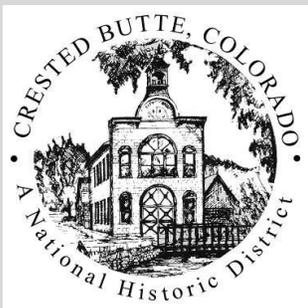


**AGENDA**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, October 15, 2018**  
**Council Chambers, Crested Butte Town Hall**



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

**Town Council Values**

- *Support Crested Butte's quality of life*
- *Promote resource efficiency and environmental stewardship*
- *Encourage a sustainable and healthy business climate*
- *Maintain an authentic and unique community*
- *Remain fiscally responsible*
- *Continue thoughtful management of our historic character*
- *Seek collaborative solutions to regional and local issues*

*The times are approximate. The meeting may move faster or slower than expected.*

**6:00 WORK SESSION**

Discussion on 2019 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) October 1, 2018 Regular Town Council Meeting Minutes.

2) Resolution No. 24, Series 2018 - A Resolution of the Crested Butte Town Council Amending the Refuse and Recycling Collection and Disposal Agreement with Waste Management of Colorado Inc.

*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**

**7:25 OLD BUSINESS**

1) Discussion on The Corner at Brush Creek Housing Project.

**7:40 NEW BUSINESS**

1) Update from Gunnison Valley Hospital on Fund Raising for a Mental Health Facility in Crested Butte.

**7:55** 2) Presentation from the Slate River Working Group on the Floating Management Plan.

**8:15** 3) Annual Report from the Creative District Commission.

**8:25** 4) Initial Presentation of 2019 Draft Budget.

**8:35** 5) Discussion on Bathrooms at Town Park.

**8:50** 6) Discussion and Possible Direction on Proceeding with Recommendations on the Parking Management Plan.

**9:05** 7) Selection and Direction to Enter into a Memorandum of Understanding with the Developer for Block 76 for the 2019 Paradise Park Affordable Housing Build.

**9:20** 8) Request for the Extension of Town Water to Ruby Mountain Pursuant to Section 13-1-280 and Direction to Proceed with Formal Agreement Related Thereto.

**9:35** 9) Discussion and Possible Direction on McCormick Ditch Agreements.

**9:50 LEGAL MATTERS**

**9:55 COUNCIL REPORTS AND COMMITTEE UPDATES**

**10:10 OTHER BUSINESS TO COME BEFORE THE COUNCIL**

**10:20 DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE**

• Monday, November 5, 2018 - 6:00PM Work Session - 7:00PM Regular Council

• Monday, November 19, 2018 - 6:00PM Work Session - 7:00PM Regular Council

**10:25 EXECUTIVE SESSION**

For a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b) regarding R & S Journey's End v. Town of Crested Butte; update on water court litigation; and conflicts of interest.

**11:45 ADJOURNMENT**

# 2019 Budget – Council Work Session

## October 15, 2018



# Discussion Topics

- Council Roadmap
- Staff guiding principles
- Summary fund review
- Project spending

# Council Vision Statement & Long Range Goals

## Vision Statement

Crested Butte is a small mountain town with a big community that strives toward a balanced and sustainable lifestyle while enjoying and protecting the soul of the Valley.

## Five Year Goals

- Increase percentage of residents living in Town by achieving a 75% housing full-time occupancy
- 30% of units in Town are deed restricted
- Permanent removal of mining claims by Mt. Emmons Mining Company on Red Lady
- Maintain at least one year of operating reserves in Town's funds
- Reduce greenhouse gas emissions footprint of Town's operations by 50% versus 2017 levels; and, reduce Town of Crested Butte community emissions footprint by 25%
- Ban new formula / franchise retail and restaurant businesses on Elk Ave
- Implement traffic and parking plan
- Complete modified recommended capital projects in Parks & Recreation master plan
- Upgrade Marshal Office facilities

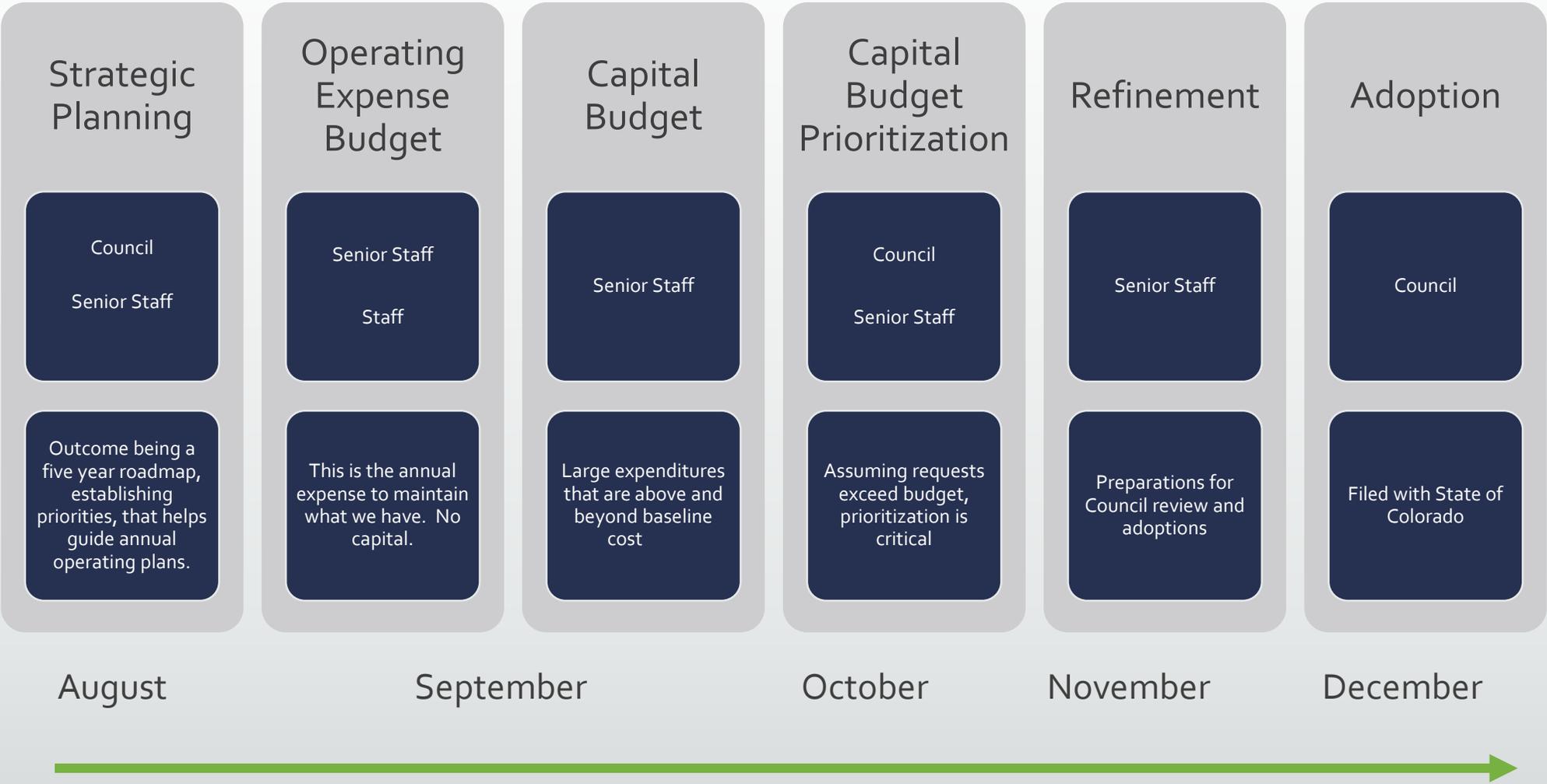
# Council 2019 Goals / Priorities

- Block 76 Paradise Park housing project under construction
- Long Lake conservation project funded and closed
- Greenhouse Gas Emissions Action Plan implemented toward five year greenhouse gas reduction goals
- Water Plant upgrade funded and under construction
- Implement ban on new formula / franchise retail and restaurant businesses on Elk Ave
- Town Park playground completed
- Architectural plans and cost estimates completed for Marshal's facility
- Capital planning begun for carbon neutral Big Mine / Warming House expansion and refrigerated ice arena

# Senior Staff – Budget Guiding Principles

1. **Council Vision, Five Year Goals and 2019 Priorities serve as guideposts**
2. **Operating Budget should be balanced**
  - Overall, 2019 revenue and expenses should be roughly equal, without first needing to raise taxes, rates or fees
3. **Significant replacement or new expenses much be justified / prioritized based on Council Vision and long term goals**

