirements.

**Pros:** Constructing the new WWTP Upgrades will eliminate the possibility of future permit violations, and provide a quality effluent that will not impact the receiving waters of the Slate River in a negative way.

**Cons:** Future NPDES Permit violations, Fines, equipment failure, and possible impacts to human health and the environment.

**Council Action:**

Council should open the public hearing and consider any comments that are brought forward. No further action is required at this time.



# Water Pollution Control Project Needs Assessment (PNA) Form

Water Quality Control Division

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**COLORADO**  
Department of Public  
Health & Environment

# Water Pollution Control Project Needs Assessment (PNA) Form

Water Quality Control Division

## 1 Application Information

Entity Name:

Name of Project:

Type of Project (check all that apply)

- New domestic wastewater treatment plant
- Construction project resulting in increase or decrease in design capacity of existing wastewater treatment plant
- Modification of wastewater treatment plant that will not result in a change to treatment capacity
- New or relocated wastewater treatment plant outfall
- New or expansion of lift station
- New interceptor (24-inch diameter or larger pipeline)
- Collection system (gravity sewer mains less than 24-inches in diameter)
- In-Kind Replacement (Replacement of any process or hydraulic treatment conveyance component with an identical or similar component. Usually in cases where equipment has reached end of life and replacement is necessary to maintain compliance)
- Stormwater<sup>1</sup>
- Non-Point Source Discharge<sup>1</sup>

Owner Information:

Name:

Address:

Email:

Phone:

Consultant Engineer Information:

Name:

Address:

Email:

Phone:

Signatures:

This PNA was prepared by \_\_\_\_\_ on \_\_\_\_\_  
(Print Name) (Date)

Signature \_\_\_\_\_ License # \_\_\_\_\_

Engineer Seal:

Include the Engineer's Seal as Attachment 1.

1) For stormwater and non-point source discharge projects, complete only the applicable sections of this form

## Self-Certification

Does the system intend to self-certify all or a portion of the project?  (more information)

Yes    No

If yes, please identify the portions of the project that the system will self-certify.

Collection system piping

Provide explanation:

## Streamlined Review

Does the system intend to use the streamlined review process for all or a portion of the project? 

Yes    No

If yes, please identify the portions of the project that the system will utilize streamlined review process.

Wastewater treatment new construction or modifications that do not include an alternative technology

Provide explanation:

## 2 Executive Summary

Provide a narrative that summarizes the system needs, selected alternative, and the environmental and/or public health benefits of the proposed project.

### 3 System Structure and Operation

#### 3.1 Legal Ownership of System

Name:

Address:

Phone:

Fax:

#### 3.2 Organizational Chart

Include an Organizational Chart as Attachment 2.

#### 3.3 Current Operator in Responsible (ORC) Charge

Name(s):

Certification Number:

Certification Expiration Date:

Operator Certification Level (check one)

Staff Operator  Contract Operator

Treatment:  Class D  Class C  Class B  Class A

Collection:  Class 4  Class 3  Class 2  Class 1

Combined Treatment/Collection:  Class S

#### 3.4 Operator Certification

Do the system operators have adequate operator certification levels for the proposed project as defined by *Regulation 100 Water and Wastewater Facility Operators Certification Requirements*?  Yes  No

Explain the impact of the proposed project on the required operator in responsible charge (ORC) certification level and other predicted staffing changes.

Include a copy of the written delegation of duties, including constraints and conditions requiring consultation with the ORC, as Attachment 3.

#### 3.5 20-year cash flow projection

Include a copy of the 20-year cash flow projection as Attachment 4. 

## 4 Project Purpose and Need

Discuss the issue or concern that the proposed project will address. Specific issues are outlined below. All issues must be discussed in each sub section below even if they are not the project driver.

### 4.1 Compliance

Summarize the system's current and future discharge permit compliance status that necessitates the proposed project.

### 4.2 Existing facility limitations

Summarize existing wastewater system facility(ies) limitations that necessitate the proposed project.

### 4.3 Operations and Maintenance

Summarize operational and maintenance (O&M) issues with the existing wastewater facilities that necessitate the project.

## 5 Existing Facilities Analysis

### 5.1 Existing Treatment- Section required for treatment and outfall projects

Not applicable (*for collection system piping, lift stations, interceptors, only*)

System Discharge Permit Number:

Existing Permitted Treatment Capacity:

Flow: MGD

Loading: Pounds per Day BOD<sub>5</sub>

**5.1.1 *Area Discharge Permits***

Identify all other discharge permits for facilities discharging to the same stream segment as the existing treatment facilities.

**5.1.2 *Service Area***

Describe the existing service area including residential, commercial and industrial users, as well as flows and loads from the service area.

**5.1.3 *Facilities Layout and Description***

Describe existing facilities including design capabilities and conditions of existing treatment processes including treatment processes used and major design parameters (e.g. process capacities, unit loading rates, side stream flows, and solids handling).

**5.1.4 *Existing Process Flow Diagram***

Provide a process flow diagram of the existing treatment system as Attachment 5.

5.1.5 *Wastewater Flows*

Please describe the existing wastewater flows and influent characteristics (including toxic pollutants), discharge permit limits, and overload conditions. Discuss and analyze the average, peak, dry, and wet weather flows. Describe flow contributions from residential, commercial, and industrial users, as well as infiltration and inflow.

5.1.6 *Appropriateness of Treatment Technologies*

Discuss if the existing treatment process(es) are appropriate to meet the current discharge permit considering existing influent quality and discharge permit limits.

5.1.7 *Capacity of Treatment Technologies*

Is the capacity of the existing wastewater treatment system appropriate to accommodate wastewater flows through the next 20 years?

Yes  No

Please explain:

5.1.8 *Operational Controls*

Describe if the existing treatment processes have appropriate operational controls.

5.2 Collection - Required for collection system, lift station, and interceptor projects only

Not applicable (for treatment and outfall projects, only)

5.2.1 *Service Area*

Describe the existing service area including residential, commercial and industrial users, as well as flows and loads from the service area.

5.2.2 *Overall Collection System Description*

Discuss the existing collection system including: gravity collection pipelines, facility age, material type, condition of materials, and amount of AC pipe. Describe the location and capacities of all relevant lift stations and interceptor sewers and their relation to the proposed project.

Provide a map of the existing collection system as Attachment 6.

Provide information on current infiltration and inflow.

## 6 Facility Planning Analysis

### 6.1 Planning Area Description

#### 6.1.1 *Project Area Map*

Provide a map or maps showing the current and projected service area for the 20-year planning period; identify environmental features such as streams, lakes, wetlands, and floodplains for the entire planning area. On the map, identify the locations of municipal and industrial treatment plants, sludge management areas and facilities, pretreatment plants, lift station sites and any significantly developed areas served by onsite or unconventional systems.

Include the map as Attachment 7. 

#### 6.1.2 *208 Plan Coordination*

Is the project within or near the boundaries of a 208 Agency or regional council of governments (COG)?  Yes  No

If yes, describe how the project is in conformance with the 208 Plan in relation to service area boundaries, population projections, and whether or not the project is identified in the 208 Plan.

#### 6.1.3 *Local and Regional Issues*

Were local and regional planning efforts considered?

Yes  No Please describe.

Was consolidation with another wastewater system / treatment facility considered?

Yes  No If yes, describe the consolidation considerations. If no, please indicate why consolidation was not considered.

## 6.2 Population and Flow Projections

For a 20 year planning period, forecast the population growth, projected increase in Single Family Equivalents (SFEs), and projected wastewater flows.

Current SFEs - As Calculated in the Prequalification Form:

Population and Demand Projections - The department generally accepts two methodologies for projecting water flows over the 20 year planning period. Other methodologies are acceptable with a clear explanation and all assumptions and parameters listed:

Method 1: Population based projections. Recommended for primarily residential systems and/or for systems without potable water meter data.

Method 2: Equivalent Residential Unit (EQR) Analysis. Recommended for systems with a high multifamily, commercial, and industrial users.

Method 1 and 2 templates can be found at the end of this form.

Attach the population projection as Attachment 8.

Discuss supporting data and reasons for projected future growth during the 20 year planning period.

Note: Projects designed solely to serve future development or population growth are not eligible for State Revolving Fund financing.

Identify waste load projections for major effluent parameters such as BOD, TSS, ammonia, phosphorus, metals, etc.

## 7 Assessment of Alternatives

This section should contain a description of the reasonable alternatives that were considered in planning a solution to meet the identified needs. If the proposed project includes new technology then the please discuss whether or not the technology is covered in the CDPHE Design Criteria.

### 7.1 Alternatives

For each alternative, please provide:

- A description of the alternative addressing the issues identified in Section 4: Project Purpose and Need.
- Capital cost estimates and annual operation and maintenance costs.
- Advantages and Disadvantages of each alternative.

#### Alternative 1 Title:

Alternative 1 Description (2000 character limit):

Alternative 1 Capital and Operation and Maintenance Costs (2000 character limit):

Alternative 1 Advantages and Disadvantages (2000 character limit):

**Alternative 2 Title:**

Alternative 2 Description (2000 character limit):

Alternative 2 Capital and Operation and Maintenance Costs (2000 character limit):

Alternative 2 Advantages and Disadvantages (2000 character limit):

**Alternative 3 Title:**

Alternative 3 Description (2000 character limit):

Alternative 3 Capital and Operation and Maintenance Costs (2000 character limit):

Alternative 3 Advantages and Disadvantages (2000 character limit):

Provide discussions of additional alternatives as Attachment 9.

## 8 Selected Alternative

### 8.1 Justification of Selected Alternative

Please demonstrate why the selected alternative best meets system needs based on both monetary and non-monetary considerations.

**8.2 Technical Description and Design Parameters**

For the selected alternative, please describe all proposed project components and assumed design parameters.

**8.3 Proposed Process Flow Diagram**

Include a proposed treatment facility process flow diagram or map of the collection system, lift station, or interceptor, as applicable as Attachment 10.

**8.4 Appropriateness of Treatment Technologies**

Discuss appropriateness of the proposed treatment process(es) to meet proposed discharge limits considering anticipated influent wastewater quality.

**8.5 Environmental Impacts**

Describe direct and indirect impacts on floodplains, wetlands, wildlife habitat, historical and archaeological properties, etc., including any projected permits and certifications. Indicate the need for a stormwater permit application, 401/404 permit applications, and CDOT and railroad permit applications.

**8.6 Land Requirements**

Identify all necessary sites and easements, permits and certifications, and specify if the properties are currently owned, to be acquired, or leased by the applicant.

**8.7 Construction Challenges**

Discuss construction challenges such as subsurface rock, high water table, limited access, or other conditions that may affect cost of construction or operation of a facility.

**8.8 Operational Aspects**

Discuss the operator staffing requirements, operator certification level requirements, the expected basic operating configuration and process control complexities, and the operational controls and equipment that allows operational personnel to respond to routine and unanticipated treatment challenges, such as flow rate, fluctuations in influent quality, process monitoring and chemical feed dosing.

### 8.9 Costs

Summarize the capital costs associated with the selected alternative. The 20 year cash flow projection included in Attachment 4 must reflect the capital and operation and maintenance costs associated with the selected alternative.

Cost Categories:

*(enter a percentage of total project costs, attributable to each cost category below)*

Secondary Treatment (Category I)	_____%
Advanced Treatment (Category II)	_____%
Infiltration/Inflow (Category IIIA)	_____%
Sewer System Rehabilitation (Category IIIB)	_____%
New Collector Sewers (Category IVA)	_____%
New Interceptors (Category IVB)	_____%
CSO Correction (Category V)	_____%
Storm Sewers (Category VI)	_____%
Recycle Water Distribution (Category X)	_____%
Nonpoint Source Pollution Control Activities (Category VII)	_____%
TOTAL: (should total 100%)	_____%

Please include an estimate of the projected increase in and total average monthly user charges. Does the user charge system allow for billing, collection, and enforcement?

### 8.10 Green Project Reserve

Check one or more green category that applies to the project:

Green Infrastructure  Water Efficiency  Energy Efficiency  Environmentally Innovative

Describe any green components incorporated into the selected alternative.

The system must reference the most recent copy of the EPA Green Project Reserve guidance and procedures. These references are available on the CDPHE WQCD GLU website under "Green Project Reserve": <https://www.colorado.gov/pacific/cdphe/wq-green-project-reserve>

Include a business case for the project as Attachment 11, if applicable.

### 8.11 Environmental Checklist

Include the Environmental Checklist for the Selected Alternative as Attachment 12.

### 8.12 Project Implementation

#### 8.12.1 *Proposed Schedule (Please attach a project schedule as Attachment 13 if one is available)*

Request for PELs		_____
Site Application Submittal Date		_____
Process Design Report/Basis of Design Report Submittal Date		_____
Final Plans and Specifications Submittal Date (for Non-Streamlined Review only)		_____
Discharge Permit		_____
Miscellaneous Permits		_____
Public Meeting Date		_____
Loan Application Submittal Date		_____
Advertisement for Bids Publication Date		_____
Construction Contract Award Date		_____
Construction Start Date		_____
Construction Completion Date		_____

#### 8.12.2 *Public Meeting*

Provide documentation of a public meeting held or describe when and where the meeting will be held. The meeting must be noticed for 30 days. Provide the public notice, proof of publication, sign in sheet, and agenda as Attachment 14 or provide to your project manager in the Grants and Loans Unit after the meeting has taken place.

