

MINUTES
Town of Crested Butte
Regular Town Council Meeting
Tuesday, September 6, 2016
Council Chambers, Crested Butte Town Hall

Mayor Michel called the meeting to order at 7:00PM.

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

Staff Present: Incoming Town Manager Dara MacDonald, Interim Town Manager Bill Crank, Acting on Town Attorney John Belkin's behalf Attorney Barbara Green, Town Planner Michael Yerman, and Town Clerk Lynelle Stanford

Finance Director Lois Rozman, Building and Zoning Director Bob Gillie, Parks and Recreation Director Janna Hansen, and Assistant Chief Marshal Mike Reily (all for part of the meeting)

APPROVAL OF THE AGENDA

Discussion and possible action regarding proposed memorandum of intent (MOI) between Mt. Emmons Mining Corporation and the Town of Crested Butte, Colorado regarding Mt. Emmons was added under New Business. It was decided it would be discussed before the ballot resolution as item #3.5.

Schmidt moved and Merck seconded a motion to approve the agenda with the addition of item #3.5 as mentioned by Glenn. A roll call vote was taken with all voting, "Yes."

Motion passed unanimously.

CONSENT AGENDA

- 1) August 12, 2016 Special Town Council Meeting Minutes.**
- 2) August 15, 2016 Regular Town Council Meeting Minutes.**
- 3) August 18, 2016 Special Town Council Meeting Minutes.**
- 4) August 27, 2016 Special Town Council Meeting Minutes.**
- 5) August 29, 2016 Special Town Council Meeting Minutes.**
- 6) Crested Butte to Carbondale Trail Great Outdoors Colorado (GOCO) Connect Initiative Trail Planning Grant Letter of Support.**

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

PROCLAMATION FOR OUTGOING BOZAR CHAIRPERSON LIZ SAWYER

Sawyer served four terms on BOZAR, which would be thirteen years in November. Michel equated her time to 1000 approvals and about 300 meetings. He thanked Sawyer and stated the Town would miss her. Michel read the proclamation. Sawyer thanked Staff and Council.

PUBLIC COMMENT

Sue Navy

- She was at the meeting representing ten non-profits, who intended to meet and coordinate clean-up in the Slate River Valley because the valley had been showing signs of wear and tear.
- Their efforts would be via the non-profit mechanism to clean for a day, followed by a BBQ.
- They wanted to broadcast the message about protecting public lands and to get Federal agencies to find funds for facilities where they were needed the most.
- The clean-up day would be October 16.

Zach Vaughter - 111 ½ Gothic Ave - Executive Director of Coal Creek Watershed Coalition (CCWC)

- Apologized on behalf of the CCWC for the lack of communication on Kebler Pass delays.
- The Coalition thought the Forest Service was handling outreach and awareness, which caused the lack of communication.
- He stated they would never intentionally jeopardize support from the Council.
- Schmidt wondered if there was a chance that some days the closure wouldn't actually last the expected amount of time. Vaughter said they would be utilizing the schedule they claimed.

STAFF UPDATES

Janna Hansen

- There would be public meetings held concerning the Town Park playground renovation on September 12 and 20.
- Big Mine utilities were looking good; however, crews hit unmarked phone and electric lines.
- Gunnison County Electric would be having an electric vehicle rally on September 14 at the charging station at the tennis courts.
- There would be workday for the bike park project with CBMBA on September 21.
- They were shutting down irrigation town wide on September 19.
- Ladoulis commented that the flower boxes looked great.

Bob Gillie

- Austin Ross would be the new BOZAR chair.
- Last Wednesday night they had a meeting which included 6th Street Station, and he could see an amendment to the parking ordinance as a result of the meeting.
- The Center for the Arts was approved with conditions last Thursday night.
- The Depot grand reopening would be on Friday from 4PM to 6PM.
- There were 24 units that he was unsure of or were out of compliance with their deed restrictions. They were down to the last eight or nine, and he thought they might eventually end up finding two or three in violation, but they had managed to price the units back on the market.
- Ladoulis asked for an update on BOLT applications for short-term rentals. Rozman stated they had a total of 83 new short-term rental business license applications. Six had dropped off when they found out that sales tax would need to be reported. Gillie added that Town was approaching 250 short-term rentals.

Lynelle Stanford

- Reported on the upcoming special events before the next meeting.
- With the number of events that had been held in Town, Labor Day weekend seemed to go well.

Michael Yerman

- He would be attending a TPR meeting on September 8 with Schmidt.
- CDOT would be coming up for proposals for the STIP funding, and there would be an upcoming agenda item for JVA on the Avalanche Park study roundabout.
- The Creative District Commission would be kicking off the public arts policy at the end of this month.
- There would be public meetings on creating the public arts policy.
- Staff was out documenting every sign in town.

