

MINUTES
Town of Crested Butte
Regular Town Council Meeting
Monday, July 7, 2014
Council Chambers, Crested Butte Town Hall

Mayor Huckstep called the meeting to order at 7:06 PM.

Councilmembers present: Jim Schmidt, David K Owen, Shaun Matuszewicz, Roland Mason, Chris Ladoulis, and Glenn Michel

Staff Present: Town Manager Todd Crossett, Town Attorney John Belkin, Lois Rozman, Michael Yerman, Rodney Due, Janna Hansen, Jessie Earley

APPROVAL OF AGENDA

There were no additions. Owen moved and Schmidt seconded to approve the July 7th agenda. A roll call vote was taken with all voting "Yes." **Motion Passed.**

CONSENT AGENDA

- 1) Approval of June 16, 2014 Minutes
- 2) Grant Committee Funding Recommendations
- 3) Special Event Application Grin and Bear It
- 4) Special Event Application Crested Butte Hat Tournament (Ultimate Frisbee)
- 5) Special Event Application 12th Annual Friday Night Fish Fry

Huckstep asked if item 4) Special Event Application Crested Butte Hat Tournament (Ultimate Frisbee) could be moved to "New Business," as he had a question. Schmidt then asked why the June 2nd minutes were under new business and other members noted that he had questions previously. There were no other changes and no members were present from the festival in question.

Owen moved and Mason seconded to approve the consent agenda with the removal of item #4, which was. A roll call vote was taken with all voting "Yes." **Motion Passed.**

PUBLIC COMMENTS

There were no public comments.

STAFF UPDATES

Public Works Director, Rodney Due:

- Due noted that it is a busy summer. He explained on the 4th of July he was at Second Street and Elk Avenue and there were volunteers that were very responsive and helpful. Normally, after the water fight, there is a difficult time with clean up, but not this year. Ladoulis asked how many visitors we might have had over the weekend. He noted a photo that Gillie took from the hill at the zero Block of Elk Avenue. Due explained that the bus count was 6,000. Huckstep asked Due to draft a letter commending the volunteers and he will.

Town Planner, Michael Yerman:

- Yerman began by explaining that the signs from Kochevar parcel are in his office for some work.
- The traffic counters will be out the last two weeks in July; Kimley Horn is the company that has been contracted.
- There will be a Trail Day for Baxter Gulch July 31st from 10:00 am – 2:00 pm. The Youth Core kids will be working for three weeks. He encouraged the Council to attend, as the Executive Director will be coming to Town and there is some interest to begin a Youth Core in the Gunnison Valley. Schmidt asked about the Forest Service status. Yerman explained that there is a lot of work to do before they have reached USFS property and then we must go through the NEPA process. Schmidt asked about the plan for the trail day and Yerman explained that the goal is to get down to the creek. The CBMBA trail day plan in August is still in discussion.

Todd Crossett introduced **Janna Hansen** the new Parks and Recreation Director. She is excited about all of the things going-on. Schmidt thanked Pete Curvin's crew overall and for mowing the Eighth Street greenway.

Lois Rozman, Finance Director:

- Rozman put on their desks updated sales tax information and March's numbers are up substantially.
- The new computers are now order and should be arriving in the next couple of weeks. It will be phased Department by Department.

Jessie Earley: None

Town Manager, Todd Crossett:

- Crossett mentioned the celebration for Ted Conner, which is on July 18th from 12:00 to 2:00 pm.
- They will be getting the RFP for the tennis courts out soon. He would like to get things going for this year. He explained that both grant agreements are on for approval tonight. The other grant is for the Big Mine Ice Rink master plan.
- He has been keeping track of the VCUP process. CDPHE is not holding to the strict 45-day period, but they are hoping for comment by the end of July. CDPHE is communicating with other agencies also.

Public Works Director, Rodney Due:

- Due added that there is a ribbon cutting ceremony for the solar array at 11:00 AM at the clarifier building on Thursday.