Include the public meeting documentation as Attachment 14.

Or, will be provided to the Grants and Loans Unit project manager after the meeting takes place.

**Include the following with the Project Needs Assessment submittal:**

**Attachments**

- Attachment 1 - Engineer's Seal
- Attachment 2 - Organizational Chart
- Attachment 3 - Written delegation of operator duties
- Attachment 4 - 20-year cash flow projection
- Attachment 5 - Existing process flow diagram
- Attachment 6 - Existing collection system map
- Attachment 7 - Project area map
- Attachment 8 - Population and flow projections
- Attachment 9 - Additional alternatives descriptions
- Attachment 10 - Proposed process flow diagram
- Attachment 11 - Green Project Business Case
- Attachment 12 - Environmental checklist
- Attachment 13 - Project Schedule
- Attachment 14 - Documentation of public meeting



TOWN OF CRESTED BUTTE  
ORGANIZATIONAL CHART

MAYOR & TOWN COUNCIL

Town Manager

Public Works Director	Community Development & Town Planner	Building & Zoning Director Capital Projects	Finance & Personnel Director	Town Clerk	Chief Marshal	Parks & Recreation Director
Water Plant Manager	GIS/Mapping Specialist	Historic Preservation Building/Zoning Coordinator	Finance Assistant	Deputy Town Clerk	Assistant Chief Marshal	Recreation Programmer
Sewer Plant Manager		Building Inspector	Sales Tax Specialist		Deputy Marshal	Park Supervisor
Water & Sewer Crew		Building/Zoning Admin. Assistant	Admin. Assistant & Reception		Administrative Assistant	Park Maintenance Crew Lead
Public Works Manager						Park Maintenance Crew
Public Works Crew						Seasonal Crew
Mechanics						
Facilities Maintenance						

Town Attorney and Municipal Judge are hired by the Town Council

## Town Council Appointees:

Town Manager	Todd Crossett
Town Attorney	John Belkin
Municipal Judge	Ben Eden

Town of Crested Butte  
Department Employees

Public Works Director	Rodney Due
Water Plant Manager	David Jelinek
Sewer Plant Manager	Shea Earley
Distribution/Collection	Eric Treadwell
	Walter Kretowicz
	Ian Baird
Public Works Manager	Brad Cadwell
Public Works Crew	Ken Wilson
	Steve Hamilton
	Vern Cox
Fleet Manager/Mechanic	Kevin McNamara
Mechanic	Matt Cahir
Facilities Maintenance	Dale Hoots
Custodian	Michael Strauch
Town Planner	Michael Yerman
GIS/Mapping	Hilary Mayes (Part-time 20 Hours/week)
Building & Zoning	
Director	Bob Gillie
Historic Preservation	
Building/Zoning	Molly Minneman
Building Inspector	Astrid Mattison
Building/Zoning	
Assistant	Jessica Earley
Finance & Human	
Resource Director	Lois Rozman
Finance Assistant	Nancy Talley
Sales Tax Specialist	Tina Curvin (Part-time 28 Hours/week)
Reception	Diane Theaker
Town Clerk	Lynelle Stanford
Deputy Town Clerk	Betty Warren

Chief Marshal	Tom Martin
Assistant Chief	Mike Reily
	Joe Dukeman
	Peter Daniels
	Sean Besecker
	James Beda
	Dan Batteiger

Administrative Assistant	Kayce Barnett
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Parks & Rec Director	Janna Hansen
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Recreation Programmer	Kyle Thomas
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Parks Supervisor	Pete Curvin
------------------	-------------

Parks Maintenance Crew Lead	Doug Collins
	Jack Greene

Park Maintenance Crew	Dana Shaw
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Plus seasonal crew for maintenance and flower boxes and gardens

Numerous seasonal coaches and volunteers for recreation programs throughout the year

Shea D Earley

Wastewater System Manager/ ORC

- Administrative Duties
  - Budget
  - Regulatory Reporting
  - Administers construction specs. for sewer utility installation.
- Data collection, assimilation, and review for treatment facility
- Administers sample collection program
- Administers laboratory analysis and reviews results
- Determines process controls
- Administers Operations & Maintenance Plan for facility
- Administers Operations & Maintenance Plan for collection system
- Administers pretreatment program



Ian Baird

Wastewater System Operator

- Operation & maintenance duties of treatment facility based on plan
- Data Collection
- Sample Collection
- Laboratory Analysis
- Assist with operations & maintenance duties pertaining to collection system
- Needs approval to perform process control changes
- Needs approval to make modifications to the Operation & Maintenance Plan

Eric Treadwell

Utility System Operator

- Operation & maintenance duties of collection system based on plan
- Enforces the pretreatment program
- Assists the wastewater system operator with operation & maintenance duties pertaining to treatment facility
- Needs approval to perform process control changes
- Needs approval to make modifications to the Operations & Maintenance Plan for both the treatment facility and the collection system

ATTACHMENT 4 - WATER & SEWER FUND 20-YEAR CASH FLOW PROJECTION				UNAUDITED - FOR PRELIMINARY PLANNING PURPOSES ONLY																			
YEAR	Notes	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20		
<b>CASH INFLOWS</b>																							
Operating Revenues	Timeframe: Annual, Increase: 2.5%, Source: per Town																						
<b>Total Operating Revenues</b>		1,316,714	1,349,632	1,383,373	1,417,957	1,453,406	1,489,741	1,526,985	1,565,159	1,604,288	1,644,395	1,685,505	1,727,643	1,770,834	1,815,105	1,860,482	1,906,994	1,954,669	2,003,536	2,053,624	2,104,965	2,157,589	2,211,529
<b>Non-operating Revenues</b>																							
Total Annual Tap/development fees	Biennial, 3.0%, per Town	175,000	175,000	180,250	180,250	185,658	185,658	191,227	191,227	196,964	196,964	202,873	202,873	208,959	208,959	215,228	215,228	221,685	221,685	228,335	228,335	235,185	235,185
Interest Income	Base Year	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Other Contribution	Base Year	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Interest & Penalties	Base Year	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
<b>Total Non-Operating Revenues</b>		186,500	186,500	191,750	191,750	197,158	197,158	202,727	202,727	208,464	208,464	214,373	214,373	220,459	220,459	226,728	226,728	233,185	233,185	239,835	239,835	246,685	246,685
Loan Proceeds	-		1,500,000								1,000,000												
Capital Improvement Reserve Input	-	222,488																					
DOLA Grant Proceeds	Tier I in 2016, Tier II in 2017	90,000	1,405,000		150,000		125,000		100,000		200,000		150,000		87,500		137,500		75,000				
<b>Total Financing Proceeds</b>		312,488	2,905,000	0	150,000	0	125,000	0	100,000	0	1,200,000	0	150,000	0	87,500	0	137,500	0	75,000	0	0	0	0
<b>TOTAL CASH INFLOWS</b>		1,815,702	4,441,132	1,575,123	1,759,707	1,650,563	1,811,899	1,729,712	1,867,886	1,812,752	3,052,859	1,899,878	2,092,016	1,991,293	2,123,064	2,087,210	2,271,222	2,187,854	2,311,721	2,293,460	2,344,800	2,404,275	2,458,214
<b>CASH OUTFLOWS</b>																							
Operating Expenses	Timeframe: Annual, Increase: 3.0%, Source: Per Town																						
O&M Expense	Annual, 3.0%, Per Town	704,449	725,582	772,109	795,273	819,131	843,705	869,016	895,086	921,939	949,597	978,085	1,007,428	1,037,651	1,068,780	1,100,843	1,133,869	1,167,885	1,202,921	1,239,009	1,276,179	1,314,465	1,353,899
Other Operating Expense	Annual, 2.5%, Per Town	2,200	2,255	2,311	2,369	2,428	2,489	2,551	2,615	2,680	2,747	2,816	2,887	2,959	3,033	3,109	3,186	3,266	3,348	3,431	3,517	3,605	3,695
General & Admin	Annual, 2.5%, Per Town	237,212	243,142	249,221	255,451	261,838	268,384	275,093	281,971	289,020	296,245	303,651	311,243	319,024	326,999	335,174	343,554	352,143	360,946	369,970	379,219	388,699	398,417
<b>Total Operating Expenses</b>		943,861	970,980	1,023,642	1,053,093	1,083,397	1,114,578	1,146,661	1,179,672	1,213,639	1,248,590	1,284,553	1,321,557	1,359,633	1,398,812	1,439,126	1,480,609	1,523,293	1,567,215	1,612,410	1,658,915	1,706,769	1,756,011
<b>Capital Expenses</b>																							
Wastewater	-																						
Wastewater Plant	-	427,500	2,905,000	95,000	0	140,000	150,000	100,000	75,000	275,000	2,000,000	0	0	75,000	100,000	0	75,000	75,000	75,000	15,000	90,000	0	0
ATAD	-	25,000	25,000	150,000	307,500	0	0	100,000	200,000	0	0	20,000	320,000	20,000	0	750,000	0	0	40,000	75,000	0	0	0
Subtotal	-	452,500	2,930,000	245,000	307,500	140,000	150,000	200,000	275,000	275,000	2,000,000	20,000	320,000	95,000	100,000	750,000	75,000	75,000	115,000	90,000	90,000	0	0
Drinking Water	-	115,000	75,000	75,000	190,000	250,000	250,000	250,000	25,000	150,000	40,000	350,000	10,000	100,000	175,000	75,000	275,000	35,000	150,000	25,000	25,000		
Equipment (Water & Wastewater)	-	0	0	227,000	93,000	30,000	0	0	0	0	30,000	300,000	0	30,000	0	30,000	0	0	0	0	0	0	0
<b>Total Capital Expenses</b>		567,500	3,005,000	547,000	590,500	420,000	400,000	450,000	300,000	425,000	2,070,000	670,000	330,000	225,000	275,000	855,000	350,000	110,000	265,000	115,000	115,000	0	0
<b>Debt Service</b>																							
Existing Debt Service	Principal, Interest, Term	304,341	107,445	107,445	107,445	107,445	107,445	107,445	107,445	107,445	107,445	107,445	107,445	107,445	107,445	107,445	16,678	16,678	0	0	0	0	0
New Debt Service																							
2017 WPCRF Loan	1,500,000, 2%, 20	0	0	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736	91,736
2025 WPCRF Loan	1,000,000, 2%, 20										61,157	61,157	61,157	61,157	61,157	61,157	61,157	61,157	61,157	61,157	61,157	61,157	61,157
<b>Total Debt Service</b>		304,341	107,445	199,181	199,181	199,181	199,181	199,181	199,181	199,181	260,338	260,338	260,338	260,338	260,338	260,338	169,571	169,571	152,893	152,893	152,893	152,893	152,893
<b>TOTAL CASH OUTFLOWS</b>		1,815,702	4,083,425	1,769,823	1,842,774	1,702,578	1,713,758	1,795,841	1,678,853	1,837,820	3,578,928	2,214,890	1,911,895	1,844,971	1,934,150	2,554,464	2,000,179	1,802,864	1,985,108	1,880,303	1,926,808	1,859,662	1,908,903
Previous Year Balance/adjustment		1,240,181	1,240,181	1,597,888	1,403,188	1,320,121	1,268,106	1,366,247	1,300,117	1,489,150	1,464,082	938,014	623,002	803,123	949,446	1,138,360	671,106	942,149	1,327,139	1,653,753	2,066,910	2,484,902	3,029,515
Accrual or Loss from Current Year		0	357,707	-194,700	-83,067	-52,014	98,140	-66,130	189,033	-25,068	-526,068	-315,012	180,121	146,322	188,914	-467,254	271,043	384,990	326,613	413,157	417,992	544,613	549,311
<b>NET OPERATING FUND - PROJECTED</b>	(SEE ASSUMPTIONS NOTE 3)	1,240,181	1,597,888	1,403,188	1,320,121	1,268,106	1,366,247	1,300,117	1,489,150	1,464,082	938,014	623,002	803,123	949,446	1,138,360	671,106	942,149	1,327,139	1,653,753	2,066,910	2,484,902	3,029,515	3,578,826
<b>REQUIRED RESERVES</b>																							
Rate Covenants Requirement >= 1.10 (Net Operating Fund/Annual debt svc)		4.07	14.87	7.04	6.63	6.37	6.86	6.53	7.48	7.35	3.60	2.39	3.08	3.65	4.37	2.58	5.56	7.83	10.82	13.52	16.25	19.81	23.41
O&M Reserve (25% of O&M Costs)																							
O&M Reserve - MinTarget		176,112	181,396	193,027	198,818	204,783	210,926	217,254	223,772	230,485	237,399	244,521	251,857	259,413	267,195	275,211	283,467	291,971	300,730	309,752	319,045	328,616	338,475