Mike Reily

- The Marshals had been busy, and they hoped to get caught up on training.
- They had been working with DOW to trap a bear that had entered homes and businesses.
- They would have a training on the 14th with Gunnison Emergency Services on an active aggressor scenario.
- Referred the Council to an email that was sent that had information on Martin's retirement and change of command ceremony.

Bill Crank

- There should be a relocation agreement and a development improvement agreement ready from the Kapushions on the 19th. If it all came together, they were likely to start the project this fall.
- He would try to get Staff together early next week to discuss the short-term rental program moving forward to see what could be done this fall.

Lois Rozman

- In July, sales tax was up 1.5%. It was up 4% year-to-date.
- Schmidt recognized that sales tax on marijuana was down 66% for July. He wondered if it was because shops in Gunnison had opened. Rozman stated that overall marijuana usage had come down in the state.

Michel thanked the Staff for their hard work.

PUBLIC HEARING

1) Ordinance No. 7, Series 2016 - An Ordinance of the Crested Butte Town Council Authorizing the Sale of Town-Owned Property Legally Described as Lot 4, Block 80, Paradise Park Subdivision, Town of Crested Butte, County of Gunnison, State of Colorado To Trevor Main for the Sale Price of \$75,000.00.

Michel confirmed proper public notice had been given. He opened the discussion for public comment. There were no comments from the public. He closed the public hearing, and there was no further Council discussion.

Schmidt moved and Mitchell seconded a motion to approve Ordinance No. 7, Series 2016. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

2) Ordinance No. 8, Series 2016 - An Ordinance of the Crested Butte Town Council Authorizing the Sale of Town-Owned Property Legally Described as Lot 3, Block 79, Paradise Park Subdivision, Town of Crested Butte, County of Gunnison, State of Colorado To Warren Seekatz and Heather Allyn for the Sale Price of \$30,000.00.

Michel confirmed proper public notice had been given. He opened the discussion for public comment. There were no comments from the public. He closed the public hearing, and there was no further Council discussion.

Mitchell moved and Merck seconded a motion to approve Ordinance No. 8, Series 2016. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

3) Ordinance No. 9, Series 2016 - An Ordinance of the Crested Butte Town Council Authorizing the Sale of Town-Owned Property Legally Described as Lot 12, Block 79, Paradise Park Subdivision, Town of Crested Butte, County of Gunnison, State of Colorado To Kent Cowherd for the Sale Price of \$30,000.00.

Michel confirmed proper public notice had been given. He opened the discussion for public comment. Cowherd thanked the Council, and he appreciated the chance to participate in the process. The public hearing was closed, and there was no further Council discussion.

Merck moved and Ladoulis seconded a motion to approve Ordinance No. 9, Series 2016. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

4) Ordinance No. 10, Series 2016 - An Ordinance of the Crested Butte Town Council Authorizing the Sale of Town-Owned Property Legally Described as Lot 15, Block 79, Paradise Park Subdivision, Town of Crested Butte, County of Gunnison, State of Colorado To Beth Goldstone for the Sale Price of \$60,000.00.

Michel confirmed proper public notice had been given, and he opened the discussion for public comment. Goldstone thanked the Council. The public hearing was closed, and there was no further Council discussion.

Mason moved and Vohman seconded a motion to approve Ordinance No. 10, Series 2016. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

NEW BUSINESS

1) Appointment of BOZAR Member.

Molly Minneman, Historic Preservation Officer and Design Review Coordinator, stated that Mary Ellis was a wonderful applicant for BOZAR, and she fully recommended that the Council appoint her. Schmidt couldn't think of a better-qualified candidate. Michel thanked her for stepping up. Ellis said it was an opportunity for her to give back to the community. She thought that the beauty of Crested Butte was in part because of its built environment.

Schmidt moved and Vohman seconded a motion to appoint Mary Cooper Ellis to the Board of Zoning and Architectural Review for a three-year term. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

2) Presentation and Possible Request for Support by Kari Commerford, Director of Gunnison County Substance Abuse Prevention Project (GCSAPP), on Healthy Youth Development.

Kari Commerford introduced herself. She provided a background and history of GCSAPP. They were working on youth substance abuse prevention, and they updated their strategic plans in 2014. She provided statistics from within the County concerning alcohol and drug use. She stated that GCSAPP took a multi-prong approach to substance use prevention. A goal was abuse prevention, specifically by delaying the onset of first time use. Another goal was to educate via education events, parent educational dinners, and in schools.