PUBLIC HEARING

- 1) Discussion and Possible Action for a Retail Marijuana Establishment License at 329 Belleview, Unit A, for the Crested Butte Wellness Center

Mayor Huckstep asked Earley if proper public notice had been given and Earley confirmed. He noted the staff report included in the packet. Mayor Huckstep opened the public hearing. He asked if there were any representatives for the applicant present and Caitlin McGuire, owner, Parker McCloud, general manager of the Crested Butte store, Allison Nipka, general manager of the Breckenridge store, Brian Rodgers, manager of the company, Spencer Rodgers, bud tender, and Jake Perlmutter, bud tender, were all present in support.

Owen asked if this would be the third retail marijuana license and Earley confirmed that it is. Schmidt noted that sales tax information can be provided and Rozman confirmed as a category, but not individually. Huckstep confirmed with Crossett that nothing had changed regarding staff recommendation. Crossett said not to his knowledge. Huckstep closed public hearing and opened for Council discussion, but there were no comments.

Schmidt moved and Owen seconded to approve the Crested Butte Wellness Center as a dual medical retail marijuana establishment. A roll call vote was taken with all voting "Yes." **Motion Passed.**

NEW BUSINESS

1) Approval of June 2, 2014 Minutes.

Huckstep directed to Schmidt. He wondered about the CB Land Trust item and if they were asked to let the Town Council know on any previous parcel that the Town had funded. He noted that this funding agreement was specific to the Coral House property. He wondered if it was any and all properties that the Town had funded. Belkin said no it was only the subject property. Huckstep thought that the notion would be set in place for future projects, but not retroactively on historical projects. Belkin thought that this made sense. Huckstep reminded that this discussion is about the minutes not a substantive decision. Crossett mentioned that staff could review the tapes. Mason explained that his suggestion was to give the Council updates. Huckstep asked for the tapes to be reviewed and Earley will pass the message along to Stanford.

Schmidt moved to approve the minutes from June 2nd and Mason seconded. A roll call vote was taken with all, but Owen who abstained due to absence, voting "Yes." **Motion Passed.**

2) Presentation by Steve Glazer and Discussion Regarding Coal Creek Watershed Alliance Proposal to Purchase, Install, and Maintain Monitoring Devices for In-stream Flow Protection of Coal Creek.

Huckstep greeted Glazer and explained that the Town Council has received an email to Rodney Due and cc'ing John Belkin, which gives background on the flow gauge and a list the benefits of ongoing operations and maintenance. Also included was an Upper Gunnison Basin Stream Gauging Program Cost Sharing by Site and Sponsor Details Analysis and US Department of the Interior Joint Funding Agreement of Water Resources Investigations. Finally, there is memo from Town Attorney, John Belkin relating to the installation of the flow gauge and ancillary water matters.

Steve Glazer, president of the Coal Creek Watershed Coalition, and Zach Vaughter, executive director of Coal Creek Watershed Coalition, were present to protect in stream flow of Coal Creek. Glazer gave the background behind the need for the gauge and that there are two issues. One based upon economics and the other based upon legal issues. He overviewed both issues and gave a history of the water rights for McCormick Ditch. The gauge itself is a radar gauge and they can determine how much water passing by telemetry, which is powered by photovoltaic. There are two aspects as to what they would be purchasing, which is laid out in the Joint Funding Agreement. The first aspect of the cost is for the installation. USGS maintains ownership of the unit, but what you purchase is the maintenance, upkeep, upgrades and constant feed of information to the website. They went to the USGS website. Owen asked about the Coal Creek ditch and Glazer gave an

overview. Glazer explained that the second aspect of cost is the Operation and Maintenance of the gauge, which is \$1400 per month and is basically an insurance policy. Vaughter showed the data for the Slate River as an example via the website. Glazer explained that the Town is already contributing to the operations and maintenance on the Slate River gauge. Due is very protective over the discharge permit and this gauge helps with collecting water quality data. Next, Glazer discussed the water quality benefits of the gauge. He explained determining the peak of the hydrograph and mentioned the problem areas for flooding. Glazer then touched on legal items regarding water rights and the critical time of year when the flows are low (mid August to September). In turn, these reasons are why he is here promoting this today. The \$1400 per month cost he would like to see equal contributions from the Town of Crested Butte, Gunnison County and Upper Gunnison Watershed Coalition, of which the latter has already committed. The USGS won't bill the cost until next year, as they bill after the fact. Glazer referred to Due's memo, which discouraging action, and they are legitimate concerns. He explained what would need to happen in order for a partnership to be put in place with the Town of Crested Butte and Colorado Water Conservation Board (CWCB). Glazer prefaced that he did not want to see Due's budget divided into smaller portions and thought that funds should be added from elsewhere. The cost of the gauge per year would be \$3500 prorated for month's that are not accessible due to cold and winter months.