## **ADDENDUM TO ATTACHMENT 4 –**

### **WATER & SEWER FUND 20-YEAR CASH FLOW PROJECTION**

#### List of Assumptions

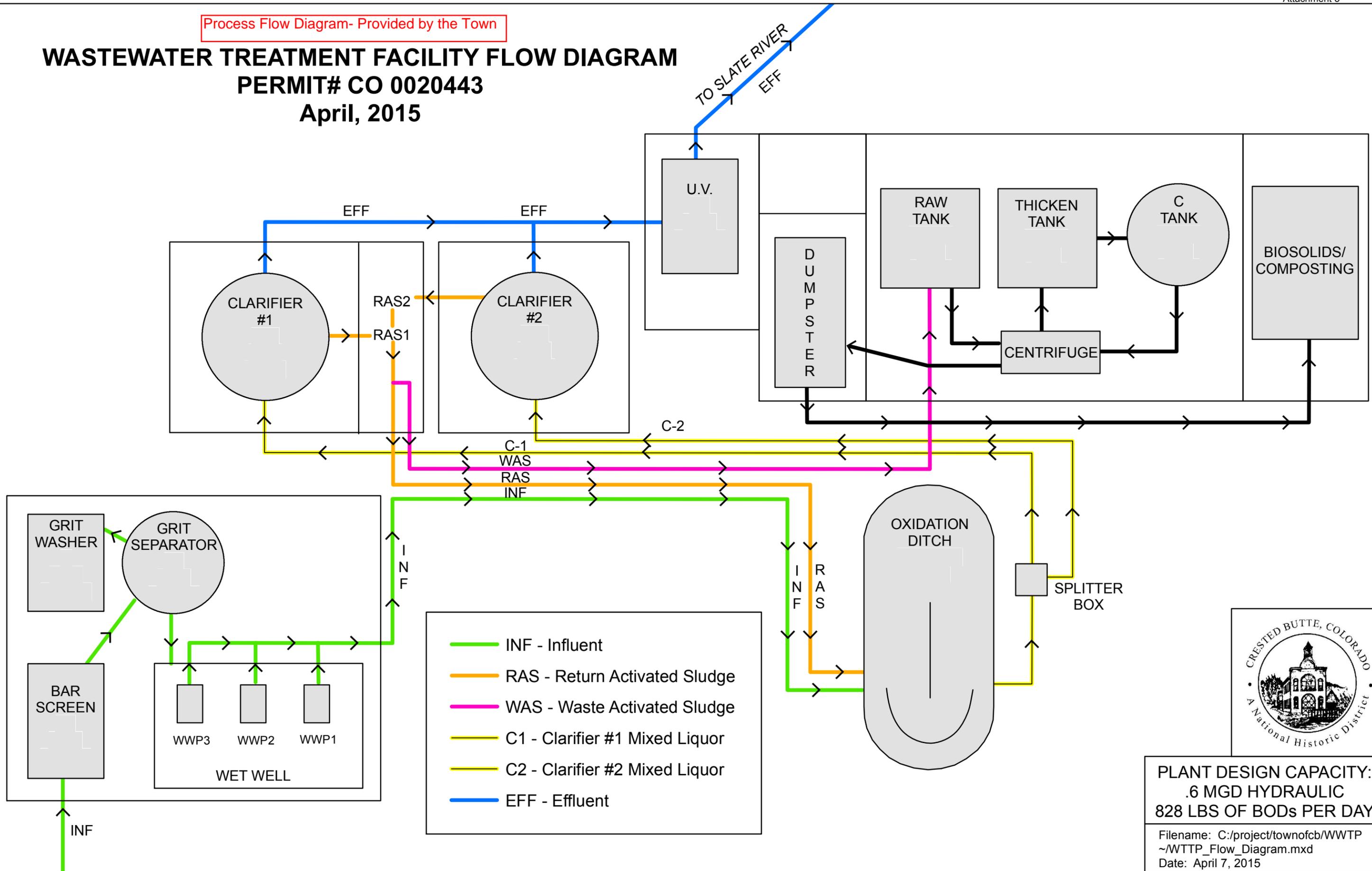
1. The Cash Flow Projection was developed based on the Town's 2016 Adopted Budget. 2016 figures are used to reflect the Base Year for the projection.
2. Revenues and expenses reflected on 2016 Budget line items related to "Sanitation" (trash removal) have been excluded from the cash flow projection.
3. "Available Resources," aka Fund Balance, reflected in the 2016 Budget are available for water and sewer expenses up to 99 percent of the fund. One percent is earmarked for trash removal related expenses.
4. The Town has earmarked funds for Debt Service, in the amount of \$160,736, and Drinking Water Filter Module replacement, in the amount of \$234,000, within the "Available Resources" of the 2016 Budget. These earmarked funds are not included in the "Net Operating Fund" of the cash flow projection.
5. "Net Operating Fund" starting figure for 2016 was assumed to be 37 percent of the total estimated "General" fund balance of \$3,351,841. This percentage distribution was applied by the Town to 2014 Available Resources. Attributing only a portion of the fund to the wastewater system is necessary since the fund pertains to both the drinking water and wastewater systems, as well as Town trash removal activities.
6. Revenues and expenses will increase over time. Conservative estimates of these annual or biennial increases have been made by the Town and are reflected in the cash flow projection.
7. O&M expenses for 2018 are reflective of the system improvements to be implemented in 2017.
8. The Town retains a fund balance of at least 25% of annual O&M costs in their "Available Resources."

Process Flow Diagram- Provided by the Town

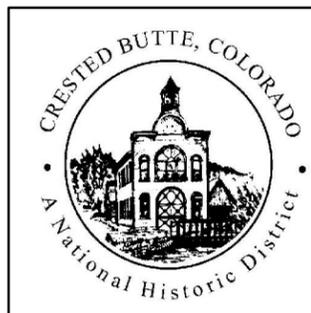
# WASTEWATER TREATMENT FACILITY FLOW DIAGRAM

## PERMIT# CO 0020443

### April, 2015

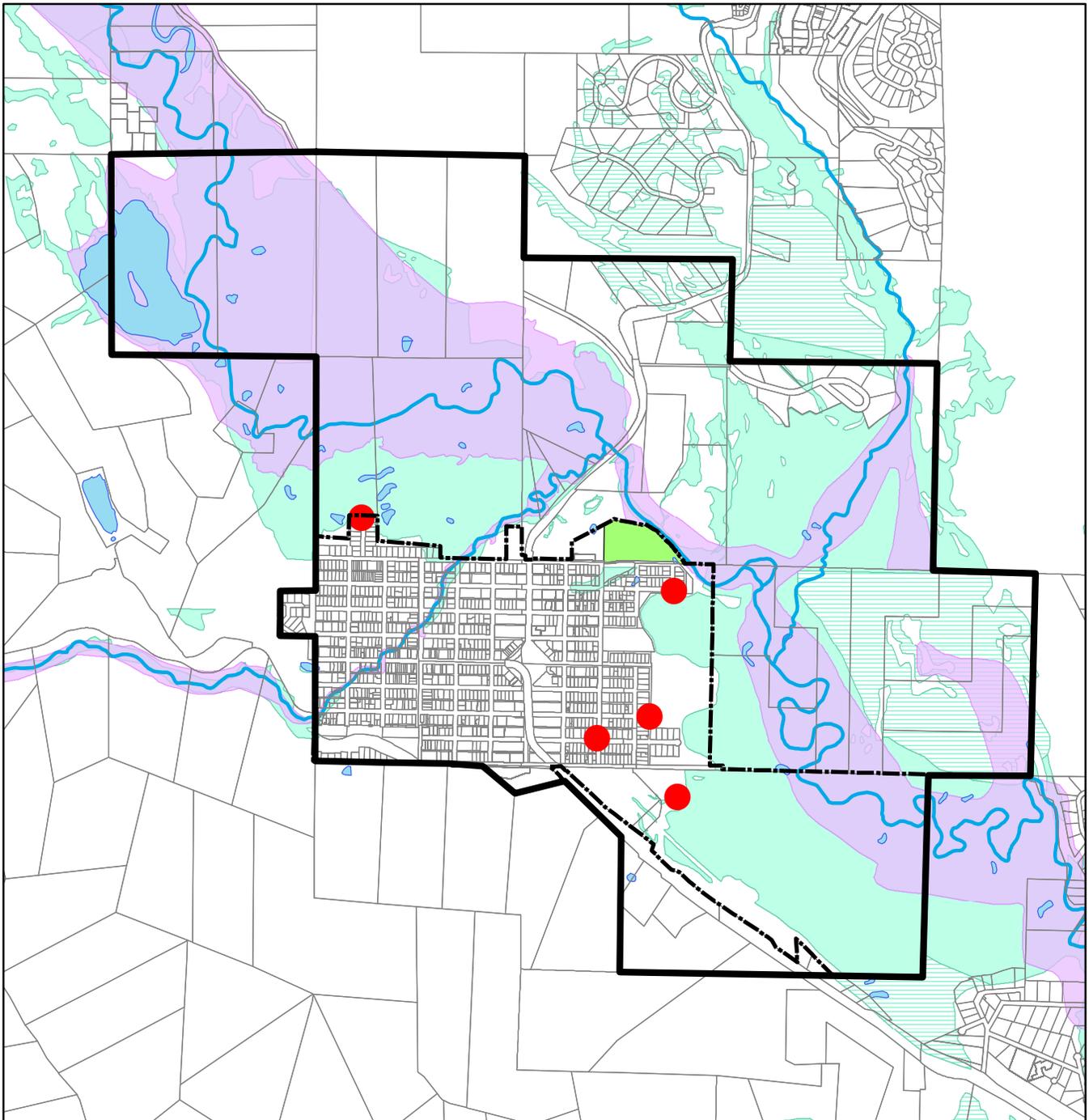


- INF - Influent
- RAS - Return Activated Sludge
- WAS - Waste Activated Sludge
- C1 - Clarifier #1 Mixed Liquor
- C2 - Clarifier #2 Mixed Liquor
- EFF - Effluent



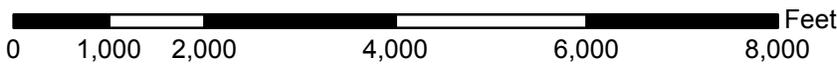
**PLANT DESIGN CAPACITY:**  
 .6 MGD HYDRAULIC  
 828 LBS OF BODs PER DAY

Filename: C:/project/townofcb/WWTP  
 ~/WTTP\_Flow\_Diagram.mxd  
 Date: April 7, 2015

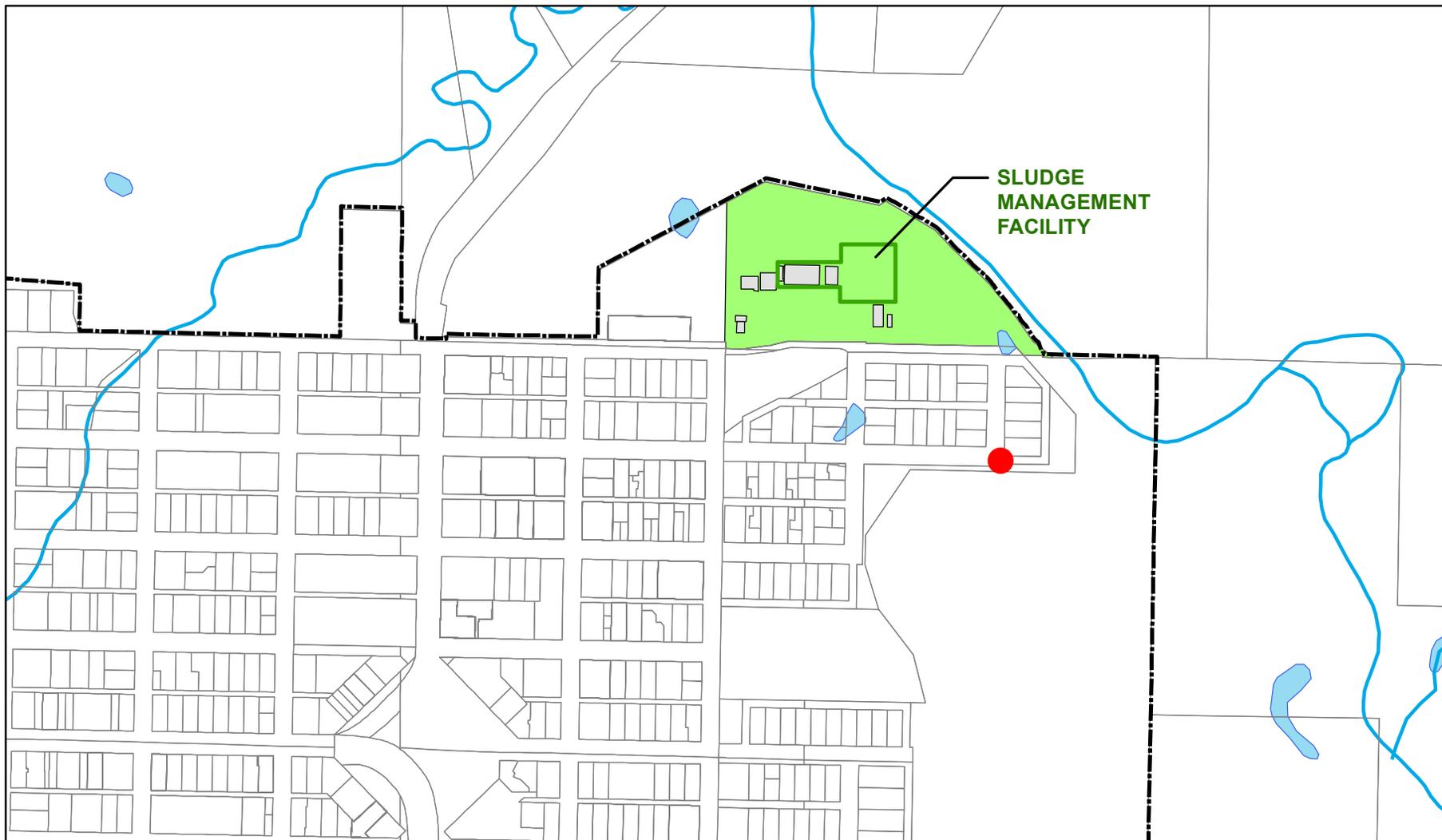


**Town of Crested Butte Wastewater Service Area**

- Lift Stations
- Wastewater Treatment Facility
- Crested Butte Town Boundary
- Town of Crested Butte Wastewater Service Area
- Parcel Boundaries
- Streams
- Lakes
- 100 Year Floodplain
- Natural Wetlands
- Irrigated Wetlands