Commerford cited the importance of community engagement. She recognized they had over 45 coalition members that represented multiple sectors. She reported on alternative activities, specifically the Choice Pass Program, on which she explained details. Because of their efforts, Gunnison County saw a reduction of 30% in youth substance abuse. They were concerned about increased prescription drug use. Creating sustainability meant there was community buy-in and support. Commerford ended her presentation by

requesting \$25K be included in the Town's budget, and she provided a breakdown of how the funds would be used.

Ladoulis asked how the request pieced together with other towns. Commerford said this was her first request, and she was just starting to explore local support and funding. GCSAPP was written into the County's strategic plan but not written into their budget. Michel stated that the Council had non-profits apply for service grants. Commerford countered that GCSAPP was not a non-profit. Michel told her they would look at her request.

3) Discussion and Possible Approval of Vinotok Special Event Application and Special Event Liquor Permit for September 23, 2016 in the 100 Block of Elk Avenue, Closure from 6AM on September 23 to 6AM on September 24 and September 24, 2016 in the 200 Block of Elk, Closure Starting at 5AM Throughout the Day, Then Rolling Closure on Elk During the Processional Starting at 7:00PM, and the Chamber Parking Lot Closed All Day September 23 Until the Clean Up is Concluded on September 24.

Michel asked what Staff member would be reporting. Stanford stated there were no changes from the time the staff report was written. No one from the public chose to comment. Michel thanked Reily for his input on the fire.

Schmidt moved and Merck seconded a motion to approve the Vinotok special event application and special event liquor permit. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

3.5) Discussion and Possible Action Regarding Proposed Memorandum of Intent (MOI) Between Mt. Emmons Mining Corporation and the Town of Crested Butte, Colorado

Yerman declared it was the start of a new chapter on Mt. Emmons and the first step to end mining on Mt. Emmons. He thanked Mt. Emmons Mining Company (MEMC). They would carry the spirit of collaboration into future work. The proposal was for the Federal withdrawal of unpatented mining claims. The unpatented mining claims encompassed over 9,000 acres.

The payment of \$2M by the Town would not occur until MEMC abandoned the claims, the withdrawal was passed by Congress, and ratified by the President. The Town would borrow against funds collected by the real estate transfer tax (RETT) for the bond. The bond would not cause an increase in taxes. Yerman explained that the numbers in the ballot language were considering the worst-case scenario.

Yerman reviewed the next steps to include the citizens voting on the bond in November. If passed, it would create a non-partisan withdrawal. Town staff would work until the withdrawal could be completed. Yerman thanked the Council, Crank, Rozman, and

Belkin. He told the Council that Staff recommended their approval of the MOI and the resolution.

Ladoulis questioned unpatented versus patented mining claims. He wondered if they achieved what they wanted because there was no way to mine without the adjacent land, which was the reason they were not addressing patented claims. Yerman concurred that the unpatented claims were needed for mining operations. Yerman showed the patented mining claims on the map, and he showed the unpatented mining claims which would be withdrawn.

Mason asked what had been contemplated in the worst-case scenario that the bond didn't pass. Yerman identified the question was whether they would forge ahead with the deal knowing there was no support from the community. They could look at reserves. The current deal was within the financial interests of Town, and it would not stress the daily budget. Mason wanted to know what would happen if they took \$2M from reserves. Rozman answered they would need to take from multiple different reserves, and they would not be able to do projects on the 5-year plan. Mason wondered if they would still be above the threshold for operating. Rozman thought it would be tough, and they would most likely take more out of capital reserves rather than cutting services. Michel thought they were optimistic that the ballot initiative would pass. The permanent withdrawal would remove the possibility of mining on Mt. Emmons, period. Schmidt confirmed the deal would not go into effect unless there was the withdrawal from the Federal government. Yerman confirmed, and he said they had begun discussing with Senator Bennet's office, even though it was non-partisan. Attorney Green stated they had been keeping Bennet's office in the loop and would be using their political savvy on how to best approach Senator Gardner's office. Yerman reminded them that Freeport had to initiate and would hopefully get non-partisan support. Schmidt confirmed money wouldn't change hands until the claims were withdrawn.

Brett Henderson - Executive Director of High Country Conservation Advocates (HCCA)

- He gave a statement from HCCA, and he passed copies out to the Council.
- HCCA supported the new ballot measure and MOI.
- He commended the Town, County, and Freeport.

Jim Starr - President of Coal Creek Watershed Coalition (CCWC)

- It was a huge step towards their top priority since conception, to clean up the water in Coal Creek.
- Strongly supported the Council's adoption of the resolution.
- It (bond) was a great way to finance it, and funds would be left from the RETT for other open space projects.
- Thanked all for their hard work.
- CCWC supported keeping water quality as high as they could.