Schmidt wasn't sure exactly what problem that this was solving and Glazer helped to explain. Schmidt asked if there was a portion that is less than 2 CFS and Glazer said yes below the McCormick Ditch. Schmidt thought he would need to rely more on a water attorney, which the Town doesn't currently employ, as he values Glazer's information, but would need this perspective. Huckstep asked for Due's comments. Due explained that the Colorado Water Trust approached him a few years ago about leasing some of the water rights. He explained leasing versus owning these water rights. There were a couple of items that they could not get around. One being that, McCormick Ranch trumps the junior rights. In order to do this, they would need storage rights in Lake Irwin. He has been trying to get a water attorney to review the Town's water rights, specifically Irwin. He explained his interpretation about overflowing at the spillway, but this is where a water attorney could help. Due had concerns about the costs, as the enterprise fund gives \$5,000 per year to the Coal Creek Watershed Coalition and USGS currently receives \$6,800, which goes up on occasion. So, with the addition of the monies Glazer described it would total \$15,300. For the first year, it would be \$16,600. He did agree that the Slate River gauge is very important for discharge. Due felt that US Energy should be required to pay/provide this if it is required for TMDL's and didn't think this should burden the enterprise fund. He commended Glazer on the work that he has done as the installation is \$18,000 of which he's found from USGS and Upper Gunnison. He did agree that this should be discussed in the future. He just wanted to ensure that the Council understands. He reminded that the Town hasn't flooded, although the creek might have jumped the barriers proper items have been put in place.

Huckstep addressed the Council and wondered if per Staff recommendation the Council should discuss in August during budget. Schmidt thought the first step is to hire a water attorney and everything would flow from there. All were in agreement. Huckstep directed staff to get information from a water attorney with the intention of protecting the in stream flow rights. He then commended Glazer for his work and information. Glazer explained that the vegetation has decreased the capacity of Coal Creek. He also mentioned that he has

made the commitment to raise the money. If we don't use the money, we lose it and he isn't confident that next year this would be an option. He encouraged them to look at continuing the discussion.

3) Discussion and Possible Action Regarding Proposed Ballot Language for Parks and Recreation Sales Tax Increase.

Huckstep began and explained that the difference between Option one and two, in that option one restricts revenues raised. Option 3 doesn't really restrict use of the funds and is quite broad. Michel asked Rozman why Option 2 was the first choice and she mentioned that it is a compromise. She said after reading ballot language of previous years it seemed as though the more broad the more difficult it was to pass. Crossett mentioned that at the Town Hall meetings funding was a concern. Open ended funding would most likely not be supported, but directed to Parks and Recreation would be. Schmidt confirmed that Option 2 would give the ability to leverage grants, but not option 1, which Rozman agreed with. Huckstep also stated that revenue could be used on new projects on Option 2. Owen clarified that the funds go to the capital budget, which is correct. He asked about the restriction of the language. Rozman explained that \$425,000 comes in per year for RETT and \$370,000 is needed for Parks and Recreation. If revenue was coming in to take care of the Parks, this would free up the RETT for other needs.

Huckstep asked if anyone on the Council was opposed to Option 2 and all were supportive of this option.

Michel moved and Mason seconded to direct staff to bring forward an ordinance to the Council at the July 21st meeting using the language in option number 2. A roll call vote was taken with all voting "Yes." **Motion Passed.**

4) Ordinance No. 6, Series 2014 – An Ordinance Amending Chapter 6 of the Crested Butte Municipal Code to Include Requirements Specifically for Major Special Events.