Drawn by: Hilary Mayes  
 Date: February 29, 2016  
 Filename: ~townofcb/WWTP/WWSA.mxd



### Town of Crested Butte Wastewater Treatment Facility

- Wastewater Treatment Buildings
- Wastewater Treatment Facility
- Lift Stations
- Crested Butte Town Boundary
- Parcel Boundaries
- Streams
- Lakes



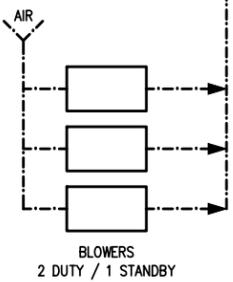
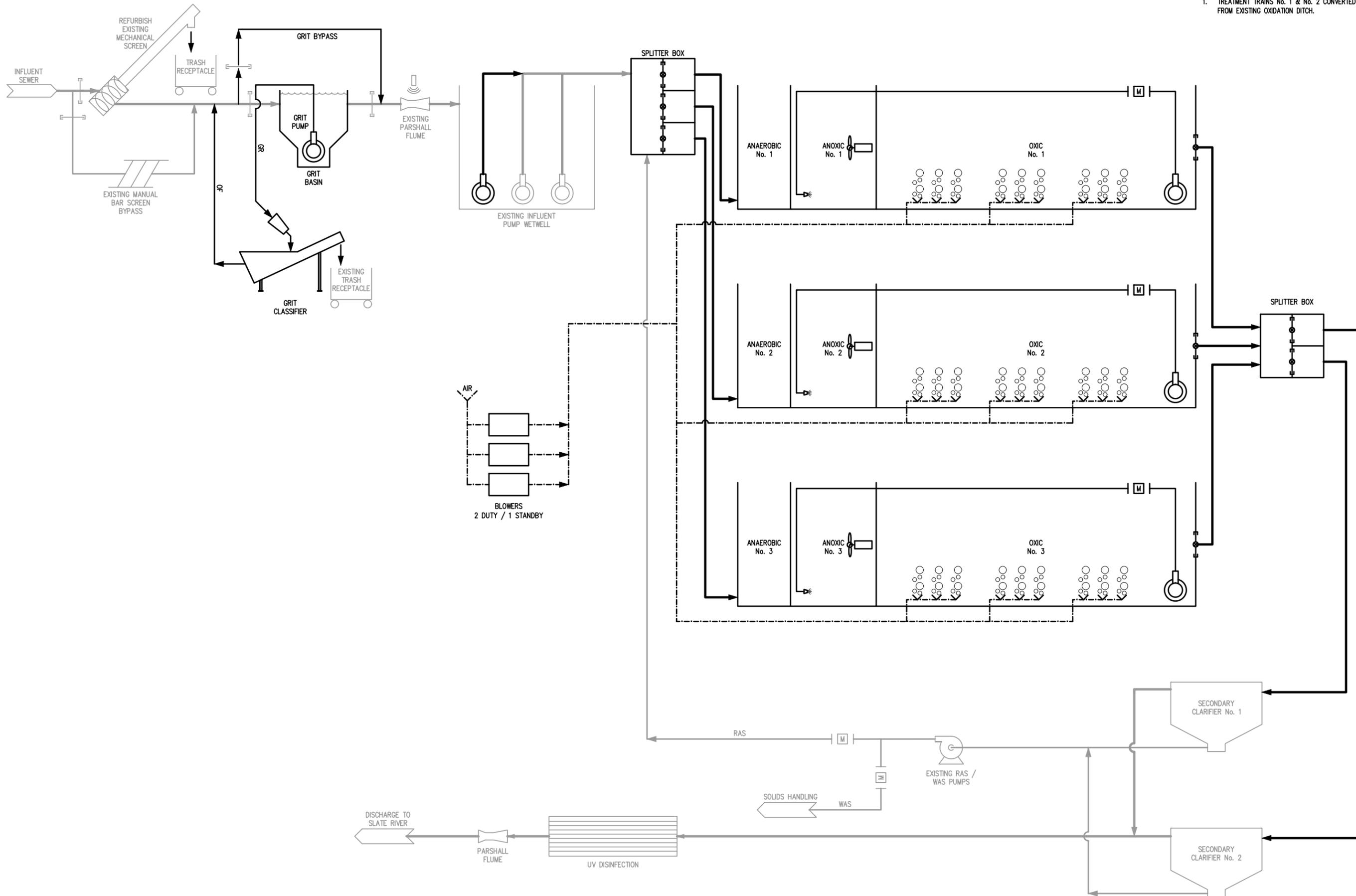
Drawn by: Hilary Mayes  
Date: February 29, 2016  
Filename: ~townofcb/WWTP/WWSA2.mxd

Projecting Water Flows Method 1: Population based projections

Assumptions/Data	Information Source
Current System Population	People
Current Service Area Population (If providing wastewater services to neighboring community)	People
Population Growth Rates	% increase/year
Average Daily per Capita Flow Rate	Gallons per capita day
Average Day Maximum Month per Capita Flow Rate	Gallons per capita day
Maximum Daily per Capita Flow Rate	Gallons per capita day
Peak Hour Factor	
Average Influent BOD <sub>5</sub> Concentration	mg/L
Average Day Maximum Month Influent BOD <sub>5</sub> Concentration	mg/L

Year	System Population	Service Area Population (if different)	Average Daily Flow (MGD)	Maximum Daily Flow (MGD)	Peak Hour Flow (MGD)	Average BOD <sub>5</sub> Loading (pounds per day)
+0						
+5						
+10						
+15						
+20						

NOTE:  
1. TREATMENT TRAINS No. 1 & No. 2 CONVERTED FROM EXISTING OXIDATION DITCH.



TOWN OF CRESTED BUTTE  
WASTEWATER TREATMENT FACILITY IMPROVEMENTS  
3 TRAIN MLE PROCESS

ATTACHMENT 10

## ENVIRONMENTAL ASSESSMENT CHECKLIST

Use the Discussion and References space at the end of each section to document your responses. For example, explain how you determined the level of impact and document the reasoning if checking PA (possible adverse) for any resource. Attach additional pages if necessary.

1. Brief project description, including identification of selected alternative:  
Wastewater Treatment Facility (WWTF) improvements project is to provide required redundancy as per CDPHE for secondary treatment process. The selected alternative involves converting the existing oxidation ditch process to Modified Ludzack-Ettinger (MLE) process.
  
2. Describe if the project will improve or maintain water quality, and if the project addresses a TMDL, and/or Watershed Management Plan.  
The selected alternative has biological nutrient removal capability to meet the anticipated discharge permit. The project, at minimum, will maintain water quality as required by the discharge permit.
  
3. Provide latitude and longitude of the proposed project (if a transmission / distribution / collection line identify the center point not the whole line):  
38 degree 52minutes 24.75seconds N  
106 degree 58 minutes 37.8 seconds W
  
4. Provide discharge information: N/A   
The WWTF currently discharges to Slate River under Colorado Discharge Permit System (CDPS) permit no. CO0020443
  
5. Provide NPDES/PWSID number:  
CDPS Permit no: CO0020443
  
6. Provide primary waterbody name and waterbody ID, secondary name (if available), and State designated surface water use:  
Receiving Water Body- Slate River, Waterbody ID- COGUUG08, undesignated

7. Did your analysis consider how this project impacts community planning efforts in other areas (i.e. transportation, housing, etc.)?

The project is in coordination with the Town of Crested Butte

Y = Yes

N = No

PA = Possible Adverse

### 1. Physical Aspects - Topography, Geology and Soils

- Y \_\_\_  N \_\_\_  PA \_\_\_  a. Are there physical conditions (e.g., steep slopes, shrink-swells soils, etc.) that might be adversely affected by or might affect construction of the WWTF facilities?
- Y \_\_\_  N \_\_\_  PA \_\_\_  b. Are there similar limiting physical conditions in the planning area that might make development unsuitable?
- Y \_\_\_  N \_\_\_  PA \_\_\_  c. Are there any unusual or unique geological features that might be affected?
- Y \_\_\_  N \_\_\_  PA \_\_\_  d. Are there any hazardous areas (slides, faults, etc.) that might affect construction or development?

Discussion and References:

### 2. Climate

- Y \_\_\_  N \_\_\_  PA \_\_\_  a. Are there any unusual or special meteorological constraints in the planning area that might result in an air quality problem?
- Y \_\_\_  N \_\_\_  PA \_\_\_  b. Are there any unusual or special meteorological constraints in the planning area that might affect the feasibility of the proposed wastewater treatment alternative?

Discussion and References:

### 3. Population

- Y \_\_\_  N \_\_\_  PA \_\_\_  a. Are the proposed growth rates excessive (exceeding State projections, greater than 6% per annum for the 20 year planning period)?
- Y \_\_\_  N \_\_\_  PA \_\_\_  b. Will additional growth be induced or growth in new areas encouraged as a result of facilities construction?
- Y \_\_\_  N \_\_\_  PA \_\_\_  c. Will the facilities serve areas which are largely undeveloped areas at present?

Discussion and References:

#### 4. Housing, Industrial and Commercial Development and Utilities

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Will existing homes or business be displaced as a result of construction of this property?
- Y \_\_\_  N \_\_\_ PA \_\_\_ b. Will new housing serviced by this facility affect existing facilities, transportation patterns, environmentally sensitive areas, or be in special hazard or danger zones?
- Y \_\_\_  N \_\_\_ PA \_\_\_ c. Will new housing create strains on other utilities and services - policies, power, water supply, schools, hospital care, etc.?

Discussion and References:

#### 5. Economics and Social Profile

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Will certain landowners benefit substantially from the development of land due to interceptor routing or WWTP location and size?
- Y \_\_\_  N \_\_\_ PA \_\_\_ b. Will the facilities adversely affect land values?
- Y \_\_\_  N \_\_\_ PA \_\_\_ c. Are any poor or disadvantaged groups especially affected by this project?

Discussion and References:

#### 6. Land Use

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Will projected growth defeat the purpose of local land use controls (if any)?
- Y \_\_\_  N \_\_\_ PA \_\_\_ b. Is the location of the WWTP or other facilities incompatible with local land use plans?
- Y \_\_\_  N \_\_\_ PA \_\_\_ c. Will inhabited areas be adversely impacted by the project site?
- Y \_\_\_  N \_\_\_ PA \_\_\_ d. Will new development have adverse effects on older existing land uses (agriculture, forest land, etc.)?
- Y \_\_\_  N \_\_\_ PA \_\_\_ e. Will this project contribute to changes in land use in association with recreation (skiing, parks, etc.), mining or other large industrial or energy developments?

Discussion and References:

**7. Floodplain Development**

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Does the planning area contain 100 year floodplains?  
If yes - See Discussion below
- Y \_\_\_  N \_\_\_ PA \_\_\_ b. Will the project be constructed in a 100 year floodplain?
- Y \_\_\_  N \_\_\_ PA \_\_\_ c. Will the project serve direct or indirect development in a 100 year floodplain anywhere in the planning area?

Discussion and References:

**8. Wetlands**

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Does the planning area contain wetlands as defined by the U.S. Fish and Wildlife Service?  
If yes -
- Y \_\_\_  N \_\_\_ PA \_\_\_ b. Will any major part of the treatment works be located on wetlands?
- Y \_\_\_  N \_\_\_ PA \_\_\_ c. Will the project serve growth and development which will directly or indirectly affect wetlands?

Discussion and References:

**9. Wild and Scenic Rivers**

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Does the planning area contain a designated or proposed wild and scenic river?  
If yes -
- Y \_\_\_  N \_\_\_ PA \_\_\_ b. Will the project be constructed near the river?
- Y \_\_\_  N \_\_\_ PA \_\_\_ c. Will projected growth and development take place contiguous to or upstream from the river segment?
- Y \_\_\_  N \_\_\_ PA \_\_\_ d. Will the river segment be used for disposal of effluent?

Discussion and References:

**10. Cultural Resources (Archeological/Historical)**

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Are there any properties (historic, architectural, archeological) in the planning area which are listed on or eligible for listing on the National Register of Historic Places?  
If yes -
- Y \_\_\_  N \_\_\_ PA \_\_\_ b. Will the project have direct or indirect adverse impacts on any listed or eligible property?