# Approach to 2019 Budgeting



# General Fund Summary (balanced)

	2017	2018 YTD Aug	2018B	2019B v1	%^18B	\$^18B	Notes:
<b>Revenue</b>	4,167,515	3,104,697	4,162,521	4,274,310	3%	111,789	Sales Tax +1.5%, Property Tax 10%, Use Tax 1%
						-	
<b>General Fund Expenses</b>						-	
General Government	330,061	295,241	436,392	380,721	-11%	(55,671)	New phone system \$13k, Council Room A/V \$10k, Grants \$105k
Court	8,582	4,535	7,360	7,362	0%	2	
Council	76,004	55,079	114,975	77,018	-33%	(37,957)	iPads \$2.5k
Elections	11,655	0	0	11,600		11,600	
Legal	352,031	173,996	279,648	248,100	-6%	(31,548)	Water attorney / engineering in Enterprise Fund
Clerk	178,565	121,075	189,624	188,968	0%	(656)	
Manager	170,355	111,083	173,645	176,290	2%	2,646	
Finance / HR / IT	406,241	247,558	407,050	406,893	0%	(157)	
Marshals	817,891	594,560	900,437	978,376	9%	77,939	Includes 8th Marshal
Planning	222,636	213,653	306,992	411,726	20%	104,734	Energy Action Plan \$40k, Comprehensive Plan \$15k, Creative \$33.7k
Facilities	141,636	134,447	211,112	232,143	10%	21,031	
Shop	191,166	137,035	228,491	258,861	13%	30,370	Training and education
Public Works	210,933	109,392	280,393	270,522	-4%	(9,872)	
Building	399,208	278,228	521,045	271,626	-48%	(249,418)	Reallocation between Planning and Building
Recreation	288,537	211,261	364,370	351,396	-4%	(12,975)	Rec revenue \$100.2k
<b>Total Expense</b>	<b>3,805,500</b>	<b>2,687,143</b>	<b>4,421,535</b>	<b>4,271,602</b>	<b>-4%</b>	<b>(149,933)</b>	
						-	
<b>Net Surplus / (Deficit)</b>	<b>362,015</b>	<b>417,554</b>	<b>(259,014)</b>	<b>2,708</b>		<b>261,722</b>	
						-	
<b>Fund Balance</b>	<b>4,245,503</b>	<b>4,663,057</b>	<b>4,404,043</b>	<b>4,406,751</b>	<b>0%</b>	<b>2,708</b>	

# Affordable Housing Fund Summary (balanced)

<b>AFFORDABLE HOUSING</b>	2017	2018	2018	2019			<b>Notes</b>
	ACTUAL	YTD AUG	BUDGET	BUDGET	% inc	\$ inc	
<b>REVENUES:</b>							
AFFORDABLE HOUSING PMT IN LIEU	34,410	224,194	45,000	<b>60,000</b>	33%	15,000	
PARADISE PARK LOT SALES	90,000	45,000	100,000		-100%	(100,000)	Question to Council
DUPLEX/RANCH HOUSE-RENTS	33,055	8,820	38,000	<b>38,000</b>	0%	0	
RED LADY ESTATE RENT	5,770	4,370	5,220	<b>6,555</b>	26%	1,335	
PARADISE PARK - UNIT SALES	109,338			<b>1,690,000</b>		1,690,000	\$275k per unit for 4 units, and \$590 for school duplex
STR EXCISE TAX		170,000		<b>255,000</b>			
RETT CONTRIBUTION				<b>550,000</b>			For 2019, 1/2 of RETT going to Affrd Housg Fund
CONTRIBUTION FROM SALES TAX			135,000		-100%	(135,000)	
<b>TOTAL REVENUE</b>	<b>272,962</b>	<b>475,471</b>	<b>323,520</b>	<b>2,599,555</b>	<b>704%</b>	<b>2,276,035</b>	
<b>EXPENSES:</b>							
SALARIES & BENEFITS				<b>24,336</b>			25% Yermy
LEGAL FEES	13,683	38	10,000	<b>10,000</b>	0%	0	
INSURANCE	4,115	5,809	4,800	<b>6,000</b>	25%	1,200	
AFFORDABLE HOUSING TAPS	81,887	0	132,000	<b>528,000</b>	300%	396,000	3 Clarks at \$12k, 26 for Block 76, 2 for ADUs. Goes to Enterprise
TRAVEL & EDUCATION	242	63	1,500	<b>1,500</b>	0%	0	First time home buyer class
DEED RESTRICTED UNIT PURCHASE	136,689	180				0	
UTILITIES	1,769	1,333	2,200	<b>2,000</b>	-9%	(201)	
HOUSING AUTHORITY	61,000	44,064	58,000	<b>58,000</b>	0%	0	
HOUSING PROJECT BUILD/block 76	0	32,550	50,000	<b>50,000</b>	0%	0	Block 76 project for 2019
TOWN RENTAL BUILD	210,709	10,728	260,000	<b>620,000</b>	138%	360,000	one duplex
BLOCK 76 INFRASTRUCTURE				<b>100,000</b>		100,000	Water line. This will likely be moved to Enterprise Fund budget
PARADISE PARK DUPLEX BUILD		29,558	720,000	<b>1,000,000</b>	39%	280,000	total project \$1.72mm. 2018 is \$700k
HOUSING MAINTENANCE	11,158	14,794	22,500	<b>28,500</b>	27%	6,000	
<b>TOTAL EXPENSES</b>	<b>525,224</b>	<b>141,021</b>	<b>1,262,300</b>	<b>2,404,000</b>	<b>90%</b>	<b>1,141,700</b>	
						0	
NET REVENUE (EXPENSE)	(252,262)	334,450	(938,780)	<b>195,556</b>	-121%	1,134,336	
						0	
NET ADDITION TO (USE OF) RESERVE	(252,262)	334,450	(938,780)	<b>195,556</b>	-121%	1,134,336	
						0	
FUND BALANCE	217,225	551,675	(387,105)	<b>(191,550)</b>	-51%	195,556	

# Open Space Summary (unbalanced)

	2017	2018 YTD Aug	2018B	2019	% inc	\$ inc
<b>Revenue</b>						
RETT	821,695	447,960	550,000	600,000	9%	50,000
Grant Revenue / Other	1,200	1,200	1,200		-100%	(1,200)
Debt Proceeds	-	-				
<b>Total Revenue</b>	<b>822,895</b>	<b>449,160</b>	<b>551,200</b>	<b>600,000</b>	<b>9%</b>	<b>48,800</b>
<b>Expenses</b>						
Open Space Trust (Trampe)	-	1,000,000	1,000,000		-100%	(1,000,000)
<b>Open Space Trust (Long Lake)</b>				<b>1,000,000</b>		<b>1,000,000</b>
Open Space Maint / Admin	11,893	9,631	20,900	22,000	5%	1,100
Open Space - Slate River		10,336	-			
Mt Emmons Project	-		-			
<b>Total Expenses</b>	<b>11,893</b>	<b>1,019,967</b>	<b>1,020,900</b>	<b>1,022,000</b>	<b>0%</b>	<b>1,100</b>
<b>Net Surplus / (Deficit)</b>	<b>811,002</b>	<b>(570,807)</b>	<b>(469,700)</b>	<b>(422,000)</b>	<b>-10%</b>	<b>47,700</b>
<b>Fund Balance</b>	<b>1,505,830</b>	<b>935,023</b>	<b>1,036,130</b>	<b>614,130</b>	<b>-41%</b>	<b>(422,000)</b>
<b>Not included:</b>						
Mt Emmons Project	2,100,000					

# Parks Summary (unbalanced)

PARKS	ACTUAL 2017	YTD AUG 2018	BUDGET 2018	BUDGET 2019	% inc	\$ inc	Notes
<b>REVENUE</b>							
SALES TAX - PARKS	444,859	337,138	428,331	432,615	1%	4,283	
RETT	411,582	220,230	275,000				100% of RETT to Open Space & Affrd Housing in 2019
CONTRIBUTION RESERVE "WHATEVER USA"	0		20,000	35,000	75%	15,000	CDs for existing Warming House
GRANTS/FUNDRAISING			1,000	349,241	34824%	348,241	GOCO Town Park Playground
<b>TOTAL PARKS REVENUE</b>	<b>856,441</b>	<b>557,368</b>	<b>729,331</b>	<b>816,856</b>	<b>12%</b>	<b>87,524</b>	
<b>EXPENSES</b>							
WAGES - FULL TIME	192,078	130,296	202,043	210,125	4%	8,082	
WAGES - SEASONAL	85,056	55,549	118,000	118,000	0%	-	Based upon full crew
TRAILS WAGES	8,629	5,660	5,500	8,489	54%	2,989	
OVERTIME	11,728	3,024	9,000	10,000	11%	1,000	Need to train Zam crew
PARK MAINT SUPPLIES	79,445	22,412	45,500	45,500	0%	-	
PORTABLE TOILETS	7,055	5,710	6,000	7,000	17%	1,000	
TREE PROJECT	2,991	0	2,500	2,500	0%	-	Annual Arbor Day Tree Planting
FLOWERS & SHRUBS	9,809	15,218	10,000	10,000	0%	-	Over this year = less available in Park Maint
DOGGIE DOO PROJECT	2,000	3,481	3,500	3,500	0%	-	
WEED MANAGEMENT	2,249	2,717	3,000	<b>14,200</b>	373%	11,200	<b>County weed position</b>
PARK CAPITAL EQUIPMENT	94,532	72,137	118,000	<b>144,000</b>	22%	26,000	<b>see detailed schedule*</b>
PARK MAINT PROJECTS	4,701	16	5,000	<b>50,000</b>	900%	45,000	<b>see detailed schedule*</b>
TOWN RANCH NORDIC GROOMING				<b>6,000</b>			
HOLIDAY DECORATIONS	4,159	0	3,500	4,200	20%	700	yeah!
BIG MINE PARK	12,316	4,418		<b>35,000</b>		35,000	<b>CDs for relocation of existing building (WUSA \$)</b>
TOWN PARK PROJECT				<b>450,000</b>			
AVALANCHE PARK - PLANNING		351	15,000	<b>15,000</b>	0%	-	
AVALANCHE MITIGATION				<b>15,000</b>			<b>New Expense - CBAC</b>
<b>Total Park Expenses</b>	<b>616,101</b>	<b>420,922</b>	<b>701,838</b>	<b>1,166,076</b>	<b>66%</b>	<b>464,238</b>	
<b>NET REVENUE (EXPENSE) - PARKS</b>	<b>240,340</b>	<b>136,446</b>	<b>27,493</b>	<b>(349,220)</b>			
<b>PARK MAINT PROJECTS</b>			<b>GoCo School yard playground - CBCS</b>				
Big Mine Skatepark	5,000		Rev	110,000			
Rainbow Playground Resurfacing	45,000		Expense	110,000			
<b>Total</b>	<b>50,000</b>		Net	<b>0</b>			
<b>Park Capital Equipment</b>			<b>Unfunded Projects</b>				
Bobcat A770 with Blower - replacement	75,000		Pitsker Homerun Fence		15,000		Includes Gothic and Pitsker Outfield Nets
Chevy 1500 4x2 - replacement	30,000		Powder Coat Trash Cans		5,500		
Chevy 1500 4x4 - replacement	34,000		Total		<b>20,500</b>		
Bike Racks/Benches/Bleachers - replacement	5,000						
<b>Total</b>	<b>144,000</b>						