Huckstep reminded the Council that there is a memo from Town Attorney, John Belkin, which recommends that this ordinance is set for public hearing July 19th. This just needs a motion and a second and there would be no approval this evening. Huckstep asked if any Council members had questions for John Belkin or Todd Crossett. Schmidt mentioned that he spoke to Huckstep and Belkin and thought that the definition of major special event, as presented, could apply to many events in place currently and felt that the definition should be tightened a bit. He wondered if this could be at the discretion of the Town Manager. Belkin said that the language could be tightened. He furthered that it was the status of the nonprofit, which would qualify for the exemption. Most members had the same questions, as Schmidt. Huckstep then asked if they were ready to set this for public hearing. Crossett mentioned that both could be done concurrently and the language isn't locked in. Owen wondered if events like 4th of July and Vinotok would come through this process, as this is the intent pertaining to events that have a large impact. Schmidt asked if Town staff needs to see this for events that we've had for many years. Matuszewicz didn't think that this should be used for corralling future events. He thought that it should be used for those that are requesting variances to town code. Huckstep furthered that this could be the case if the applicant was asking for the variances, but it could also be at the discretion of the Town Manager. Michel asked Matuszewicz if the concern for historic events would be thrown into this and he confirmed based on the definition. Huckstep asked Belkin to clarify the language

to ensure that there aren't negative impacts on events. Huckstep asked if this is possible and Belkin confirmed. Huckstep asked if there was anyone that didn't think it should be set for public hearing. Owen said that it is difficult as they don't really know what it will say. Huckstep reminded that the definition might change and if there are concerns about the language this can be addressed in that meeting. Schmidt liked the definition of those events asking variances of code. Matuszewicz wondered if we were putting the cart before the horse, as there aren't commitments yet. Owen thought that the code is insufficient currently and thought that this would help to help. Crossett said that Town Staff has a process for events, but it is not anchored in code. Owen wondered if more is needed in the code. Crossett thought that this is what would get us what we need. Huckstep addressed Matuszewicz's point about the necessity and said that the heavy lifting of the ordinance is nearly complete. Matuszewicz just clarified he wondered if we should wait until there is something before them. Crossett said this is just the first part of the process and they can determine at a later time to forgo. Owen wondered if this is like closing the gate. He worried if this would preclude bigger events in the future. Crossett said that this is not the intention. Schmidt wondered about dropping the application fee language and having it as part of the negotiation. Matuszewicz thought this is being drafted for one specific event and worried that it might be used in the future on events that weren't intended. Huckstep wondered if there was another mechanism to achieve the same outcome. An emergency ordinance or sunset were mentioned and Belkin offered rebuttal for both. Crossett thought that the Council has done a good job of discussing the potential pitfalls. Huckstep offered their options to set for public hearing understanding that John Belkin and Todd Crossett have heard their concerns or let this sit until the ordinance is drafted. Matuszewicz would prefer to see the ordinance first. Mason felt comfortable with some changes that it will address something major. Mason moved and Michel seconded to set Ordinance No. 6 for public hearing on July 21st.

- 5) Authorize the Mayor or Town Manager to Sign a Grant Agreement with Great Outdoors Colorado (GOCO) for \$191,700 for the Reconstruction of the Town Tennis Courts. Huckstep noted that there is not a staff report and is more housekeeping than anything else. Huckstep asked Crossett and Belkin if they were recommending signing. Crossett said yes and reminded that they had supported this by resolution. Schmidt moved and Ladoulis seconded to authorize the Mayor or Town Manager to sign the grant agreement with Great Outdoors Colorado (GOCO) for \$191,700 for the Reconstruction of the Town Tennis Courts. A roll call vote was taken with all voting "Yes." **Motion Passed.**

- 6) Authorize the Mayor or Town Manager to Sign a Grant Agreement with Great Outdoors Colorado (GOCO) for \$60,000 for Development of a Big Mine Park Master Site Plan. Crossett noted that this also was supported by resolution. Mason moved and Ladoulis seconded to authorize the Mayor of Town Manager to sign a grant agreement with Great Outdoors Colorado (GOCO) for \$60,000 for development of a Big Mine Park Master Site Plan. A roll call vote was taken with all voting "Yes." **Motion Passed.**

Huckstep wondered if any Council members would object to having these items on the Consent Agenda, as an effort to streamline their meetings. All felt that this was fine and Ladoulis added that as long as procedures have been followed. Crossett said the County does something similar, where the document would be signed administratively and then place on the Consent Agenda for approval. Belkin mentioned that the Standard Operating

Procedure has some flexibility and he would support this, but thought maybe a process should be followed for how this decision is made. Otherwise, he worried that steps might get missed. Huckstep agreed with Ladoulis that if there has been a resolution it could be done. Belkin just didn't want to put the cart before the horse.