Discussion and References:

### 11. Flora and Fauna (including endangered species)

- Y \_\_\_  N \_\_\_ PA \_\_\_    a. Are there any designated threatened or endangered species or their habitat in the planning area?
- Y \_\_\_  N \_\_\_ PA \_\_\_    b. Will the project have direct or indirect adverse impacts on any such designated species?
- Y \_\_\_  N \_\_\_ PA \_\_\_    c. Will the project have direct or indirect adverse impacts on fish, wildlife or their habitat including migratory routes, wintering or calving areas?
- Y \_\_\_  N \_\_\_ PA \_\_\_    d. Does the planning area include a sensitive habitat area designed by a local, State or Federal wildlife agency?

Discussion and References:

### 12. Recreation and Open Space

- Y \_\_\_  N \_\_\_ PA \_\_\_    a. Will the project eliminate or modify recreational open space, parks or areas of recognized scenic or recreational value?
- Y \_\_\_  N \_\_\_ PA \_\_\_    b. Is it feasible to combine the project with parks, bicycle paths, hiking trails, waterway access and other recreational uses?

Discussion and References:

### 13. Agricultural Lands

- Y \_\_\_  N \_\_\_ PA \_\_\_    a. Does the planning area contain any environmentally significant agricultural lands (prime, unique, statewide importance, local importance, etc.) as defined in the EPA Policy to Protect Environmentally Significant Agricultural Lands dated September 8, 1978?
- Y \_\_\_  N \_\_\_ PA \_\_\_    b. Will the project directly or indirectly encourage the irreversible conversion of Environmentally Significant Agricultural Lands to uses which result in the loss of these lands as an environmental or essential food production resource?

Discussion and References:

**14. Air Quality**

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Are there any direct air emissions from the project (e.g., odor controls, sludge incinerator) which do not meet Federal and State emission standards contained in the State Air Quality Implementation Plan (SIP)?
- Y \_\_\_  N \_\_\_ PA \_\_\_ b. Is the project service area located in an area without an approved or conditionally approved SIP?
- Y \_\_\_  N \_\_\_ PA \_\_\_ c. Is the increased capacity of the project greater than 1 mgd?
- Y \_\_\_  N \_\_\_ PA \_\_\_ d. Do the population projections used in the facilities plan exceed the State or areawide projections in the SIP by more than 5%?
- Y \_\_\_ N \_\_\_ PA \_\_\_ e. Does the project conform with the requirements of the SIP? (See EPA regulations under Section 316 of the Clean Air Act.)
- Y \_\_\_  N \_\_\_ PA \_\_\_ f. Is the project inconsistent with the SIP of an adjoining State that may be impacted by the Project?
- Y \_\_\_  N \_\_\_ PA \_\_\_ g. Does the project violate national ambient Air Quality Standards in an attainment or unclassified area?
- Y \_\_\_  N \_\_\_ PA \_\_\_ h. Will the facilities create an odor nuisance problem?

Discussion and References:

**15. Water Quality and Quantity (Surface/Groundwater)**

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Are present stream classifications in the receiving stream being challenged as too low to protect present or recent uses?
- Y \_\_\_  N \_\_\_ PA \_\_\_ b. Is there a substantial risk that the proposed discharge will not meet existing stream standards or will not be of sufficient quality to protect present or recent stream uses?
- Y \_\_\_  N \_\_\_ PA \_\_\_ c. Will construction of the project and development to be served by the project result in non-point water quality problems (sedimentation, urban stormwater, etc.)?
- Y \_\_\_  N \_\_\_ PA \_\_\_ d. Will water rights be adversely affected by the project?
- Y \_\_\_  N \_\_\_ PA \_\_\_ e. Will the project cause a significant amount of water to be transferred from one sub-basin to another (relative to the 7-day, 10 year flow of the diverted basin)?
- Y \_\_\_  N \_\_\_ PA \_\_\_ f. Will stream habitat be affected as a result of the change in flow or stream bank modification?
- Y \_\_\_  N \_\_\_ PA \_\_\_ g. Are stream conditions needed for deciding upon the required limitations inadequately specified in the 208 Plan? If so, have the wasteload allocations calculations been performed and approved by the State and EPA?
- Y \_\_\_ N \_\_\_ PA \_\_\_ h. Is an Antidegradation Review required?
- Y \_\_\_  N \_\_\_ PA \_\_\_ i. Will the project adversely affect the quantity or quality of a groundwater resource?

- Y \_\_\_  N \_\_\_ PA \_\_\_ j. Does the project adversely affect an aquifer used as a potable drinking water supply?
- Y \_\_\_  N \_\_\_ PA \_\_\_ k. Are there additional cost effective water conservation measures that could be adopted by community to reduce sewage generation?

Discussion and References:

### 16. Public Health

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Will there be adverse direct or indirect noise impacts from the project?
- Y \_\_\_  N \_\_\_ PA \_\_\_ b. Will there be a vector problem (e.g., mosquito) from the project?
- Y \_\_\_  N \_\_\_ PA \_\_\_ c. Will there be any unique public health problems as a result of the project (e.g., increased disease risks)?

Discussion and References:

### 17. Solid Waste (Sludge Management)

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Will sludge disposal occur in an area with inadequate sanitary landfills or on land unsuitable for land application?
- Y \_\_\_  N \_\_\_ PA \_\_\_ b. Are there special problems with the sludge that makes disposal difficult (hazardous, difficult to treat)?
- Y \_\_\_  N \_\_\_ PA \_\_\_ c. Is the technology selected for sludge disposal controversial?

Discussion and References:

### 18. Energy

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Are there additional cost effective measures to reduce energy consumption or increase energy recovery which could be included in this project?

Discussion and References:

### 19. Land Application

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Has a new or unproven technique been selected?
- Y \_\_\_  N \_\_\_ PA \_\_\_ b. Is there considerable public controversy about the project?

- Y \_\_\_  N \_\_\_ PA \_\_\_ c. Will the project require additional water rights or impact existing water Rights?  
 Y \_\_\_  N \_\_\_ PA \_\_\_ d. Is the project multi-purpose?  
 Discussion and References:

**20. Regionalization**

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Are there jurisdictional disputes or controversy over the project?  
 Y \_\_\_  N \_\_\_ PA \_\_\_ b. Is conformance with the 208 plan in question?  
 Y \_\_\_  N \_\_\_ PA \_\_\_ c. Is the proliferation of small treatment plants and septic systems creating a significant health problem?  
 Y \_\_\_ N \_\_\_ PA \_\_\_ d. Have inter-jurisdictional agreements been signed?

Discussion and References:

**21. Public Participation**

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Is there a substantial level of public controversy?  
 Y \_\_\_ N \_\_\_ PA \_\_\_ b. Is there adequate evidence of public participation in the project?

Discussion and References:

**22. Environmental Laws**

- Y \_\_\_  N \_\_\_ PA \_\_\_ a. Does the project threaten to violate any State, Federal or local law or requirement imposed to protect the environment?

Discussion and References:

Prepared By: Bob Frachetti, P.E., President EEI Engineers, Inc.  
 Name, Title, and Affiliation

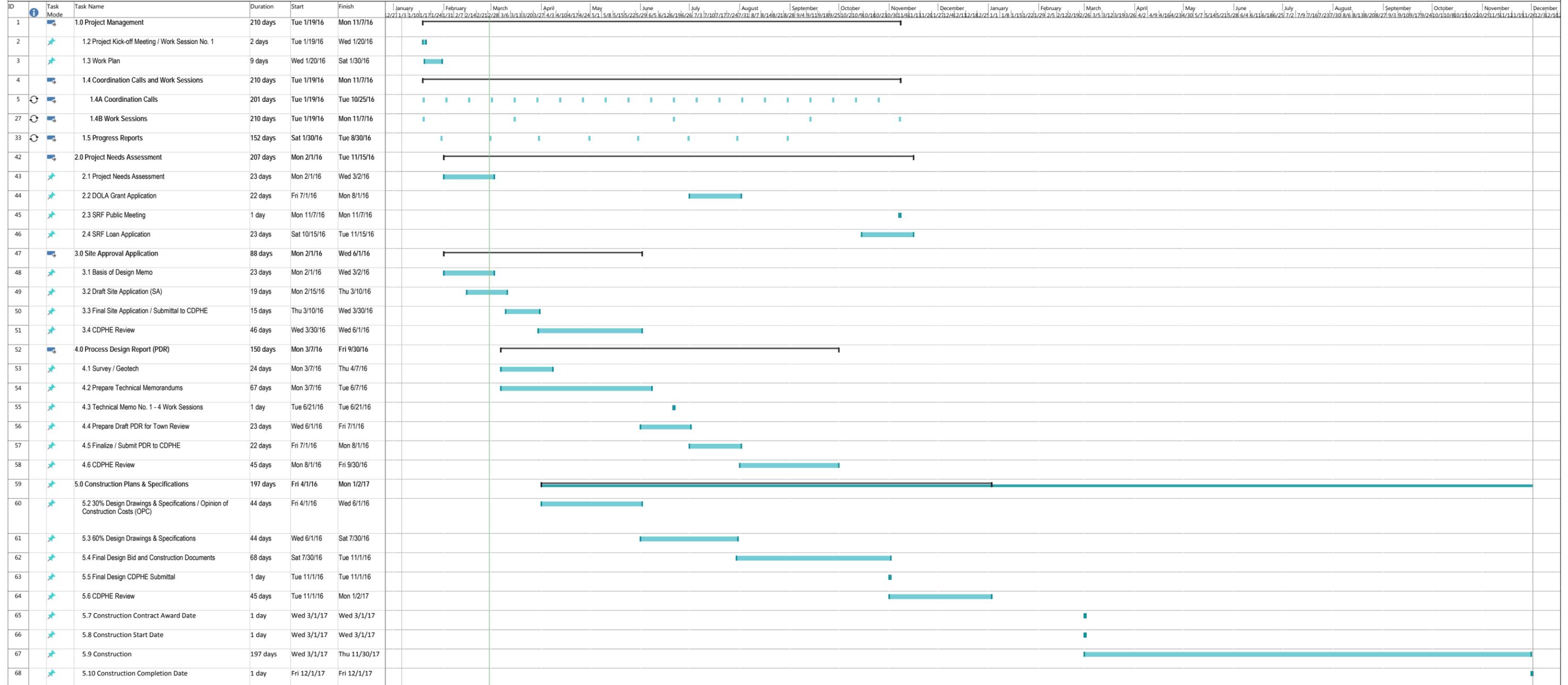
Date: \_\_\_\_\_

Reviewed By (WQCD): \_\_\_\_\_  
 Name and Title

Date: \_\_\_\_\_

Environmental Determination: (Circle One) CE EA EIS

Town of Created Butte  
Wastewater Treatment Plant Upgrades  
Updated Schedule



FEI Engineers, Inc  
5325 S Valentia Way  
Greenwood Village, CO 80111

Task Split  
Milestone Summary  
Project Summary  
Inactive Task  
Inactive Milestone  
Inactive Summary  
Manual Task  
Duration-only  
Manual Summary Rollup  
Manual Summary  
Start-only  
Finish-only  
External Tasks  
External Milestone  
Deadline  
Progress  
Manual Progress

oxidation ditch), the organic capacity was converted to the equivalent hydraulic capacity using the 90<sup>th</sup> percentile BOD<sub>5</sub> value.

Table 3-1 lists a summary of the major treatment units, their sizes, the evaluation criteria used to establish the equivalent flow capacity of each unit, and the resulting capacity. Figure 3-1 is a bar chart that graphically portrays the equivalent flow capacity of each evaluated unit.