# Sewer & Water Fund (balanced)

	2017	2018	2018	2019			Notes		
Revenue	ACTUAL	YTD AUG	BUDGET	BUDGET	% inc	\$ inc			
INTEREST & PENALTIES	4,715	3,766	5,000	5,000	0%	-			
WATER METERS	705	445	750	750	0%	-			
INTEREST INCOME	9,185	3,047	10,000	10,000	0%	-			
OTHER	22,198	3,460	2,000	2,000	0%	-			
ATAD CONTRIBUTION-MT CBW&S	128,507	57,249	63,000	85,873	36%	22,873			
SEPTIC STATION FEE	4,427	4,321	5,000	5,000	0%	-			
COMPOST FEES	2,800	5,565	7,500	7,500	0%	-			
WATER TAP FEE	126,273	123,581	121,500	250,000	106%	128,500	\$580k tap fees for Affd Housing Fund		
SEWER TAP FEE	157,394	180,167	148,500	350,000	136%	201,500	\$580k tap fees for Affd Housing Fund		
SEWER CHARGES	696,066	491,969	737,550	741,522	1%	3,972	No proposed rate changes		
SEWER AVAILABILITY CHG	12,006	7,794	11,772	11,890	1%	118	No proposed rate changes		
PRE-TREATMENT CHARGES	10,920	6,860	10,425	10,529	1%	104	No proposed rate changes		
WATER CHARGES	622,519	445,634	620,368	626,572	1%	6,204	No proposed rate changes		
WATER AVAILABILITY CHG	13,302	8,658	12,960	13,090	1%	130	No proposed rate changes		
SANITATION CHARGES	257,367	175,407	260,316	271,347	1%	11,031	\$0.49 increase for Waste Mgt		
GRANT REVENUE	240,006	397,942	358,000	800,000	123%	442,000	Assumes DOLA Grant		
DEBT PROCEEDS	1,565,293	909,707	200,000	1,225,000	513%	1,025,000	Assumes SRF loan		
<b>TOTAL REVENUE</b>	<b>3,873,682</b>	<b>2,825,571</b>	<b>2,574,641</b>	<b>4,416,072</b>	<b>72%</b>	<b>1,841,431</b>			
						-			
<b>EXPENSES (SUMMARY):</b>						-	<b>Capital Schedule</b>		
ADMINISTRATION	516,203	385,519	566,501	572,672	1%	6,171	Belleview Lift Station	15,000	Replacement
WATER	306,480	185,076	317,843	351,498	11%	33,655	Skid Steer / F250 Replacement	70,000	Replacement
SEWER	661,779	405,853	752,721	724,157	-4%	(28,564)	C-Snake Camera	10,000	New
CAPITAL	304,964	1,429,207	1,893,000	2,468,000	30%	575,000	Headworks Furnace	20,000	Replacement
<b>TOTAL EXPENSES</b>	<b>1,789,425</b>	<b>2,405,655</b>	<b>3,530,065</b>	<b>4,116,327</b>	<b>17%</b>	<b>586,262</b>	Sewer Services - Block 80	10,000	New
							Water Services - Block 80	20,000	New
							Water Main - Block 76	100,000	New
							Compost Building Engineering	40,000	Replacement
<b>NET REVENUE (EXPENSE)</b>	<b>2,084,257</b>	<b>419,916</b>	<b>(955,425)</b>	<b>299,745</b>	<b>-131%</b>	<b>1,255,170</b>	Manhole Rehab	8,000	Replacement
							Skid Filter Replacement	55,000	Replacement
ADDITION TO (USE OF) RESERVE:	(955,425)	(955,425)	(955,425)	299,745	-131%	1,255,170	Correlator	20,000	Replacement
							SCADA lift stations	75,000	planned for 2018
							WTP Upgrade	2,025,000	
Fund Balance	4,847,438	5,267,354	4,267,789	4,267,789	0%	-	<b>Total Enterprise Capital</b>	<b>2,468,000</b>	

# Street & Alley Fund Summary (balanced)

	2017	18 YTD Aug	2018B	2019B v1	% inc	\$ inc	Notes
<b>REVENUE:</b>							
TAX FROM MILL LEVY-Street	598,277	570,035	577,100	600,000	4%	22,900	No mill increase assumed
TAX FROM MILL LEVY-Transportation	84,051	190,012	192,367	200,000	4%	7,633	No mill increase assumed
INTEREST & PENALTIES	2,448	1,797	1,500	1,922	28%	422	
OTHER REVENUE	12,460	1,210	4,000	1,815	-55%	(2,185)	
PARKING IN LIEU	0	147,813					
HIGHWAY USERS TAX	51,681	25,350	51,274	51,274	0%	-	Prop 110 could add \$59k in 2019
<b>TOTAL REVENUE</b>	<b>751,029</b>	<b>936,217</b>	<b>829,741</b>	<b>858,011</b>	<b>3%</b>	<b>28,270</b>	
<b>EXPENSES:</b>							
SNOW REMOVAL-LABOR	125,695	61,098	102,227	94,000	-8%	(8,227)	12.5% of PW dir admin
R&M STREETS-LABOR	111,971	100,337	66,485	98,000	47%	31,515	40% of wages, 12.5% of PW dir admin.
R&M STREETS-SUPPLIES	16,291	14,292	30,000	22,000	-27%	(8,000)	
STRIPING	239	7,102	10,000	12,000	20%	2,000	Adding stop bars at intersections
SIDEWALK REPAIR/MAINT	1,403	39,574	20,000	10,000	-50%	(10,000)	Belleview 2018
PARKING LOTS	10,976	202	2,000	2,000	0%	-	
ENGINEERING	578,591	11,745	20,000	20,000	0%	-	Eng museum lot, potential school exp.
PAVING PROJECT	10,738	237,220	0	100,000	#DIV/0!	100,000	ROW 5th street, museum parking lot
STORM WATER PROJECT	0	0	10,000	10,000	0%	-	
SPILL RESPONSE		0	1,500	1,500	0%	-	
FUEL	22,106	1,608	30,000	25,000	-17%	(5,000)	
R&M VEHICLES	13,443	4,165	20,000	20,000	0%	-	
SNOW REMOVAL-SUPPLIES/CONTRACT	15,954	4,445	40,000	40,000	0%	-	
STREET SIGNS	1,617	1,504	14,000	5,000	-64%	(9,000)	
STREET LIGHTS	274	17	2,500	2,500	0%	-	
DAMAGE LIABILITY	0	0	5,000		-100%	(5,000)	
TREASURER FEES	20,592	22,429	26,931	33,700	25%	6,769	
CAPITAL EQUIPMENT		0	200,000	205,000	2%	5,000	
ROUNABOUT/SCHOOL ENTRANCE ENG.		4,916	250,000		-100%	(250,000)	
OTHER EXPENSES	524	157	4,000		-100%	(4,000)	
<b>TOTAL EXPENSES</b>	<b>1,111,454</b>	<b>573,060</b>	<b>930,502</b>	<b>785,178</b>	<b>-16%</b>	<b>(145,324)</b>	
EXCESS REVENUE OVER(UNDER) EXPENSES	(360,426)	363,156	(100,761)	72,833	-172%	173,594	
FUND BALANCE	1,556,179	1,919,336	1,455,418	1,528,251	5%	72,833	

<b>Capital Schedule</b>	
Street Division Specs	5,000
Block 76 Alley, Teo ROW	40,000
Bob (replacement)	60,000
Snow Blower (replacement)	100,000
<b>Total</b>	<b>205,000</b>

<b>Unfunded</b>	
Hook Truck / Water Truck	170,000
Red Lady intersection engineering	160,000
<b>Total</b>	<b>330,000</b>

<b>Open Item (unfunded):</b>	
School ROW - Project	400,000

# MISC CAPITAL FUND SUMMARY

	2018 YTD Aug	2018 B	2019	Notes
<b>MISC CAPITAL REVENUE</b>				
USE TAX-AUTOMOBILE	54,154	70,000	80,000	
USE TAX-BLDG MATERIAL	276,017	100,000	175,000	
INTEREST INCOME	531	6,500	7,000	
SALE OF EQUIPMENT	1,606	3,000	5,000	
CEMETERY FEES	15,249	4,000	5,000	
OTHER REVENUE	-	16,000	16,000	
GRANTS - OTHER	-	31,800	-	
	347,557	241,300	288,000	
<b>MISC CAPITAL EXPENSES</b>				
INSURANCE	33,012	33,275	33,275	
DAMAGE LIABILITY	5,570	2,000	5,000	
MARSHAL CAPITAL EQUIP	90,354	101,030	67,233	Patrol car for 8th officer
CAPITAL EQUIPMENT	73,018	42,000	100,000	Green / Sustainability Projects
CEMETERY	5,624	10,000	5,000	
BUILDING MAINT.	32,252	98,000	113,000	
BUILDING PROJECTS			127,000	
CYPRESS LAND	-	350,000	350,000	
<b>TOTAL MISC CAPITAL EXPENSE</b>	239,831	636,305	800,508	
<b>NET SURPLUS / (DEFICIT)</b>	107,726	(395,005)	(512,508)	
<b>Building Maintenance Projects</b>				
PAINT STEPPING STONES	33,000			
STAIN RAINBOW PAVILION	16,000			
R/M: BUILDING MAINTENANC	40,000			
R/M: BRIDGE	15,000			
SNOW REMOVAL (ROOFS)	9,000			
	113,000			
<b>Building Projects</b>				
ADA LIFT AT TOWN HALL			60,000	
TOWN SHOPS BOILER REPLACE.			12,000	
PITAS GARAGE REBUILD			40,000	
YOGA RM WALL/FLOOR			15,000	
			127,000	