- 7) Award of Public Works Paving Project Contract for Paving of Public Works Yard Not to Exceed \$85,000. Note: Final contractor selection has not been completed as of agenda publishing date, but it will be reflected in staff report included in the agenda packet. Huckstep noted the memo from Due, which recommends award to United Companies, as they were the only bidder. Schmidt wondered about the prep work, which will be done in house per Due. Owen wondered why there is only one and Due did not have comment. Ladoulis wondered about the process for a single bid. Due explained that United Companies is basically the only one. Matuszewicz asked if the bid was under the engineering estimate and it is. Matuszewicz moved and Schmidt seconded to award the Public Works paving project to United Companies in an amount not to exceed \$85,000. A roll call vote was taken with all voting "Yes." **Motion Passed.**
- 8) Special Event Application Crested Butte Hat Tournament (Ultimate Frisbee)
Huckstep explained that in the packet there is a staff report from Stanford, which gives a recommendation to approve. He mentioned that Steven Shea is present, which is the applicant. Huckstep had a concern that the Certificate of Insurance has insured is Indoor Ultimate Championships and the Certificate Holder is the City of Crested Butte. He wasn't sure of the link between Indoor Ultimate Championships and the applicant. Also, he wanted to ensure that stating the City of Crested Butte covers the Town of Crested Butte. He has no concerns with the event itself. Crossett thought that the Council could approve it contingent upon cleaning this up and ensuring that there is a clear line of insurance. Shea agreed. Huckstep asked if the Council could support this and they could. Owen moved and Mason seconded to approve the special event application contingent upon confirmation that the insurance coverage is effective. A roll call vote was taken with all voting "Yes." **Motion Passed.**

LEGAL MATTERS John Belkin, Town Attorney, explained that the 818 Teocalli Avenue unit will go on sale again Wednesday.

COUNCIL REPORTS AND COMMITTEE UPDATES

Michel: None

Matuszewicz:

- Huckstep commended him on the 4th of July.

Mason: None

Ladoulis: None

Owen:

- He explained that on June 18th there was a Housing Foundation meeting and Karl Fulmer, Executive Director of the Gunnison Valley Regional Housing Authority, asked about the construction loan guarantee, as the County is quite stretched and would like to back out.

- Then, he mentioned that on July 2nd there was a Housing Authority meeting and Fulmer reported that the tax credits were awarded and an RFP will go out by the end of August for a selection of finalists for interviews to get funding in place by the end of the year. Michel asked about the rate and if it was 0.89 or 0.92 and Owen said that it was budgeted as 0.90. The consultant thought that it might be as high as 0.95 and in Denver they are going for more than 1.00. Schmidt wondered if there was a contest to pick a new name for "Caddis Flats." Owen said yes, but nothing firm. Reaman said that there is a story in the paper Thursday.
- He mentioned that the Section 8 vouchers, which are the low income housing vouchers, were knocked down to 35 during the government shutdown some time ago. This number is now back up to 42, which is the County's maximum.
- There are contracts when the units get sold that need reviewing. He wondered if there are brokers on staff in Town or if this is a Town Attorney function that would review contracts on Town-owned units. Belkin explained it is between two private owners, but the Town does ensure that the deed restriction is properly executed and represented. Earley mentioned the language in the code that is required. Crossett said that if there is a hitch then the Town may become involved and the Town does have the right of first refusal.

Schmidt:

- There was a cemetery meeting on June 26th and mentioned the slightness of the budget to the tune of \$5,000 per year. He explained that some of the historic headstones that are in need of repair and that we are getting estimates. He asked the Town Council as we are doing budget to consider this. Michel asked if this is the responsibility of the Town or the plot owner. Schmidt didn't know what obligation, if any, there was and mentioned the rules are narrow. Belkin said that Towns are all very different in how cemeteries are dealt with. He suggested placing something in the code for future items like this.