**Table 3-1 Process Unit Capacity**

Process Unit	Criteria/Design Parameters	Capacity, MGD
Screening	Designed for a peak flow of 1.3 MGD	0.6
Grit Removal	Designed for a peak flow of 1.3 MGD	0.6
Influent pumps	Firm capacity w/largest pump out of service should meet peak hour flow	1.8
Oxidation ditch	Volumetric Loading = 15 lb BOD <sub>5</sub> /1000 ft <sup>3</sup> Using 90 percentile BOD of 418 mg/l	0.43
	Volumetric Loading = 29 lb BOD <sub>5</sub> /1000 ft <sup>3</sup> Using average BOD of 301 mg/l	0.60
	F/M = 0.13 lb BOD applied/d/lb MLVSS Using 90 percentile BOD of 418 mg/l	0.46
	F/M = 0.13 lb BOD applied/d/lb MLVSS Using average BOD of 301 mg/l	0.60
	V/Q = 15 hours	0.62
Surface Aerator (Mechanical)	Min. 0.75 hp/1000 ft <sup>3</sup> of oxidation ditch	1.20
Squirkle Clarifier	SOR (Max Month) = 700 gpd/ft <sup>2</sup>	0.88
	SOR (Peak Hour) = 1200 gpd/ft <sup>2</sup>	1.51
	SLR (Max Month) < 29 lb/day/ft <sup>2</sup> w/ MLSS = 3800 mg/L	1.15
	SLR (Peak Hour) < 40 lb/day/ft <sup>2</sup> w/ MLSS = 3800 mg/L	1.59
Circular Clarifier	SOR (Max Month) = 700 gpd/ft <sup>2</sup>	0.88
	SOR (Peak Hour) = 1200 gpd/ft <sup>2</sup>	1.51
	SLR (Max Month) < 29 lb/day/ft <sup>2</sup> w/ MLSS = 3800 mg/L	1.15
	SLR (Peak Month) < 40 lb/day/ft <sup>2</sup> w/ MLSS = 3800 mg/L	1.59
UV System	Contact time at peak hourly flow 5 to 7 seconds Designed for a peak flow of 1.3 MGD	0.6
Raw Sludge Holding Tank	98,100 gallons	
Thickened Sludge Holding Tank	57,100 gallons	
ATAD Insulated Tanks (2)	26,821 gallons (ea)	
ATAD Cooling Tank	20,164 gallons	
Total Storage	229,006 gallons w/a design WAS wasting rate of 14,810 gpd, scum rate of 5,250 gpd and District WAS and scum rate of 12,640 gpd. Assumes average WAS concentration of 1.5% mg/l and thickening to 3%	0.36
Centrifuge	For Thickening: 7h/d, 5d/wk	0.034
	For Dewatering: 7h/d, 5d/wk	0.021
	Thickening for 4.2 hours and dewatering for 2.8 hours per day (design WAS flow is 32,700 gpd)	0.031



## Staff Report

October 3, 2016

**To:** Mayor Michel and Town Council  
**From:** Michael Yerman, Director of Planning  
**Thru:** Dara MacDonald, Town Manager  
**Subject:** **Crested Butte Mountain Bike Association Fat Bike Grooming Letter of Support**  
**Date:** October 3, 2016

---

The Crested Butte Mountain Bike Association (“CBMBA”) has submitted a permit for winter grooming to the US Forest Service for fat bike grooming. This would be an expansion on last year’s grooming efforts and include grooming in the Slate River, Gothic, Brush Creek, and Cement Creek drainages. They also plan to continue their grooming efforts on the North Village property located up at Mt Crested Butte.

The permit request from the US Forest Service falls outside the jurisdiction of the Town of Crested Butte. However, the proposal would open additional recreational opportunities to our residents and guests with expanded grooming for fat bikes in these drainages.

If the Town Council would like to support CBMBA’s efforts to expand fat bike grooming, the Council could direct the Mayor to sign the attached letter of support for CBMBA’s winter grooming permit application to the local forest office.

**Recommendation:**

Town Staff recommends the Town Council make a motion to have the Mayor sign a letter of support for CBMBA’s winter grooming permit.

# Town of Crested Butte

P.O. Box 39 Crested Butte, Colorado 81224

*-National Trust for Historic Preservation's 2008 Dozen Distinctive Destinations Award Recipient-*

*-A National Historic District-*

Phone: (970) 349-5338  
FAX: (970) 349-6626  
www.townofcrestedbutte.com

October 3, 2016

Scott Armentrout, Forest Supervisor  
GMUG Supervisors Office  
2250 Highway 50  
Delta, CO 81416

John Murphy, District Ranger  
Aaron Drendel, Recreation Staff Officer  
Gunnison District Ranger Office  
216 N. Colorado  
Gunnison, CO 81230

Re: Town of Crested Butte Letter of Support for Fat Bike Grooming and Winter Recreation

Dear Sirs:

The Town of Crested Butte would like to express its support for the Crested Butte Mountain Bike Association's ("CBMBA") winter grooming permit submitted to your office on September 1, 2016. The Town recognizes this permit proposal falls outside of the Town's boundary, however, the new groomed trails would be used by the Town's residents and visitors.

The Town feels this proposal would expand recreational opportunities for fat biking and help with the overall management of the areas where the grooming is proposed by creating a defined trail for fat bike users. These new groomed trails would be a regional amenity and provide another recreation opportunity that would be used by our residents and help attract guests to our valley.

The Town respectfully requests the US Forest Service approve CBMBA's permit application to allow for fat bike grooming on US Forest lands located around the Town of Crested Butte.

Thank you,

Mayor Glenn Michel  
Town of Crested Butte

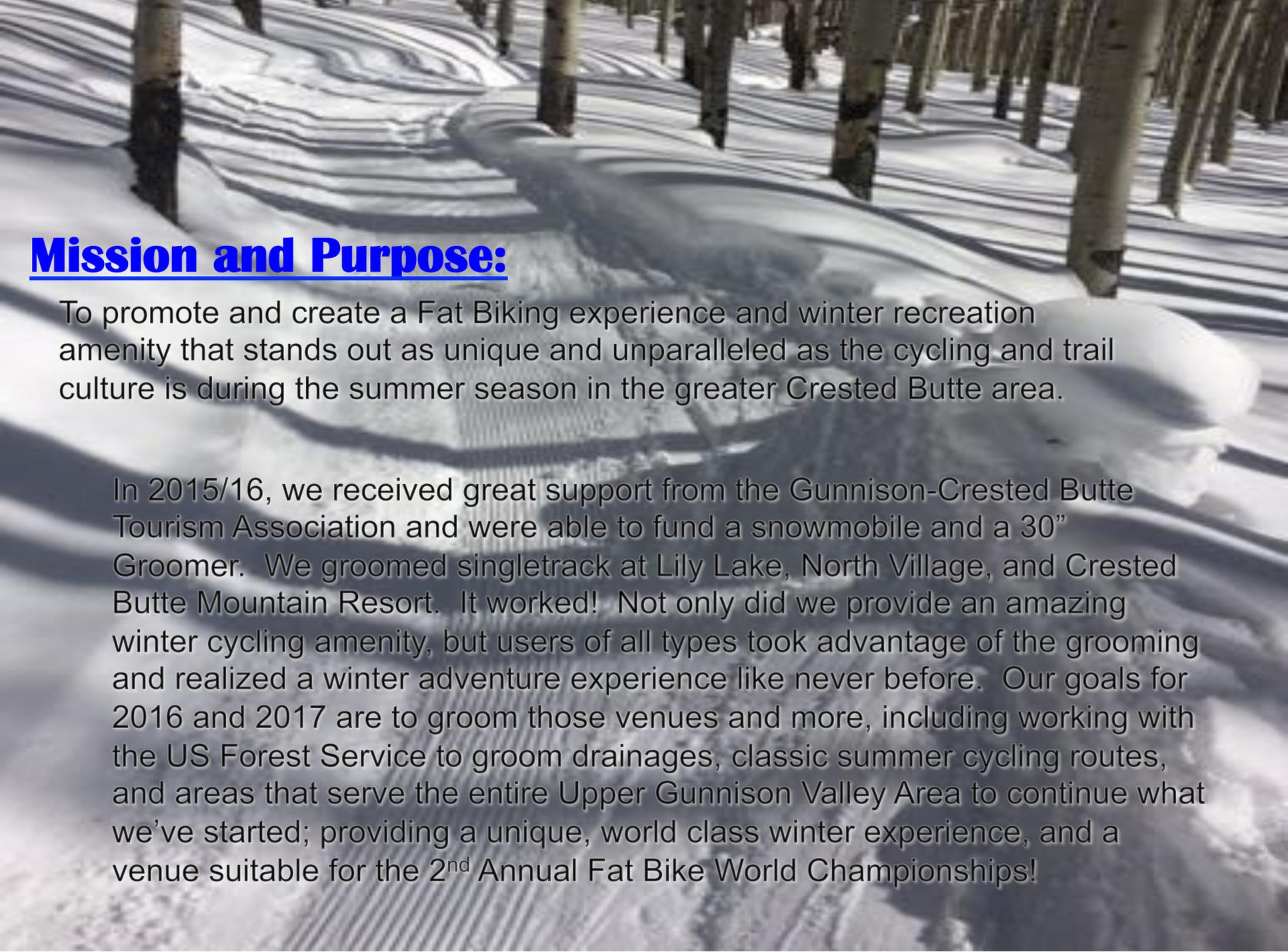
# Fat Bike Grooming and Winter Recreation

## Winter 2016/2017



FAT BIKE  
WORLDS



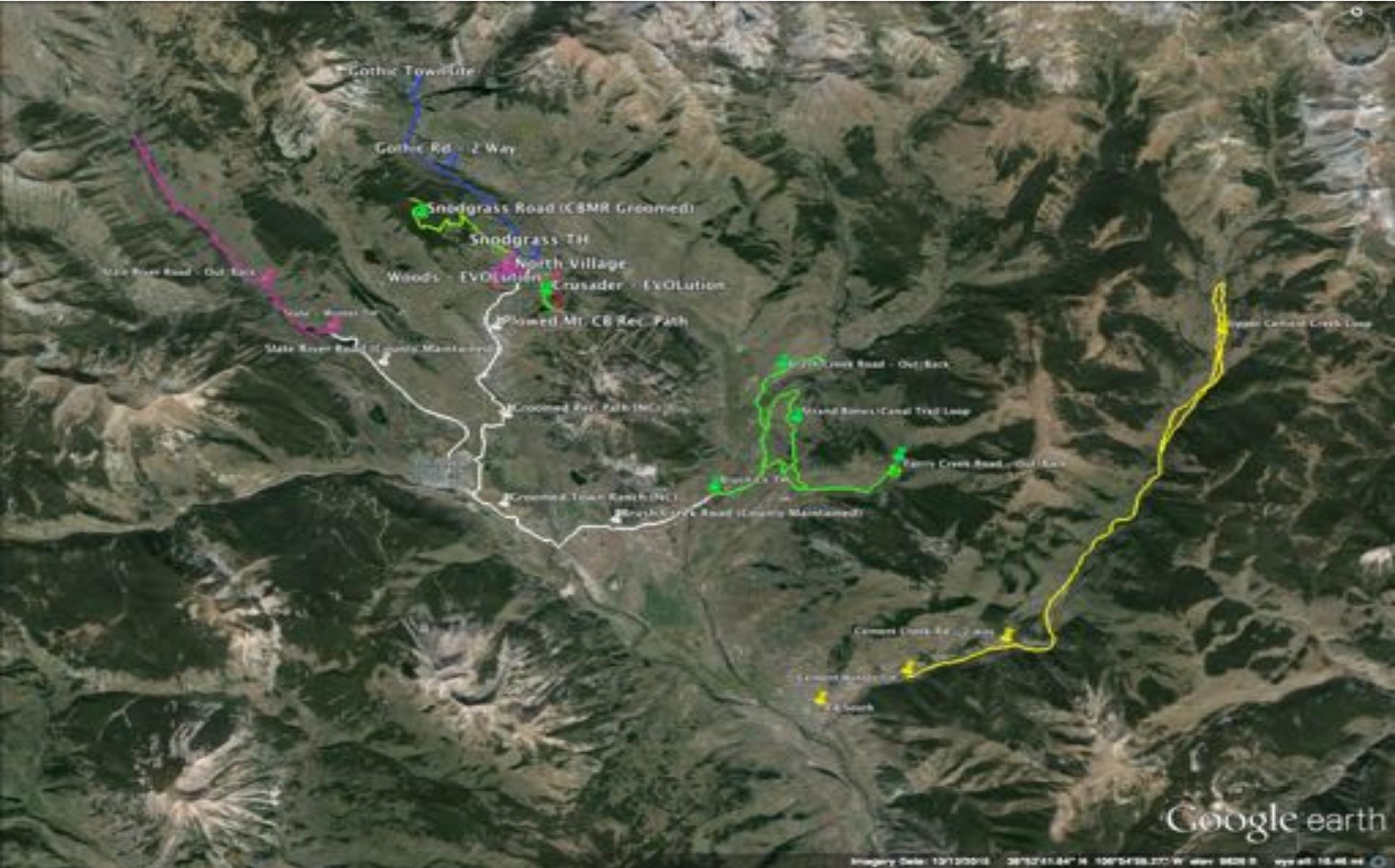


## **Mission and Purpose:**

To promote and create a Fat Biking experience and winter recreation amenity that stands out as unique and unparalleled as the cycling and trail culture is during the summer season in the greater Crested Butte area.

In 2015/16, we received great support from the Gunnison-Crested Butte Tourism Association and were able to fund a snowmobile and a 30” Groomer. We groomed singletrack at Lily Lake, North Village, and Crested Butte Mountain Resort. It worked! Not only did we provide an amazing winter cycling amenity, but users of all types took advantage of the grooming and realized a winter adventure experience like never before. Our goals for 2016 and 2017 are to groom those venues and more, including working with the US Forest Service to groom drainages, classic summer cycling routes, and areas that serve the entire Upper Gunnison Valley Area to continue what we’ve started; providing a unique, world class winter experience, and a venue suitable for the 2<sup>nd</sup> Annual Fat Bike World Championships!