# Town Revenue Generation – Rates and Fees

<b>Rates</b>	<b>2018</b>	<b>2019 v1</b>	<b>Purpose and/or notes</b>
State Sales Tax	2.9%	2.9%	
Gunnison County Sales Tax	1.0%	1.0%	CB received 0.5% back from Gunnison
RTA Sales Tax	1.0%	1.0%	
Local Marketing District Sales Tax	4.0%	4.0%	
Town of Crested Butte Sales Tax	4.5%	4.5%	0.5% Parks, 1% Transportation Fund, 3% General Fund
Town of Crested Butte Excise Tax	5.0%	5.0%	Affordable Housing
Real Estate Transfer Tax	3.0%	3.0%	1.5% Open Space plus Affrd Housing and 1.5% Capital Fund
Use Tax - Auto and Building	4.5%	4.5%	2.7% to Capital Fund and 1.8% to General Fund
Mill Levy - General Fund	2.537	2.537	Increased property valuation allowed for rate reduction
Mill Levy - Street Fund	8.000	8	6.000 Streets and 2.000 Transportation. 16 mills voter approved
<b>Town Fees</b>			
Water (1 EQR)	\$28.00	\$28.00	Enterprise fund revenue and expense to match
Sewer (1 EQR)	\$37.50	\$37.50	Enterprise fund revenue and expense to match
Trash / Recycling	\$21.19	\$21.68	Pass through from Wastemanagement, plus \$0.30
	\$86.69	\$87.18	
<b>Other Sources of Revenue</b>			
Highway Users Tax			State collects and distributes share to CB. ~\$52k annual
Cigarette Tax			State collects and distributes share to CB. ~\$11k annual
MMJ Tax			State collects and distributes share to CB. ~\$30k annual
State Lottery Proceeds			Conservation Trust Fund. ~\$8k annual

# Summary, Open Items and Next Steps

<b>Funds</b>	<b>2019 Net Operating Position</b>
General	2,708
Affordable Housing	191,056
Open Space	(422,000)
Parks	(349,220)
Streets	72,833
Enterprise	299,745
MISC Capital	(512,508)
<b>Surplus / (Deficit)</b>	<b>(717,387)</b>

- Shall we strive to balance?
- Should we consider rate increases for Streets and Enterprise?
- If, and how, to make room for School streets project?
- No accommodation included for Mt Emmons in 2019
- Should we find room to increase reserves for housing, open space and green projects?
- Staff will continue to refine and, as appropriate, reorganize budgets

**MINUTES**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, October 1, 2018**  
**Council Chambers, Crested Butte Town Hall**

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

Council Members Present: Will Dujardin, Chris Haver, Kent Cowherd, Laura Mitchell, and Paul Merck

Staff Present: Town Manager Dara MacDonald, Town Attorney John Sullivan, and Community Development Director Michael Yerman

Public Works Director Shea Earley, Town Planner Bob Nevins, and Town Clerk Lynelle Stanford (for part of the meeting)

**APPROVAL OF AGENDA**

Merck moved and Mitchell seconded a motion to approve the agenda as presented. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

**CONSENT AGENDA**

- 1) **September 17, 2018 Regular Town Council Meeting Minutes.**
- 2) **Water Treatment Plant Improvements Construction Manager At-Risk Agreement.**
- 3) **Appointment of Mallika Magner to BOZAR.**

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

**PUBLIC COMMENT**

Noel Durant - Executive Director of the Crested Butte Land Trust

- Mentioned “Bring Your Pocketbook”, a handbook chronicling the history of open space protection in Gunnison County. He handed out copies to the Council.
- The Land Trust was grateful to have Town as a critical partner in land conservation.
- Schmidt asked for an update on the Gunsight Bridge, and Durant provided details on the work and fundraising.

**STAFF UPDATES**

Schmidt referred to MacDonald's staff report in the packet. MacDonald was pleased to announce that Shea Earley had been named the new Public Works Director. She also pointed out that August sales tax was down from last year.

### **PUBLIC HEARING**

#### **1) Ordinance No. 22, Series 2018 - An Ordinance of the Crested Butte Town Council Authorizing Execution of the New Cable Television Franchise Agreement With Spectrum Pacific West LLC, Doing Business As Charter Communications.**

MacDonald informed the Council of the change, since first reading, with the parent company to Spectrum Pacific West LLC. The company had not yet been able to affirm the Town's final changes to the agreement, but they were close enough that she recommended the Council proceed with approval of the ordinance. Schmidt confirmed proper public notice had been given. There were no comments from the public nor further Council discussion.

Mitchell moved and Merck seconded a motion to approve Ordinance No. 22, Series 2018. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

#### **2) Ordinance No. 24, Series 2018 - An Ordinance of the Crested Butte Town Council Approving by Reference Amendments to the Red Lady Estates Condominiums Plat Map and Declaration Text or the Vacation of the Public Access Easement and Relocation of Public Access Onto the Adjoining Town-Bench Property.**

Schmidt read the title of the ordinance. Nevins informed the Council that the homeowners' association met in a special meeting, and they voted in favor of approving the amendments as written. Schmidt clarified that Town was the owner of the land beneath three of the units. Schmidt confirmed proper public notice was given. No one from the public wanted to comment.

Haver moved and Mitchell seconded a motion to approve Ordinance No. 24, Series 2018. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

#### **3) Ordinance No. 25, Series 2018 - An Ordinance of the Crested Butte Town Council Declaring a Moratorium on the Issuance of New Business Occupation Licenses Under Chapter 6, Article 2 of the Crested Butte Municipal Code for Formula Restaurant and Retail Businesses in All Business and Commercial Districts.**

MacDonald reviewed changes to the ordinance from the first reading, concerning existing and transferring businesses during the moratorium. Schmidt confirmed that proper public notice had been given. No one from the public chose to comment. Schmidt questioned process during the moratorium. MacDonald explained the process and stated the topic was scheduled for BOZAR in January. Dujardin reminded to strike the reference in the ordinance to the last great Colorado ski town.

Haver moved and Dujardin seconded a motion to approve Ordinance No. 25, Series 2018 with changes as pointed out by Will and suggested by Staff. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

#### **4) State Revolving Fund Loan for Water Treatment Plant Improvements.**

Earley explained the Town would be applying for a State Revolving Fund Loan. He outlined the breakdown of funding sources. He reviewed improvements and work that would be done. Earley recognized that adding a skid would assist with redundancy. He introduced Leanne Miller from JVA, the engineer who was working on the project. She answered questions from the Council regarding dredging of the reservoir, and she acknowledged Town had exceptional water quality. Schmidt confirmed proper public notice was given. No one present at the meeting wanted to comment. There was no further discussion amongst the Council.

### **OLD BUSINESS**

#### **1) Discussion on The Corner at Brush Creek Housing Project.**

Schmidt mentioned the work session with Mt. Crested Butte that preceded the meeting. He asked if anyone from the public wanted to comment, and no one did. MacDonald affirmed she could put together a recommendation from the conditions discussed. She identified the goal of the discussions. They would look for the Councils to take a formal vote on said conditions. She summarized the points discussed during the work session and the votes she tallied on each point. Cowherd was pleased with the unification of the Councils on key issues, and Haver thanked the Mt. Crested Butte Council.

### **NEW BUSINESS**

#### **1) Ordinance No. 23, Series 2018 - An Ordinance of the Crested Butte Town Council Amending Chapter 8, Article 1 of the Crested Butte Municipal Code to Include Regulations for Operation of Bicycles and Electrical Assisted Bicycles Approaching Intersections.**

Schmidt read the title of the ordinance. He opened the discussion to the Council. Merck thought it was something they could adopt. MacDonald reiterated the Staff’s recommendation was to not pursue the ordinance. Schmidt recalled comments from Reily at the last meeting.

Dujardin moved and Merck seconded a motion to set Ordinance No. 23, Series 2018 to public hearing at the October 15<sup>th</sup> meeting. A roll call vote was taken with Dujardin and Merck voting, “Yes,” and Mitchell, Schmidt, Haver, and Cowherd voted, “No.” **Motion failed.**

Merck questioned the reasons the Council opted against setting for public hearing. Haver wanted to see more bicycle education. Merck agreed education would be helpful.

Dujardin stated the Council missed the mark in not setting for public hearing. Cowherd thought the situation was different when it involved children.

**2) Resolution No. 19, Series 2018 - A Resolution of the Crested Butte Town Council Opposing “Amendment 74”, an Attempt to Amend the Colorado Constitution to Drastically Limit State and Local Government Services at a High Cost to Taxpayers.**

No one from the public spoke on the resolution. Schmidt cited information in the packet from QQ and CML. Both entities opposed Amendment 74.

Mitchell moved and Dujardin seconded a motion to approve Resolution No. 19, Series 2018 opposing the statewide initiative known as Amendment 74. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

**3) Resolution No. 20, Series 2018 - A Resolution of the Crested Butte Town Council Supporting “Amendment 73”, a Statewide School Funding Initiative that Will Increase Income Taxes for 8% of Tax Filers and for C Corporations, While Decreasing Property Taxes for Business Property Owners, Farmers and Ranchers.**

Schmidt recognized Superintendent Leslie Nichols was at the meeting. Nichols explained what Amendment 73 would do locally. She reviewed effects on personal and business taxpayers and on property owners. Nichols confirmed that the amendment would only affect one set of taxing rules. She summarized the impacts the passage of Amendment 73 would have on the local school district.