Huckstep:

- He received an email from Molly Mugglestone from Protect the Flows, which is a request to sign a petition encouraging the Governor through the Colorado Water Plan to honor our watershed. Michel has signed. Belkin was conferred with and didn't think that there was a conflict.
- RTA board meeting on Friday
- Meet and Greet for Dave Ochs on Thursday, July 10th at Totem Pole park
- He reiterated that Friday, July 18th is Ted Conner's Retirement.

OTHER BUSINESS TO COME BEFORE THE COUNCIL

Schmidt asked about camping and wondered about the comprehensive thought for this. He noted the signage for RV camping as part of the Music Festival. He thought that they should decide what is acceptable at Town Ranch. He wasn't quite sure how to approach. He mentioned that there were tents in Town Park for Bridges. Huckstep thought that a work session regarding camping would be helpful. All were interested in having this as a discussion in the fall. Michel added that there are ordinances in the code and it would be good to review what the allowances are.

Schmidt then elaborated on the Land Trust item that they should inform us in the month the properties that have been leveraged. He thought it was a reasonable thing to ask. Huckstep asked if it would be acceptable if the Land Trust emailed Crossett and Schmidt said yes. Crossett will do this.

Mason mentioned that he was at Totem Pole Park and there was some damage from snow removal and it would be nice to clean this up.

Ladoulis wondered about a work session on seasonal housing shortage, as many are not finding housing. Marcelina is now private. He thought a discussion should happen to better understand if it is anomaly or if it is real. Matuszewicz agreed. Michel thought that this might be a County-wide discussion and Huckstep agreed. Huckstep said that he spoke to Brian St. George, BLM, who said that there should be a discussion about Oh Be Joyful campground. He encouraged including the BLM in the discussion. Schmidt noted that on top of this the number of campgrounds has been cut back. Ladoulis again thought that a work session paired with a Chamber survey might be of help.

Huckstep asked about the scheduling of work session topics and Crossett wasn't sure what was scheduled for the 21st.

Schmidt congratulated Emma Coburn for National Championship.

Crossett mentioned comments from the public about whether or not various ordinances around land uses are what we want or not (i.e. PIL, BOZAR). He said some are more rigorous and wondered if there is interest in having a Town Hall meeting to discuss these. Then, the Council could digest the sentiment and later make a determination. Schmidt didn't have a particular interest in doing this as over the years he remembers ups and downs with the town codes. He then referenced the higher land values and how the town looks. Michel explained that when the town code was written it was a different time. For instance, cars are used differently now, which affects PIL and parking. It might not be visionary for the future. Michel said that BOZAR does tremendous work and there is an urban legend and in having the discussion it would in turn restate the value. He thought that it would be beneficial with an adult discussion. There would obviously need to be a process per Crossett, which noted he doesn't have an opinion. Ladoulis thought that it is worth having the discussion and commended Crossett for jumping in. Huckstep said that the TA and Chamber discussions are important and if you can pull the emotions out of it you can validate what you do. To be clear this is not a witch hunt, just to hear from the community. Schmidt explained that the parking items will hopefully be addressed in the transportation study. Huckstep thought that Crossett could provide a scheduling document that could be provided to the Council. Crossett said that overarching priorities for having a strategic plan for property acquisition should also be discussed. Next, he said another item would be migrating to a strategic plan for prioritization. He didn't think it needs to be a large plan and wants it to be a useable living document. Huckstep thought that one good example would be Rodney and Glazer's discussion regarding the water gauge.

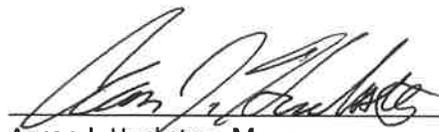
Schmidt also pointed out the locker rooms in the Big Mine Ice Rink and didn't want this to be forgotten.

DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

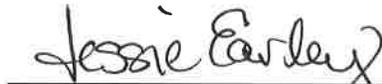
- Monday, July 21, 2014 – 7:00PM Work Session – 8:00PM Regular Council
- Tuesday, August 5, 2014 – 7:00PM Work Session – 8:00PM Regular Council
- Monday, August 18, 2014 – 7:00PM Work Session – 8:00PM Regular Council

ADJOURNMENT

Mayor Huckstep adjourned the meeting at 9:27 PM.



Aaron J. Huckstep, Mayor



Jessie Earley, Acting Town Clerk

(SEAL)