# Proposed Grooming – Winter 2016/2017 – Big Picture Map



# Proposed Grooming – Town of Crested Butte



# Proposed Grooming – Town of Mt. Crested Butte







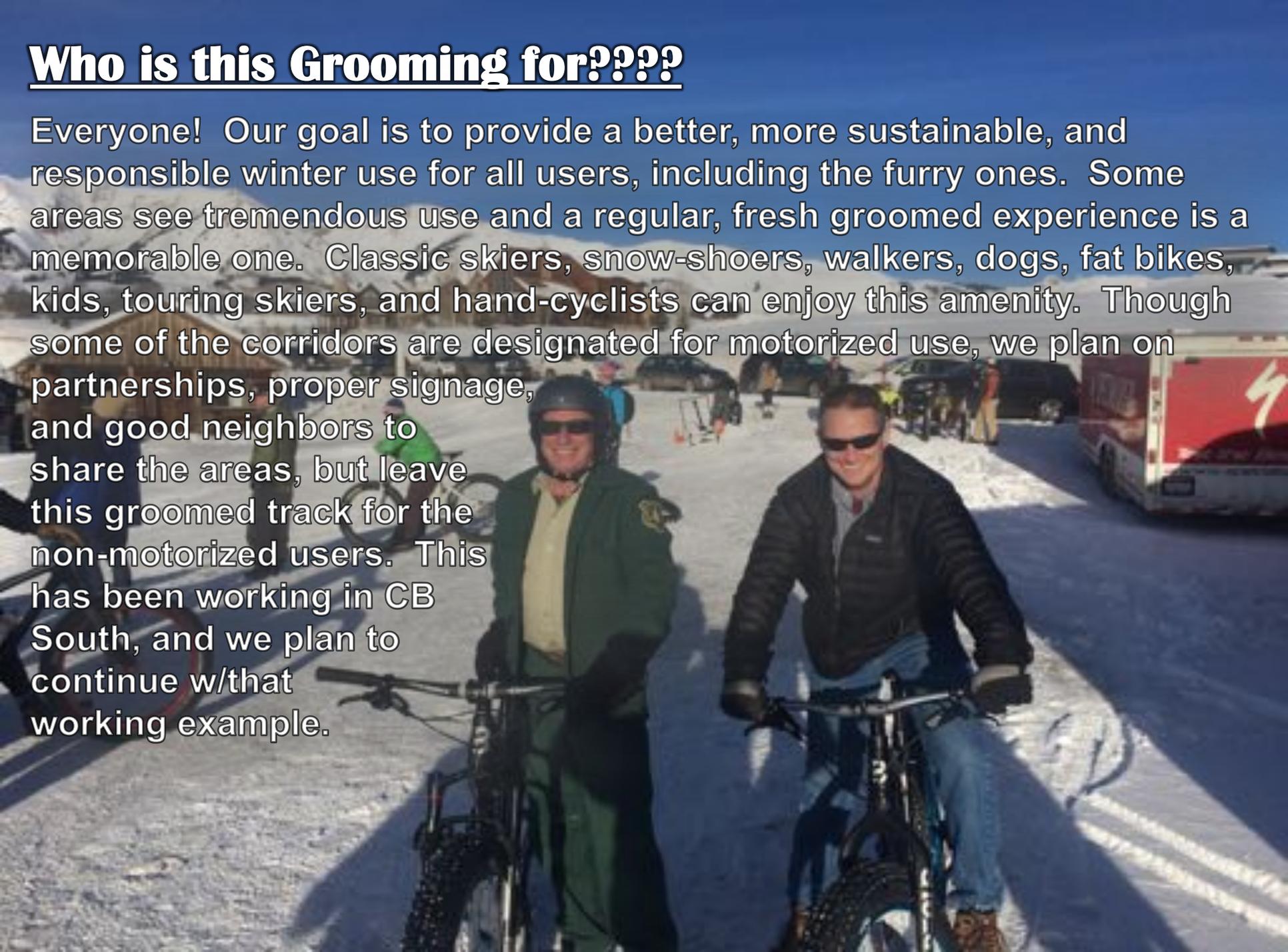
## **Don't let this happen to you!**

A good experience requires a LOT of grooming! Grooming requires a snowmobile and a groomer. Snowmobiling requires transport, gas, new belts, oil, and regular servicing. Grooming also requires manual/physical labor, time, safety gear, and signage. We plan on a broad sign initiative addressing etiquette, shared use, and promotion of our supporters.



## Who is this Grooming for????

Everyone! Our goal is to provide a better, more sustainable, and responsible winter use for all users, including the furry ones. Some areas see tremendous use and a regular, fresh groomed experience is a memorable one. Classic skiers, snow-shoers, walkers, dogs, fat bikes, kids, touring skiers, and hand-cyclists can enjoy this amenity. Though some of the corridors are designated for motorized use, we plan on partnerships, proper signage, and good neighbors to share the areas, but leave this groomed track for the non-motorized users. This has been working in CB South, and we plan to continue w/that working example.

A photograph of two men on bicycles on a groomed snow track. The man on the left is wearing a green jacket and a helmet, while the man on the right is wearing a dark jacket and sunglasses. They are both smiling. In the background, there are other people, a red truck, and a snowy mountain landscape under a clear blue sky.



**Demographic**

**Geographic Market**

**Return on Investment**

# **Demographic, Geographic Market, and ROI:**

**Fat Biking has exploded onto the winter scene over the last 5 years. We captured a very large and engaged audience in 2015/16 with the first ever Fat Bike World Championships. We watched families come to Crested Butte for a ski vacation and wind up renting Fat Bikes for a winter adventure vacation. We've seen Fat Bikes used as commuter bikes for locals, and racers honing their skills to stay in shape. We've seen legends like Dave Wiens and Travis Brown along with Pro Road Cyclists on our trails and in our races. We've seen Moms, Dads, Kids, Grandmas and Grandpas on Fat Bikes. We've seen skiers use Fat Bikes to access trailheads. We've seen the Midwest, who have championed Fat Bikes over the last 10 years, come to the Rockies to experience Fat Bikes and winter riding in the 'birthplace of mountain biking'. We've seen Fat Bikers come to Crested Butte and spend extra days here skiing – and vice versa.**

**Fat Bike Worlds alone brought over 300 Fat Bikers from around the Country and as far as England, Iceland, and Costa Rica, injecting at least \$350,000 into the local economy. Front Range, Western Slope, Utah, Arizona, New Mexico, Michigan, Minnesota, and Wisconsin lead the pack for our drive/fly market.**

**We saw coverage in the Boston Globe, the New York Times, the Dallas Morning News, and the Houston Chronicle to name just the big ones.**

**Combined with the cycling, outdoor, and ski industry publications, we saw a media value of over \$230,034. Fat Bike Worlds itself garnered more free media than alpine skiing over the course of the entire winter season.**

**The average Fat Biker ranges from 25 – 54 years of age, with the bulk in the 35 – 44 year old range. The average household (pre-tax) income is \$128,000 with 80% having bachelor degrees or higher. 16% of Fat Bike owners have more than one Fat Bike. Of the mountain bikers NOT considering purchasing a Fat Bike, 71% are interested in a demo ride, borrowing, or renting a Fat Bike.**

**We have so much more to offer! With your help we can become the #1 Rocky Mountain Destination for Fat Biking, and continue the momentum and energy we have already started.**

# Conclusion:

With the momentum we have started, Fat Biking is ours to lose!

In Winter, cars coming to our Towns have skis in the rocket box, and Fat Bikes on the back. Bike shops in our Towns have seen more winter business, have stayed open longer, and with more staff. Ski shops are renting Fat Bikes as an option for our guests and visitors. Hotels are carrying their own demo fleets.



Snow conditions are variable here in the Rockies – we never know what we’re going to get for snowfall. With an option to lay groomed track in our drainages and along our regular bike routes, we create more opportunities to fill voids with variable conditions. We can provide a recreation amenity that ALL users can enjoy, and we are making experiences and adventures – not just incredible vacations.





# The Mountain Pact

[insert after finalized], 2016

The Honorable Paul Ryan  
Speaker of the  
House of Representatives  
Washington, D.C. 20515

The Honorable Mitch McConnell  
Republican Majority Leader  
United States Senate  
Washington, D.C. 20510

The Honorable Nancy Pelosi  
Democratic Leader  
House of Representatives  
Washington, D.C. 20515

The Honorable Harry Reid  
Democratic Minority Leader  
United States Senate  
Washington, D.C. 20510

Dear Senator McConnell, Senator Reid, Speaker Ryan, and Representative Pelosi:

The Mountain Pact is a coalition of high-profile mountain towns in the American West working together to build economic and environmental resilience through a shared voice on federal policy. The Mountain Pact represents mountain communities across the American West, approximately [insert after finalized] permanent residents and [insert after finalized] visitors each year.

Wildfires have become a major threat to the Western United States and the growing costs of wildfire suppression greatly affect our communities. Positioned in rural mountain areas and often surrounded by federal land, Western mountain communities are especially vulnerable to economic, public health, and environmental damages from catastrophic wildfire.

Wildfires continue to burn in the American West, with fires currently raging in Montana, California and much of the Southwest. So far in 2016, more than 30,000 fires have burned nearly 4.5 million acres. There are many factors that contribute to the increase in wildfire frequency and severity, including build-up of hazardous fuels, changes in water cycle regimes, ongoing drought, and climate change.

Last year, wildfires burned more than 10 million acres in the United States at a cost of \$2.1 billion in federal expenditures—the costliest year on record. As the fires continue to burn, the U.S. Forest Service expects that more than half of its budget will be devoted to wildfire suppression. With the rapidly growing costs of wildfire suppression, agencies are significantly underfunded when it comes to proactive land management programs, including those that would help reduce the risk of future fires.

Our mountain communities depend on the USDA Forest Service and Department Of Interior for many aspects of forest and recreation management on our public lands in order for our tourism-based economies to thrive. Without the funding and resources to provide essential forest management support (beyond wildfire suppression) our most important economic-driving resource is at risk.

It is time to stop the eroding budgets facing the Department of the Interior and USDA Forest Service and fully fund both the programs essential to the health of our forests as well as the ever-rising costs of fire suppression.

The Mountain Pact logo features a stylized mountain range with a white peak and a black shadow, set against a black triangle. 

# The Mountain Pact

For these reasons, we urge you to consider a comprehensive fire funding solution that: 1) minimizes the transfer of funds to pay for ever increasing costs of fighting wildfires; 2) allows access to disaster funding outside the agencies discretionary funds; and 3) addresses how the increasing ten-year average cuts into the USFS and DOI budgets.

We thank you for your attention to this important issue and we look forward to finding a comprehensive fire funding solution.

Sincerely,

[list of mountain towns]

DRAFT



[HOME](#)

[WHO WE ARE](#)

[PRIORITIES](#)

[CONTACT](#)

[SUPPORT](#)

## ABOUT

### WHO WE ARE

[ABOUT](#)

[TOWNS](#)

[PEOPLE](#)

Our mountain communities in the American West are experiencing detrimental effects to our environments and economies as a result of climate change: increases in catastrophic wildfire, the spread of the mountain pine beetle epidemic, and reduced snowpack are just a few of the impacts compromising our landscapes and, in turn, our tourism-based economies. Through an innovative lens, the Mountain Pact empowers mountain communities to build resilience in the face of economic and environmental stresses through federal climate and conservation policy.

Together, our mountain communities seek to address the devastating stresses of climate change. In order to be successful, we need national action to reduce carbon emissions as well as local initiatives to bolster our economic growth and preserve our natural landscapes. However, without an organized voice in federal policymaking and adequate financial resources, our mountain towns are left vulnerable. While mountain constituencies are underrepresented, on the other end of the spectrum, urban cities and coastal communities around the country are joining forces and getting their voice heard. By forming regional and peer

community groups to advocate for federal climate policy and funding, urban and coastal areas are getting results that make a difference.

The Mountain Pact offers a new approach, one that looks beyond urban and coastal areas to engage a new constituency in climate change policy and advocacy. By bringing our vulnerable mountain communities together, the Mountain Pact engages a new constituency in the national climate dialog and builds economic and environmental resilience through a shared voice on federal policy.

Read more about us in [Outside Magazine](#), [LA Times](#) and [High Country News](#).

The Mountain Pact is a nonprofit project fiscally sponsored by [Sierra Business Council](#) (501c3).

For more information on the Mountain Pact, please email <mailto:info@themountainpact.org>.

The Mountain Pact | [info@themountainpact.org](mailto:info@themountainpact.org) | (530) 539-4071



**To:** Mayor Michel and Town Council

**From:** Dara MacDonald, Town Manager

**Subject:** **Resolution 33, Series 2016 Support Ballot Issue 2A**

**Date:** October 3, 2016

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On September 6<sup>th</sup> the Town Council approved Resolution 27, Series 2016 submitting a question to the voters in the upcoming election on November 8<sup>th</sup>. The purpose of the ballot question is to ask voters whether or not they will allow the Town to issue debt of not more than \$2,110,000 for the purpose of preventing mining activity on Mt. Emmons. No new taxes are proposed as part of this request. Debt would be repaid through anticipated revenues from the existing Land Transfer Excise Tax.

In Colorado the Fair Campaign Practices Act (“FCPA”) limits the use of government money or resources to influence an election. However, Section 1-45-117(1)(b)(III) of the FCPA authorizes the governing body to formally take a position with respect to an election question by passing a resolution urging citizens to vote for or against the question.

**Recommendation:**

Staff recommends the Town Council approve Resolution 33, Series 2016 supporting ballot question 2A related to the issuance of debt for the purpose of preventing mining activity on Mt. Emmons.