Dujardin moved and Mitchell seconded a motion to approve Resolution No. 20, Series 2018 supporting the statewide school funding initiative known as Amendment 73. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

**4) Resolution No. 21, Series 2018 - A Resolution of the Crested Butte Town Council Supporting Ballot Measure “7D” to DeBruce the Gunnison Metropolitan Recreation District, and Increase the Mill Assessment Back to the Original Amount of 1 Mil that was Established When the District was Created.**

MacDonald explained that Met Rec never deBruced, so funding had decreased. If deBruced, Met Rec would return to the number of mills that had been approved, and they could continue to provide the television translator system.

Mitchell moved and Dujardin seconded a motion to approve Resolution No. 21, Series 2018 supporting the ballot initiative known as 7D. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

**5) Resolution No. 22, Series 2018 - A Resolution of the Crested Butte Town Council Supporting Ballot Measure “6A” Proposing a Property Tax Increase to Create a Dedicated Source of Funding for Gunnison County Workforce and Senior Housing.**

Schmidt recused himself, and he left the room. Mayor Pro Tem Merck acted as Mayor. Darin Higgins, Executive Director of the Housing Foundation, explained they had been campaigning for an increase in property taxes to help fund affordable housing. He asked for support of the resolution and 6A. Merck asked if anyone wanted to speak. Nichols stated that the school district was in support of 6A.

Mitchell moved and Haver seconded a motion to approve Resolution No. 22, Series 2018 supporting the ballot initiative known as 6A. A roll call vote was taken with all voting, “Yes,” except Schmidt recused himself and did not vote. **Motion passed unanimously.**

Schmidt returned to the meeting.

**6) Resolution No. 23, Series 2018 - A Resolution of the Crested Butte Town Council Authorizing a Landscape Maintenance and Easement Agreement By and Between the Aperture Homeowners Association, Inc. and the Town of Crested Butte, Colorado.**

Schmidt questioned the ownership of the homeowners association. Yerman stated the association consisted only of Cypress at this point. He explained the purpose of the agreement and that it allowed access to the property for maintenance. Mitchell asked Sullivan if there was anything of note in the agreement, and there was not. The Council had questions regarding the fencing. Yerman confirmed the Town would not maintain the landscaping or the fencing.

Merck moved and Mitchell seconded a motion to approve Resolution No. 23, Series 2018 for the Landscape Maintenance, License, and Easement Agreement between the Town and Aperture Homeowners Association. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

**7) Presentation of the 2018 Crested Butte Community Survey.**

Nevins explained the public process and background on responses to the survey. Nevins reported there were over 400 written comments, and he encouraged the Council to read them. He saw similarities in people’s lifestyles and aspirations in the responses. He reviewed the greatest challenges that were identified in the survey. Yerman elaborated upon how they reached out to people to take the survey. Mitchell was not certain that they were really listening to the community regarding parking. Dujardin identified they were not listening to constituents in not setting the Idaho Stop ordinance to public hearing. Haver saw the significance of a small town feel, as reflected in the survey results. Nevins spoke about survey results regarding the management of growth.

**8) Presentation of Recommendations on the 2018 Town of Crested Butte Parking Plan.**

Nevins updated that the Council was not being asked to make a decision tonight. He explained Phase 1 and reviewed changes to parking since 2014. He listed new challenges that had developed. Nevins said that the two open houses on parking were not well-attended, and they were searching for a community dialogue.

Nevins introduced the parking team from Interstate Parking: Gareth Lloyd, Tony Janowiec, and Tom Bailey. Lloyd explained that they concentrated on Elk Avenue. The ultimate goals were to always have parking spots available and to create a solution that ensured optimal space utilization at all times. Nevins elaborated upon space turnover. Other towns saw a 40% increase in visitors when resorts offered the Epic Pass. Lloyd said they would provide tools to allow the Town to control what the Council wanted to do. Nevins pointed out that the burden could be more on the visitors than the locals, and the system would be easy to use. Lloyd stated the first infraction could be a warning; it was not about ticketing people. Yerman didn't think they would change user behavior until they approached the economics. Parking turnover was an important concept. Lloyd informed the Council that Interstate Parking would upfront the capital costs, and they would hire local employees.

Next, Lloyd reported on the sustainability of the program. Schmidt recognized the goal was to get employees off Elk Avenue, and he questioned where they would go. Lloyd described ideas that could be implemented for employees. Nevins pointed out that it would be a system, and it would be flexible. The discussion turned to parking on Sopris and Maroon. Lloyd said they could decide what to do on each block. Nevins asserted they needed more public input and community dialogue. If they did proceed, there was a large amount of public outreach to be done. Nevins suggested that they could prepare and start discussions this winter. Yerman summarized how the plan would move forward. There would be an agenda item regarding parking for the next meeting.

### **9) Discussion and Possible Direction on Entering Into Negotiations with the Selected Developer for Affordable Housing Paradise Park Block 76 and Triplex Proposals.**

Before he presented, Yerman asked to hear public comment from the neighborhood.

Roxana Alvarez - 809A Gothic Ave

- Questioned phasing of the project and the timeline for breaking ground.
- She was in opposition of increased density in the block.
- It was important that the green space be retained.
- She wanted to avoid what had happened in another block concerning parking in the front, with very little landscaping.
- She reported on aspects of specific plans.

Heli Mae Peterson

- Coburn's proposal had the highest density, but she was for affordable housing.
- She didn't care for the pathway included in the Bywater plan.
- Both developers took time and effort to make the development appealing to the neighborhood.

Yerman said the Council needed to weigh-in on the design and compatibility with the neighborhood. The review committee appreciated three great proposals as far as design, but it came down to cost. He didn't want to create a product that would put locals in unsuccessful housing situations. Yerman recommended the Council direct Staff to enter into negotiations with Coburn and Bywater. Schmidt thought it was worthwhile to check out other buildings built by each developer. MacDonald acknowledged that no proposal would make it through BOZAR as-is. Mitchell thought the jump from two bedrooms to three bedrooms in the Coburn proposal was high, and it seemed expensive for an affordable house. Yerman said they would work hard to bring the cost down.

Dujardin moved and Merck seconded a motion to enter into negotiations with Coburn Development and Bywater Development and to bring back a formal recommendation to Council on either October 15<sup>th</sup> or November 5<sup>th</sup>. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

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

#### Will Dujardin

- There was a new Mountain Express bus. They were working on increasing pay and benefits for drivers.
- The entire county was in extreme drought. The release from Taylor Park would go down the end of September. The area had 56% of normal precipitation for the year.

#### Paul Merck

- The STOR Committee had a visitor, the US Forest Service Deputy Director of Recreation. Things in recreation had not been cut very much. They had good discussions on Signal Peak and fundraising for trails. ATVs were a big topic. He reported on upcoming agenda items.
- Met with Jenny Birnie. They felt like everything was going great with The Center.

#### Kent Cowherd

- The Creative District would be presenting the annual report at the next meeting.
- Attended RTA meeting. They were installing bus stops, and they had a new bus. The RTA busses would have a unified logo.
- Noticed the dumpsters were gone, which was correct.
- Suggested exit interviews be held with outgoing BOZAR members.
- Mentioned the ARTumn Festival and reminded the Council they were going to discuss after the event.
- Cowherd recognized pay for Council members was unequal. MacDonald explained the timing for raises related to the election and that a Council member could not give him/herself a raise.

- Cowherd understood the ramp into the school was going to happen no matter what. He wanted to encourage the school to make it a priority to put it back into their plan.

Chris Haver

- They were discussing possible design changes in the terminal at the airport.
- The TA was reaching out to Vail on winter initiatives.
- Purchases at the industrial park were going through.
- They were looking at bus stops for next summer.
- Referred to an email regarding possible volunteer work at the school.

Jim Schmidt

- Declared Arbor Day last Friday and then attended the Cemetery Committee meeting. They would continue using organic weed killers at the cemetery. Baby Richardson's fence would be put back up. Carlson from Grand Junction was doing work on several monuments. The Cemetery Committee would be talking to the school about showing the Jokerville Film as a history lesson.
- Cowherd wanted to ask John Stock for an update on the duplex builds.

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

Schmidt asked if it was appropriate for Council members to serve on non-profit boards, in general. MacDonald cautioned the Council to think long and hard about committing the Council and appointing a member to place on a board. No one voiced enthusiastic support.

The TA would be using creepy but cool high-tech software. Schmidt would not mind a report from John Norton on what the TA was doing and how they were working with Vail. MacDonald would ask him to attend a meeting in December.

MacDonald and Schmidt were invited to meet with General Manager Tim Baker from Vail. Schmidt wanted to ask how committed Vail was to green power. He asked for feedback from the Council on questions to ask Baker. Affordable housing was mentioned. Mitchell wondered how they would make snow, since water had been diverted. Dujardin reiterated to talk to Baker about housing.

Merck thought the efforts for the Safe Route were being ignored. He mentioned signage near The Center that needed to be changed. MacDonald pointed out funds the Town put towards the Safe Route this year. Staff would talk to The Center about the signs.

Dujardin mentioned two emails: 1) from Sarah Kramer from the Center for Mental Health, who was searching for a foothold in Crested Butte and 2) from Elliot Stern.

The Scenic Byways Committee was getting ready to run another pamphlet. Mitchell asked if they should go through the grant cycle or if funds should come from discretionary. MacDonald stated that the fall grant cycle was open.