Bill Ronai - President of Red Lady Coalition

- Echoed Starr and Henderson.
- Clearly, they supported whole heartedly.

- The overhang of potential for the mine impacted the valley.
- They would make their resources available to get through Congress.
- Thanked all for their hard work.

Sue Navy

- Thanked everyone involved. She stated they were getting closer and closer every time.
- She wanted to know if the Town would participate in the campaign to get the bond passed. Yerman explained that Town could not advocate as a body once the resolution was passed.

Schmidt asked if they had the information about when the request would be filed to withdraw minerals. Green explained their attorney had been away, but she thought the community would ignite the flame to move as fast as possible if the election moved forward.

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

4) Resolution No. 27, Series 2016 - Resolutions of the Crested Butte Town Council Calling for a Special Election on November 8, 2016 for Purposes of Submitting to the Registered Electors the Question of Whether the Town May Incur a Debt of Not More than \$2,110,000.00 for the Purposes of Preventing Mining Activity on Mt. Emmons by Mount Emmons Mining Company, its Successor and Assigns; Setting Forth the Ballot Title; and Providing for the Conduct of the Election.

Michel read the Resolution title from the agenda.

Merck moved and Mitchell seconded a motion to approve Resolution No. 27, Series 2016. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

5) Possible Contract Approval with New Town Manager.

Vohman moved and Merck seconded a motion to approve the contract approval with the new Town Manager. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

LEGAL MATTERS

None

COUNCIL REPORTS UPDATES AND COMMITTEE UPDATES

Jim Schmidt

- The Cemetery Committee met. The Cemetery was undergoing a non-chemical, naturalistic treatment of weeds. They were also planting natural plants. The problem was related to people planting flowers on grave sites.
- The Cemetery Committee also talked about the memorial site for the Jokerville Mine disaster. They had contemplated putting a fence around the site. It had been difficult to know the dimensions of the mass grave.
- He talked to Karl Fulmer about Anthracite Place. There were 14 people living there now. It has been slower than Fulmer imagined, but it was related to Federal rules of approval. Fulmer thought there would be four more people moving in this week, and he was confident it would be full by the end of September.
- There had been a strong number of replies from the business community on the Housing Authority's needs assessment survey.

Paul Merck

- He would be leading the Coldharbour meeting next week as Vice-President.
- He found out at One Valley Prosperity Project (OVPP) that a position became available within the tri-county area for a regional health connector.

Laura Mitchell

- Attended a Mountain Express meeting.

Roland Mason

- Attended a Mountain Express meeting. At the last meeting, they talked about summer season and that they extended summer service nine extra days this summer. With the extended shoulder season, they were busy up to the end of August.
- There was a newly painted bus.
- They reviewed the Director, which came in positively.
- Schmidt wondered if there were statistics on the Gothic bus. Mason said there were three round trips a day, and the service ended on August 21. The route was down 10% for June and July, but it was up 16% in August.
- Mentioned that Jenny Birnie came to the meeting to request a temporary bus stop in front of the new Center for Arts. The Board liked the idea. The service would be call only. They asked that the design in front of the Center was conducive to busses.
- There would be a RTA meeting on Friday. He attended an Air Command sub-committee meeting, and he would have more information at the next meeting.

Glenn Michel

- He attended a Community Builders Task Force meeting. The OVPP wanted to come to Council with an update, and he said they would get on an agenda.

OTHER BUSINESS TO COME BEFORE THE COUNCIL

Mason referred to the presentation from GCSAPP earlier in the meeting. He acknowledged they were asking for a substantial amount of money to be included in the

budget, and it needed further discussion. He wondered if there were three Council members who wanted to continue the discussion. Mason, Mitchell, Vohman and Merck said they wanted to discuss the request further. Schmidt thought that other entities should share the cost, since less than 50% of the students lived in the Town of Crested Butte. Michel summarized they were directing Staff to look at the question. Mason recalled that Rozman had worked hard to remove line items. They had to discuss if they started adding items back what they would add. Michel said they could direct revenue from marijuana sales towards them.

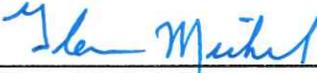
Ladoulis said a big issue to be discussed was short-term rentals. He wanted to have a conversation about how they used work session time. Michel listed issues, and he agreed they needed to prioritize and maximize time.

DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

- Monday, September 19, 2016 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, October 3, 2016 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, October 17, 2016 - 6:00PM Work Session - 7:00PM Regular Council

ADJOURNMENT

Mayor Michel adjourned the meeting at 9:08PM.



Glenn Michel, Mayor



Lynelle Stanford, Town Clerk (SEAL)