**RESOLUTION NO. 33**

**SERIES 2016**

**RESOLUTIONS OF THE CRESTED BUTTE TOWN  
COUNCIL SUPPORTING BALLOT QUESTION 2A  
RELATED TO THE ISSUANCE OF DEBT FOR THE  
PURPOSE OF PREVENTING MINING ACTIVITY ON MT.  
EMMONS**

**WHEREAS**, the Town of Crested Butte, Colorado (the “**Town**”), is a duly organized and existing home-rule municipality of the State of Colorado, created and operating pursuant to Article XX of the Constitution of the State of Colorado and the Home Rule Charter of the Town of Crested Butte, Colorado (the “**Charter**”) on November 5, 1974;

**WHEREAS**, the members of the Town Council of the Town of Crested Butte (the “**Council**”) have been duly elected and qualified;

**WHEREAS**, Article X, Section 20 of the Colorado Constitution (“**TABOR**”) requires voter approval for any increase in debt and for the spending of certain moneys above limits established by TABOR;

**WHEREAS**, the Council unanimously adopted Resolution No. 27, Series 2016 referring ballot question 2A to the voters of Crested Butte;

**WHEREAS**, the community has desired the elimination of the possible development of a mine on Mt. Emmons for more than 40 years;

**WHEREAS**, ballot question 2A, if approved, would allow the Town to issue up to \$2,110,000 in debt for the purpose of preventing mining activity on Mt. Emmons;

**WHEREAS**, ballot question 2A, if approved, would not result in the increase of taxes;

**WHEREAS**, the proceeds from the proposed debt issuance would be used to compensate the mine owner, Mt. Emmons Mining Company (“**MEMC**”), a wholly owned subsidiary of Freeport-McMoRan Inc., for its disposition of all unpatented mining and millsite claims on Mt. Emmons and the surrounding areas thus making the future development of a mine in such areas impossible;

**WHEREAS**, the Town, MEMC, Gunnison County, State and federal officials and the Colorado federal legislative delegation have been working as willing and collaborative partners to pursue the disposition of the unpatented mining and millsite claims on Mt. Emmons and the surrounding areas by way of an administrative and/or legislative withdrawal of such mining and millsite claims; and

**WHEREAS**, the Town of Crested Butte has no outstanding debt in any of its general governmental funds and has sufficient anticipated revenues from its Land Transfer Excise Tax to repay the debt and maintain current service levels.

**NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO RESOLVES:**

The Town Council of the Town of Crested Butte urges voters to approve ballot question 2A at the election on November 8, 2016.

**INTRODUCED, PASSED AND ADOPTED** at a regular meeting of the Town Council of the Town of Crested Butte, Colorado, on October 3, 2016.

**TOWN OF CRESTED BUTTE, COLORADO**

By: \_\_\_\_\_  
Glenn Michel, Mayor

**ATTEST:**

\_\_\_\_\_  
Lynelle Stanford, Town Clerk

(SEAL)



## Staff Report

October 3, 2016

**To:** Mayor Michel and Town Council  
**Thru:** Dara MacDonald, Town Manager  
**From:** Michael Yerman, Director of Planning  
**Subject:** **Cypress Foothills Slate River Water Connection Development Proposal**  
**Date:** October 3, 2016

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### **Background:**

On October 9, 2014, Cypress Foothills, LP submitted an annexation request for the 44.5 acre parcel known as the Slate River Annexation. The Town reviewed the application for 115 residential units and a block of commercial along the Gothic Corridor to be annexed into the Town. After approval of the Concept Review application, the Town and Cypress were unable to come to terms on a pre-annexation agreement for the development. On August 5, 2015 Cypress formally withdrew their annexation application.

In November of that year, Cypress initiated discussions at Gunnison County to submit a Major Impact application for 19 single-family home sites. The Town engaged Cypress to connect to the Town's Waste Water system under the Upper East River Valley Area-wide 201 Facilities Plan ("IGA"). By connecting to Town sewer, Cypress was granted a density bonus of up to 30 units, 24 on the eastern portion of the site and 6 in town lots.

On March 16, 2016, the Town and Cypress executed a pre-annexation agreement on the dictating terms for the future development of the project. Municipal water service was not provided by the Town under the pre-annexation agreement.

Cypress has approached the Town with a request for Town water. The Council has met in several executive sessions to discuss this matter. The Council instructed the Staff to conduct an analysis of the water rights proposed to be turned over to the Town. The main goal of acquiring this right is to drought proof the Town's water supply from the senior rights in the McCormick ditch.

Through initial analysis of the Town's water right, it was determined that it would take 6-9 Historic Consumptive Use ("HCU") from the McCormick Ditch water would be adequate to drought proof the Town's water. The Town's water engineers are finalizing their analysis of the potential HCUs that may be adjudicated by the water court. This study will be completed in the coming weeks, but the deal has been structured to ensure the Town receives the first 6 HCUs in a water court decree for municipal use. The formal proposal from Cypress is attached to this memo however, below offers a brief summary of the Water Deal Points.

**Water Deal Points:**

Following are the deal points of the current offer from Cypress describing what they will provide in exchange for the ability to connect to municipal water:

- Cypress will purchase and deliver the senior rights in the McCormick Ditch to the Town. From the water court decree the first 6 HCUs will go to the Town. The next 6 will go to in stream flows and be used by Lacy downstream. HCUs 12-18 will be split between the Town and Verzuh. Any remaining HCUs go to instream flows for Verzuh's future use.
- Cypress would be responsible for all water infrastructure extensions to service their development.
- Cypress would adhere to the Town's water regulations.
- Cypress will pipe raw irrigation water down 8<sup>th</sup> Street to irrigate the Town owned parcels that will be annexed.
- Cypress will place a voluntary 3% RETT on the County development. The RETT on the developer sale would not be applicable.
- Cypress would pay out of Town tap and user fees.
- Cypress will agree to adhere to the Town's Wood burning stove regulations.

**Council Direction Needed:**

If the Town Council would like to pursue the allowing Cypress to connect to Town water, the Council should direct the Town Staff and Town Attorney to prepare an Ordinance amending Section 13-1-280 of the Town's Municipal Code and prepare an addendum to the pre-annexation agreement to be considered at the next regular Town Council meeting.



# LAW OF THE ROCKIES

**Members**  
Marcus J. Lock  
Jacob A. With  
Kendall K. Burgemeister

**Of Counsel**  
John R. Hill, Jr.

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525 N. Main Street, Gunnison, CO 81230 | 970.641.1903  
lawoftherockies.com | Fax: 970.641.1943 | mlock@lawoftherockies.com

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September 29, 2016

**VIA ELECTRONIC MAIL**

Michael Yerman, Town Planner, Town of Crested Butte, Colorado  
[MYerman@crestedbutte-co.gov](mailto:MYerman@crestedbutte-co.gov)

John Belkin, Esq., Town Attorney, Town of Crested Butte, Colorado  
[jbelkin@jbelkinlaw.com](mailto:jbelkin@jbelkinlaw.com)

**Re: *Potential Connection of “East Parcel” of Property Owned by Cypress Foothills, LP (“Cypress”) to the Town of Crested Butte’s (the “Town’s”) Municipal Water Supply***

Dear Messrs. Yerman and Belkin,

Thank you for the opportunity to discuss with you the potential of connecting the East Parcel of the Cypress Property to the Town’s municipal water supply. As always, the team at Cypress appreciates your professionalism, perseverance, and advocacy for the Town and its citizens.

I believe that allowing Cypress to connect to the Town’s water supply in exchange for senior water in the McCormick Ditch and the various other benefits you have negotiated for the Town is a unique opportunity.

Since the Pre-Annexation Agreement between Cypress and the Town contemplates Cypress connecting the East Parcel to the Town’s wastewater system, tying into the Town’s water supply makes logical and engineering sense. Moreover, the Town has an ample physical supply of raw and treated water to serve the East Parcel, and allowing a water connection would avoid additional groundwater wells in an aquifer where there are already many, minimizing our impact on wetlands. The Gunnison County Planning Commission would prefer that Cypress connect to the Town’s water supply, though the County recognizes that this decision belongs to the Town.

In addition, acquiring the McCormick Ditch water would provide the Town with a senior water right on Coal Creek and would enhance the reliability of the Town’s water supply in the event of drought.

Cypress would, of course, be responsible for the infrastructure costs of the water connection; Cypress would pipe the McCormick Ditch water up to the West Parcel so that it could be further utilized on the proposed Town Parcels, and lastly, Cypress would agree to encumber the East Parcel with a voluntary transfer fee that would be paid to the Town of Crested Butte, thus providing a significant and perpetual revenue stream for the Town for the future.

Following our last conference with you, the Cypress team met and is prepared to offer the following specific terms for the Town's consideration:

1. Cypress will agree to encumber the residential lots on the East Parcel with a 3% voluntary transfer fee payable to the Town of Crested Butte on all transfers of a lot other than a transfer of a lot by Cypress, its affiliates, or a successor developer.
2. Cypress would be responsible for piping the McCormick Ditch water from the intersection of Teocalli Avenue and 8<sup>th</sup> Street, north along 8<sup>th</sup> street to the West Parcel of the Cypress Property at the intersection of 8<sup>th</sup> street and Road A. This work would be completed at the same time as the 8<sup>th</sup> Street connection is completed in accordance with the Pre-Annexation Agreement. Cypress contemplates that this will require a 2 to 3 inch HDPE pressurized pipeline.
3. Cypress will also agree that the residential lots on the East Parcel will abide by the Town of Crested Butte's regulations governing solid fuel burning devices. Mr. Yerman, you have clarified for me that these regulations permit one approved solid fuel burning device in each residential structure located on a lot.
4. With respect to the unencumbered portion of the McCormick Ditch Water Right (the "Water Right"), WWE estimates that approximately 18 acre-feet of transferable historical consumptive use ("HCU") would be generated by the Water Right:
  - a. The first six acre-feet of HCU decreed would be available to the Town for municipal purposes. The next six acre-feet of HCU decreed would be available for downstream consumptive uses by Verzuh Ranch, Inc. or its assignee. The next six-acre feet would be split 50/50, with half being available for municipal purposes, and the other half being available for downstream consumptive uses. Any HCU decreed in excess of 18 acre-feet would be available exclusively to Verzuh Ranch, Inc., absent a subsequent agreement to the contrary. The cost of changing the Water Right to municipal purposes would be the responsibility of the Town. The cost of changing the Water Right for downstream consumptive uses would be the responsibility of Verzuh Ranch, Inc. or its assignee.
  - b. Verzuh Ranch, Inc. must reach an agreement that it deems acceptable with Cypress for the conveyance of the Water Right. Any such agreement will require

Cypress to convey the Water Right to the Town, subject to Verzuh's reservation of rights as contemplated in 4.a above.

- c. Verzuh Ranch, Inc. will not provide any warranties or representations to Cypress or the Town regarding the HCU that the Water Right might generate. Indeed, this is why the Town hired its own engineer to provide such an estimate.
  - d. Cypress will convey the Water Right to the Town, without warranties or representation of any kind, and subject to Verzuh's reservation of rights as contemplated in 4.a above. The agreement between Cypress and the Town would incorporate the terms set forth in 4.a above, including the contemplated municipal and downstream consumptive uses.
4. Cypress would be permitted to connect to the Town's water supply and would adhere to the Town's municipal-wide water usage rules as a result of such a connection. Cypress would be responsible for the infrastructure costs of such a connection, just as it is for the sewer connection in the Pre-Annexation Agreement. No tap fees would be due to the Town until an individual lot owner commenced construction on a lot located on the Cypress Property.

This email is for discussion purposes only. Any formal agreement would need to be drafted and agreed upon by the parties and approved through appropriate processes. As I have said previously, I am envisioning an addendum to the Pre-Annexation Agreement between Cypress and the Town to address a potential water connection, and I understand from you that you believe a minor revision to Section 13-1-280 of the Town Code may also be prudent.

Cypress looks forward to continuing to work through these issues with you in a mutually beneficial and productive manner.

Sincerely,



Marcus Lock  
LAW OF THE ROCKIES

cc: Cameron Aderhold

September 29, 2016  
Michael Yerman, Town Planner  
John Belkin, Esq.  
Page 4 of 4

**LAW OF THE ROCKIES**

## **October 17, 2016**

### **Work Session**

Budget

### **Public Hearings**

BOZAR Appeal

Snowcat Resolutions

### **Future Work Session Items:**

- Camping @ Town Ranch (allow? Not allow? Allow camping in other places?)
- BLM and OBJ Campground/Seasonal Housing Shortage (this could be combined with others – especially the Affordable Housing item at the bottom of this list)
- Perimeter Trail – Update, timelines, costs, what does this look like when finished
- Land Trust and Town Preservation Priorities – basically a joint planning/discussion with the CBLT (maybe in Exec Session if they would like) to confer on the priority parcels identified by the CBLT and the priorities of the Town (for planning future open space acquisitions). Maybe even a discussion about purchasing trail easements.
- Elk Avenue Rule Set re: Private Clubs – the whole “private clubs on Elk Avenue” concern that was raised when Irwin obtained a private liquor license for the Scarp Ridge Lodge.
- Affordable Housing/Density/Workforce – Blk 79/80
- Double Basements & Condo Combines
- Drones
- Special Events
- Budget Work Sessions – October and November
- Speeding