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

- Monday, October 15, 2018 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, November 5, 2018 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, November 19, 2018 - 6:00PM Work Session - 7:00PM Regular Council

The Council would have a meeting this week, at 6PM on Thursday, to discuss reviewing the attorneys. There would be a budget work session on October 15<sup>th</sup>.

## **EXECUTIVE SESSION**

Dujardin moved and Mitchell seconded a motion to go into Executive Session for a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b) regarding 2016CV30080, Sopris 715, LLC v. Town of Crested Butte. A roll call vote was taken with all voting, "Yes."

**Motion passed unanimously.**

The Council went into Executive Session at 10:42PM. The Council returned to open meeting at 11:24PM. Mayor Schmidt made the required announcement upon returning to open meeting.

## **ADJOURNMENT**

Mayor Schmidt adjourned the meeting at 11:27PM.

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James A. Schmidt, Mayor

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Lynelle Stanford, Town Clerk (SEAL)



## Staff Report

October 15, 2018

**To:** Mayor and Town Council

**Thru:** Dara MacDonald, Town Manager

**From:** Lynelle Stanford, Town Clerk

**Subject: Resolution No. 24, Series 2018 - A Resolution of the Crested Butte Town Council Amending the Refuse and Recycling Collection and Disposal Agreement with Waste Management of Colorado Inc.**

**Date:** October 11, 2018

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### Summary:

Waste Management requested an amendment to the current five-year agreement that was approved in December of 2016. The amendment that has been proposed would increase billing \$.49 a month to each customer to offset recycling costs. The increased costs are due to the unanticipated loss of China as a destination for many recyclable materials. At the regular meeting on September 17<sup>th</sup>, the Council was agreeable to amending the agreement.

### Recommendation:

To approve Resolution No. 24, Series 2018 as part of the Consent Agenda.

**RESOLUTION NO. 24****SERIES 2018****A RESOLUTION OF THE CRESTED BUTTE TOWN COUNCIL AMENDING THE REFUSE AND RECYCLING COLLECTION AND DISPOSAL AGREEMENT WITH WASTE MANAGEMENT OF COLORADO, INC.**

**WHEREAS**, the Town of Crested Butte, Colorado ("**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; and

**WHEREAS**, the Town presently contracts with Waste Management of Colorado, Inc. ("**WMI**") for WMI's provision of refuse and recycling collection and disposal services for residential dwellings located in Crested Butte; and

**WHEREAS**, the five year contract for WMI's provisions of such services was approved in December, 2016; and

**WHEREAS**, the WMI has requested the Town amend the contract in light of unforeseeable challenges in the recycling markets worldwide resulting in increased costs for recycling; and

**WHEREAS**, the Town Council has determined that it is appropriate that the Town accommodate the requested increase given the importance of recycling to the constituents of the community; and

**WHEREAS**, the Town Council finds that it is in the best interest or the health, safety and general welfare of the Town, its residents and visitors to enter into the First Amendment to the Refuse and Recycling Collection and Disposal Agreement as set forth herein below.

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

The Town Council hereby approves the First Amendment to the Refuse and Recycling Collection and Disposal Agreement attached hereto as **Appendix "A"** ("**Amendment**"). The Mayor and Town Clerk are hereby authorized to execute the Amendment in substantially the same form as attached hereto.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE THIS 15<sup>TH</sup> DAY OF OCTOBER 2018.

**TOWN OF CRESTED BUTTE, COLORADO**

**By:** \_\_\_\_\_  
James A. Schmidt, Mayor

**ATTEST:**

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

**[SEAL]**

**APPENDIX "A"**

**Refuse and Recycling Collection and Disposal Agreement**

[attach unexecuted draft here]

**FIRST AMENDMENT TO REFUSE AND RECYCLING  
COLLECTION AND DISPOSAL AGREEMENT**

THIS FIRST AMENDMENT TO REFUSE AND RECYCLING COLLECTION AND DISPOSAL AGREEMENT (this "Amendment"), effective \_\_\_\_\_, 2018, is by and between Waste Management of Colorado, Inc., with offices at 222 S. Mill Avenue, Suite 333, Tempe, AZ 85281 ("WM"), and the Town of Crested Butte, Colorado ("TOWN"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings ascribed to such terms in the Agreement.

**RECITALS**

A. WM and the TOWN are parties to that certain Refuse and Recycling Collection and Disposal Agreement dated December 19, 2016 (the "Agreement").

B. WM and the TOWN desire to amend the Agreement to adjust the WM compensation and to establish certain specifications regarding recyclable materials collected hereunder, as set forth below.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties mutually agree as follows:

1. The monthly residential rate described in Section 3(A) is hereby changed to \$21.38. This rate adjustment is based on the calculations set forth in Attachment 1 to this Amendment.

2. Section 7 of the Agreement is hereby replaced by the following:

"For purposes of this Agreement, recyclables shall consist of the materials described as such in Exhibit A attached hereto. All recyclables collected by WMI shall be delivered to WMI's recycling facility in Grand Junction, Colorado."

3. Except as otherwise provided in this Amendment, all other terms and provisions of the Agreement shall remain in full force and effect.

**WASTE MANAGEMENT OF  
COLORADO, INC.**

**TOWN OF CRESTED BUTTE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## Attachment 1

Crested Butte																			
Extraordinary Residential Rate Increase Request				\$/Unit															
		Variable		Impact		Source/Formula													
Tons/Month	A		9			Source: 2017 Diversion Rpt													
Billable Units (homes)	B		1,055			Source: WM Billing System													
Tons/Home/Month	C		0.0089			A / B													
Services/Month	D		4.33			Weekly Service(52/12)													
lbs/Home/Service	E		4.12			A*2000/(B*D)													
<b>Material Stream Value</b>																			
Commodity Value/Ton Sold - Current	F	\$	80.97			Source: Attached Characterization Comparison													
Commodity Value/Ton Sold - Prior	G	\$	122.01			Source: Attached Characterization Comparison													
Change/Ton	H	\$	(41.04)			F-G													
Impact/Home/Month	I			\$	0.37	-H/C													
<b>Processing Cost</b>																			
Processing Cost/Ton - Current	J		110.07			Source: Attached Operating Cost Summary													
Processing Cost/Ton - Prior	K		96.81			Source: Attached Operating Cost Summary													
Increase in Processing Cost/Ton	L	\$	13.26			J-K													
Impact/Home/Month	M			\$	0.12	L*C													
<b>Residual Change</b>																			
Current %	N		2.7%			Source: Attached Characterization Comparison													
Prior %	O		2.2%			Source: Attached Characterization Comparison													
Change	P		0.4%			N-O													
Current Residual Tons/Month	Q		0.25			N*A													
Prior Residual Tons/Month	R		0.21			O*A													
Change in Residual Tons	S		0.04			Q-R													
Change in Tons/Home/Month	T		0.0000			S/B													
Disposal Cost/Ton	U	\$	53.15			Source: Attached Characterization Comparison													
Impact/Home/Month	V			\$	0.00	T*U													
Total Impact/Home/Month	W			\$	0.49	I+M+V													

**EXHIBIT A**  
**RECYCLABLES SPECIFICATIONS**

**RECYCLABLES** must be dry, loose (not bagged) and include ONLY the following:

Aluminum cans - empty	Newspaper
PET bottles with the symbol #1 – with screw tops only - empty	Mail
HDPE plastic bottles with the symbol #2 (milk, water bottles detergent, and shampoo bottles, etc.) – empty	Uncoated paperboard (ex. cereal boxes; food and snack boxes)
PP plastic bottles and tubs with symbol # 5 - empty	Uncoated printing, writing and office paper
Steel and tin cans – empty	Old corrugated containers/cardboard (uncoated)
Glass food and beverage containers – brown, clear, or green – empty*	Magazines, glossy inserts and pamphlets

**NON-RECYCLABLES** include, but are not limited to the following:

Plastic bags and bagged materials (even if containing Recyclables)	Microwavable trays
Mirrors	Window or auto glass
Light bulbs	Coated cardboard
Porcelain and ceramics	Plastics not listed above including but not limited to those with symbols #3*, #4*, #6*, #7* and unnumbered
Expanded polystyrene	Coat hangers
Glass and metal cookware/bakeware	Household appliances and electronics,
Hoses, cords, wires	Yard waste, construction debris, and wood
Flexible plastic or film packaging and multi-laminated materials	Needles, syringes, IV bags or other medical supplies
Food waste and liquids, containers containing such items	Textiles, cloth, or any fabric (bedding, pillows, sheets, etc.)
Excluded Materials or containers which contained Excluded Materials	Napkins, paper towels, tissue, paper plates, paper cups, and plastic utensils
Any paper Recyclable materials or pieces of paper Recyclables less than 4” in size in any dimension	Propane tanks, batteries
Cartons*	Aseptic Containers*

**DELIVERY SPECIFICATIONS:**

Materials placed for collection may not contain Non-Recyclables or Excluded Materials. “Excluded Materials” means radioactive, volatile, corrosive, flammable, explosive, biomedical, infectious, bio-hazardous or toxic substance or material, or regulated medical or hazardous waste as defined by, characterized or listed under applicable federal, state, or local laws or regulations, materials containing information (in hard copy or electronic format, or otherwise) which information is protected or regulated under any local, state or federal privacy or data security laws, including, but not limited to the Health Insurance Portability and Accountability Act of 1996, as amended, or other regulations or ordinances.

WMI may reject in whole or in part, or may process, in its sole discretion, Recyclables not meeting the specifications, including wet materials, and residents shall pay WMI for all costs, losses and expenses incurred with respect to such non-conforming Recyclables including costs for handling, processing, transporting and/or disposing of such non-conforming Recyclable Materials which charges may include an amount for WMI's operating or profit margin (“Cost”). Without limiting the foregoing, WMI may invoice customers a contamination charge for additional handling, processing, transporting and/or disposing of Non-Recyclables, Excluded Materials, and/or all or part of non-conforming loads and additional charges may be assessed for bulky items such as appliances, concrete, furniture, mattresses, tires, electronics, pallets, yard waste, propane tanks, etc.

Company reserves the right upon notice to discontinue acceptance of any category of materials set forth above as a result of market conditions related to such materials and makes no representations as to the recyclability of the materials. Collected Recyclables for which no commercially reasonable market exists may be landfilled.

\* Glass may not be accepted in all locations. Cartons, aseptic containers and other plastics may be allowed if approved in writing by WMI.



## Memorandum

**To:** Town Council  
**From:** Dara MacDonald, Town Manager  
**Subject:** Manager's Report  
**Date:** October 15, 2018

### Town Manager

- 1) Proposition 110 request - See the attached email from Sean Walsh of Let's Go Colorado requesting the Town of Crested Butte support Proposition 110 increasing the statewide sales tax by 0.62 percent from 2.9 percent to 3.52 percent to fund transportation projects. Please let me know if you would like to consider a resolution on your next agenda, or given the short timeframe before the election, you may want to discuss the issue at the meeting on October 15th.

### Public Works

- 1) Standard Mine: The EPA began discharging standard mine impounded water on Tuesday at a rate of 40 gpm or .1 cfs. Currently, Coal Creek is running 5 cfs. The EPA provided initial water quality data for the impounded mine water, prior to release. The EPA felt comfortable that the passive treatment provided by the ponds would adequately treat the impounded water. They will be performing periodic sampling at the bulk head, end of the ponds, and at the Elk Creek flow gauge. Sample results will be available 48 hours after samples are taken. All results will be provided to the town. The discharge will continue for approximately the next 30 days. Once the impounded water has been discharged, the EPA plans to leave the bulkhead open and allow water to freely flow out the mine and through the ponds. This is a tentative plan. The plan will be reviewed and amended as we proceed this fall and in subsequent years.

### Marshals

- 1) Nothing to report.

### Parks & Rec

- 1) Residents and businesses are being asked to remove all bike racks or other items from Town rights of way by October 14th.

### Community Development

- 1) Staff was approached by Jeremy Rubingh, who would like to extend his public art project "Red Promise" (The Red Lamppost on Elk Avenue) for another two years. His project was originally approved for 2-years, subject to re-approval by the Town Council to extend the installation (in November 2018). If the council wishes to extend the project, minor touch-ups will need to occur, which Jeremy is willing to do. Staff will plan to allow the extension unless there is objection from the Council at the meeting on October 15<sup>th</sup>.
- 2) As requested by the Council, the Staff will include an update moving forward on the status of the duplex build project. Framing has commenced on Lot 6. The contractor has estimated a 3-4 week framing

schedule for each duplex. The final concrete pour for the slab will occur this week on Lot 14. The contractor will have footers and stem walls pour by end the end of next week for Lot 16.

3) Heather Bischoff is being commissioned by the Creative District to create a mural at the 308 3<sup>rd</sup> Street Public Restrooms Common Room. The mural will be completed by November 20, 2018.

#### Town Clerk

1) Please confirm that the Town Attorney review will be scheduled for Tuesday, November 6th at 9AM.

#### Finance

1) Fall Community Grant Requests: We have received 24 requests, totaling \$92,905. I anticipate our 2019 budget for grants will be \$105,000 and suggest we award 60% (\$63,000) this Fall. Thus, requests exceed fall cycle budget by \$29,905. I will schedule time with Laura and Paul for later this month to review, evaluate and make recommendations.

#### Intergovernmental

The next joint meeting with other elected officials in the County will be held on November 8<sup>th</sup> at the 9380 Restaurant in Mt. Crested Butte. Please RSVP to Tiffany directly or let Lynelle know you plan to attend.

#### Upcoming Meetings or Events

October 24<sup>th</sup> – OVPP Tentative Elected Official State of the Valley forum – WSCU University Center Ballroom, 3:30 – 4:30.

October 24<sup>th</sup> – OVPP State of the Valley public meeting - WSCU University Center Ballroom, 5:30

November 8<sup>th</sup> – Intergovernmental Elected Officials meeting, 9380 Restaurant, 6:00 – 8:00 p.m.

\* As always, please let me know if you have any questions or concerns. You may also directly contact department directors with questions as well.

**From:** [Dara MacDonald](#)  
**To:** [Lynelle Stanford](#)  
**Subject:** Fwd: Proposition 110  
**Date:** Thursday, October 11, 2018 12:17:35 PM  
**Attachments:** [Resolution Draft.docx](#)

---

Lynelle,

Please include the following email and attachment with the Manager's Report. Thanks!

Dara

Begin forwarded message:

**From:** "Sean Walsh" <[walshseanw@comcast.net](mailto:walshseanw@comcast.net)>  
**Subject:** Proposition 110  
**Date:** October 4, 2018 at 5:03:02 PM EDT  
**To:** <[dmacdonald@crestedbutte-co.gov](mailto:dmacdonald@crestedbutte-co.gov)>

Hello Dara –

I just left you a voice mail message about Proposition 110. I'm hoping Crested Butte might consider passing a resolution in support of our campaign.

I've attached a draft resolution template used by several counties and cities across the state.

Here are some of the main points to consider. Let me know if I can send more information your way.

- The .62 cent sales tax will sunset after 20 years, so it's not a "forever tax." Colorado's sales tax revenue is supported by 40 million out-of-state tourist visits each year.
- It's a statewide solution to an ongoing problem. Wear and tear on vehicles, traffic delays, public safety challenges and lost worker productivity are problems that just get worse as our population increases.
- 45% of the revenue will go to fund state projects; another 40% is divided among each county and municipality to use as they see fit for their specific transportation needs; the remaining 15% will go to transit and multi-modal projects like rural bus service, bike lanes, and pedestrian improvements.

*Crested Butte is one of hundreds of local government entities who*

*share in the revenue. Your estimated share is \$1.67 million over the twenty-year term of the tax.*

With an official act by Council similar to the attached we can add Crested Butte to the list of cities who have endorsed. Or – by simply sending an email to me with permission to use their name, we are happy to add individual town board members. For a full list of groups and individuals who have endorsed, have a look here <http://letsgocolorado.com/endorsements/>

If you have any questions, please call me. I want to make sure you have what you need for Council to decide.

Thank you, Dara, for inquiring among Council if there is interest in passing a resolution.

Sean Walsh  
Let's Go Colorado  
303-903-1749



## *Resolution of Support*

*WHEREAS*... a modern, safe and efficient 21<sup>st</sup> century transportation system is essential to Colorado's quality of life and the health of our economy; and

*WHEREAS*... Colorado's population has grown nearly 60 percent since 1991, while state transportation spending per driver, adjusted for inflation, has been cut in half over that same time period; and

*WHEREAS*... increased demands on our roads and bridges have resulted in increased traffic congestion, lost worker productivity and deep frustration among local citizens; and

*WHEREAS*... the Colorado Department of Transportation has identified \$9 billion in much-needed projects that lack funding; and

*WHEREAS*... there has been a significant lack of resources available to local communities to address traffic congestion, maintenance needs and safety concerns; and

*WHEREAS*... the failure to maintain roads and bridges adequately costs Coloradans on average of \$468 per driver due to damage and unnecessary wear-and-tear to vehicles, and

*WHEREAS*... truly addressing Colorado's transportation challenges requires a dedicated, sufficient and guaranteed stream of revenue; and

*WHEREAS*... a bipartisan, coalition of local elected officials, business leaders, labor unions, environmentalists, transit groups, and community activists have joined together to ask voters to raise the state sales tax by .62 percent, or about six cents on a ten-dollar purchase, for transportation needs; and

*WHEREAS*... this measure will raise \$767 million in its first year and allow for bonding of \$6 billion for state projects; and

*WHEREAS*... 40 percent of the new revenue will go to county and municipal governments to address local transportation needs and 15% will go to multi-model transit; and

*WHEREAS*... Colorado voters will be able to vote on this statewide transportation solution on the November 2018 ballot; be it therefore

*Now Therefore*... \_\_\_\_\_ (organization name) joins with leaders across the state in endorsing this transportation solution as the right answer to address years of neglect of our state's transportation needs and to address the concerns we have heard from our local citizens.

---

Representative of Organization

---

Date

Please sign and return to Let's Go Colorado c/o Coloradans for Coloradans 1660 Lincoln St. Denver Co. 80203 or scan and email to [cpriest@lets gocolorado.com](mailto:cpriest@lets gocolorado.com).

Paid for by Let's Go Colorado



## Staff Report

October 15, 2018

**To:** Mayor Schmidt and Town Council

**From:** Mel Yemma, Open Space/Creative District Coordinator

**Thru:** Michael Yerman, Community Development Director

**Subject:** **Slate River Floating Management Plan**

---

### **Background:**

Since implementing the 1.5% Real Estate Transfer Tax (RETT) for Open Space in 1994, the Town of Crested Butte has worked with the Crested Butte Land Trust to preserve over 1,000 acres of open space, much of it in the Upper Slate River Valley. The Land Trust owns most of the open space lands along the Slate River, with the Town of Crested Butte holding the respective conservation easements.

As river-recreational use on the Slate River has intensified in the past five years, new concerns about habitat protection, private property rights and resource protection have arisen. These issues are compounded by the patchwork of private landowners and public land managers with significant interests along the banks of the Slate River. In response, the Town and Land Trust convened a Working Group of 18 stakeholders to address emerging management challenges brought on by the increased river use.

The working group process was facilitated by a professional facilitator, Illene Roggensack, and this process was funded by the Upper Gunnison River Water Conservancy District, the Town of Crested Butte, and the Crested Butte Land Trust. The overall goal of the Working Group was to provide input and partner in recommending adaptive river recreation management actions necessary for upholding the ecological integrity of the Slate River.

### **Overview of the 2019 Slate River Floating Management Plan**

The geographic scope of the Working Group's effort and management plan includes 10.5 miles of the Upper Slate River corridor, from the northern starting point of Oh-Be-Joyful campground to the Skyland bridge at the south. The Working Group has concentrated its efforts on river recreation-specific issues. Therefore, camping, trail use, and other land and river management issues including water temperature, fisheries health, water quality, etc. are not specifically addressed in this plan. However, while the focus of the Working Group is on issues relative to recreationists floating the Slate River, some management solutions simultaneously address human health and safety, environmental stewardship, and ranch land preservation.

Over the course of five meetings, the Working Group identified shared values relevant to the Upper Slate River, determined areas of concern in need of enhanced management, and developed proposed management solutions.

The management solutions focus on seven key areas: private property rights, agricultural rights, wildlife, variable river flows, river etiquette, access and legal constraints, and infrastructure needs. The proposed management solutions are intended for short and long-term implementation and focus on upholding the ecological value of the area while also providing sustainable river-recreation opportunities.

The Slate River Floating Management Plan is an adaptive management plan. The Working Group recognizes the need to collect more data when it comes to river use, wildlife impacts, flow levels and more, and understands management approaches may need to be adapted based on how the initial management solutions work in our community. The Working Group is committed to revisiting the management plan and activities/impact prior to each river season, and adapt management solutions as needed.

The Working Group released a draft version of the plan in early September and provided the community with an opportunity to comment on the proposed management solutions via email to [slateriverworkinggroup@cblandtrust.org](mailto:slateriverworkinggroup@cblandtrust.org) or in-person at a public forum held at Town Hall on September 27<sup>th</sup>.

The Working Group received over 55 comments on the plan. All of the comments received included a recommendation on the proposed voluntary no-float date on the upper Slate River to protect the Great Blue Heron Rookery. About 94% of commenters asked for the date period to be changed to March 15-August 1. Other comments included suggestions on river etiquette outreach and signage, incorporating a permit system, and more.

The Working Group re-convened on October 10<sup>th</sup> to discuss the feedback received on the draft management plan and finalize the 2019 version of the management plan (attached to this report).

*Each proposed management solution is discussed at-length in the attached management plan. The list below provides a breakdown of the proposed management solutions, broken down into short-term vs. long-term solutions. Short-term management solutions are actions that have been identified by the Working Group to be implemented in 2019. Long-term solutions are typically larger infrastructure projects that require greater financial commitments, ongoing actions to influence user behavior, and additional studies/monitoring that will require extended periods of time to complete.*

### **Short-Term Management Solutions**

- Implement a comprehensive signage and outreach plan that educates users on river etiquette and floating parameters
- Institute and publicize a voluntary no-float period on the upper reach of the river (from Gunsight Bridge to the Rec Path) from March 15 - June 21 to protect heron brood rearing during their critical incubation period
- Secure funding for Land Trust and CCWC continue its partnership with WCU to monitor the Heron rookery and collect data in regards to impacts from river recreation and related

variables (i.e. group size, travel frequency, time of day) to inform ongoing adaptive management solutions

- Secure funding to have an interpretive representative at popular river access points to help educate users on responsible river use and about the Great Blue Heron rookery
- Collaborate with WCU's MEM program to plan and implement a river use study in 2019 and beyond
- Collaborate with the Upper Gunnison River Basin Watershed Management Planning effort to collect and analyze river recreational-user data and correlate survey data with flow level ranges; develop high-medium-low flow standards for the upper and lower stretches of the Slate River and utilize signage, outreach and staff gauges at put-ins and take-outs to publicize the message
- Secure funding for installation and maintenance of two additional river fences to replace existing barbed wire fence lines and establish maintenance plan for current river fences; improve fencing at Rec Path bridge
- Work with private landowners at Rec Path bridge and commercial guiding companies to develop commercial use parameters
- Work with the private landowners at Rec Path bridge and ecologists to designate one official side of the river for access while improving and revegetating the other streambanks
- Share Management Plan with local law enforcement and brainstorm ways in which local law enforcement can help private property owners when it comes to recurring trespass issues; work with local law enforcement to ensure active and consistent enforcement of existing dog regulations at Rec Path bridge

### **Long-Term Management Solutions**

- Begin planning for infrastructure improvements; identify any easement constraints that may prohibit certain improvements
- Work with the managing jurisdictions to identify fiscal impacts of needed infrastructure and investigate improvements that provide necessary amenities to river users
- Work to reduce impacts from vehicular traffic at put-ins
- Work towards a voluntary fee and/or permit system to utilize as a tool to educate river users on proper river etiquette

### **Direction Needed at This Time**

As the conservation easement holder at Gunsight Bridge and the conservation covenant holder at the Rec Path Bridge, the Slate River Working Group is seeking for approval from Town Council in regards to initiating implementation of the proposed short-term management solutions in 2019. The Slate River Working Group also requests that the Town Council consider the long-term management solutions as it plans for 5-year capital projects.

# 2019 SLATE RIVER FLOATING MANAGEMENT PLAN



October 2018

Compiled by the Slate River Working Group

*Crested Butte, Colorado*



# SLATE RIVER FLOATING MANAGEMENT PLAN

## Table of Contents

<b>1.0 Introduction</b>	<b>4</b>
1.1 Working Group Co-Conveners and Stakeholders	5-6
1.2 History of the Land Trust & Town's Conservation Partnership	7
1.3 Project Area & Scope	7
1.4 Geography & Geology of the Slate River Valley	8
1.5 Upper Slate River Hydrology	8
<b>2.0 Conservation Values in the Slate River Valley</b>	<b>9</b>
2.1 Agriculture	9
2.2 Wildlife	9
2.3 Recreation	10
2.4 Scenic Views	10
<b>3.0 Key Issues &amp; Management Solutions</b>	<b>11</b>
3.1 Working Group Values and Concerns	11
3.2 Private Property Rights	11
3.3 Agricultural Rights	12
3.4 Wildlife Impacts	13-14
3.5 Variable River Flows	14-15
3.6 River Etiquette	15
3.7 Access & Legal Framework	16-20
3.8 Infrastructure Needs	20-21
<b>4.0 Appendix</b>	<b>22</b>
4.1 Photo Credits	22
4.2 Bibliography	22
4.3 Working Group Meeting Schedule	23
4.4 Great Blue Heron Study	23-24
4.5 Recreational Flow Data	24-28
4.6 Signage & Outreach Plan	29-32
4.7 Implementation Timeline	33
4.8 Estimated Cost Summary	34

## Acknowledgements

The Slate River Floating Management Plan is made possible by the time and effort of all participating stakeholders (listed on pages 5-6). Additionally, the Crested Butte Land Trust (Land Trust) and the Town of Crested Butte (Town) would like to thank the Upper Gunnison River Water Conservancy District for funding the facilitation process which resulted in this completed 2019 management plan. *Cover Photo: John Holder*



*A shoulder season view of the upper Slate River and Schuykill Ridge. Credit: Xavier Fane*

## Executive Summary

Together, the Land Trust and Town have facilitated the conservation of over 1,000 acres in the Upper Slate River Valley, a landscape critical to the nature-driven quality of life valued by residents and visitors. As river-recreational use on the Slate River has intensified in the past five years, new concerns about wildlife impacts, private property rights and resource protection have arisen.

In response, the Town and Land Trust convened a Working Group of 18 stakeholders to address emerging management challenges brought on by the increased river use. The goal of the Working Group was to provide input and partner in recommending adaptive river recreation management actions necessary for upholding the ecological integrity of the Slate River.

The geographic scope of the Working Group's effort includes 10.5 miles of the Upper Slate River corridor, from the Oh-Be-Joyful Campground to the north, south to the Skyland bridge. The Working Group has concentrated its efforts on river recreation-specific issues. Therefore, camping, trail use, and other land and river management issues including water temperature, fisheries health, water quality, etc. are not specifically addressed in this plan. However, while the focus of the Working Group is on issues relative to

recreationists floating the Slate River, some management solutions simultaneously address safety, environmental stewardship, and ranch land preservation.

Over the course of five meetings, the Working Group identified shared values relevant to the Upper Slate River, determined areas of concern in need of enhanced management, and developed proposed management solutions. After an extensive public comment period, the Working Group reconvened to finalize the 2019 version of the management plan.

The management solutions focus on seven key areas: private property rights, agricultural rights, wildlife, variable river flows, river etiquette, access and legal framework, and infrastructure needs. The proposed management solutions are intended for short- and long-term implementation and focus on upholding the ecological value of the area while also providing sustainable river-recreation opportunities.

Included in the 2019 plan are multiple adaptive management solutions that take into account the need to collect additional river use, wildlife and flow level data. The Working Group is committed to revisiting the plan prior to each river-season to adjust the management solutions as is necessary.

# 1.0 Introduction

The Slate River Valley is a vital element of the Crested Butte community. Its presence in the heart of Paradise Divide is one of the most prominent characteristics of the Upper Gunnison Valley, distinguishing and defining Crested Butte as an exceptional place to live, visit, and recreate. The close proximity of downtown Crested Butte to a river valley with some of the state's highest-functioning wetlands (Cooper, 1993) combined with a broad range of recreational opportunities, productive grazing lands and unmatched landscapes is very unique, and demands vigilant protection and maintenance.

The Land Trust and Town have facilitated the conservation of more than 1,000 acres located throughout the Upper Slate River Valley, including four miles of river corridor and 210 acres of high-functioning wetlands on the Valley floor. As river recreational use has intensified in the past five years, new concerns about wildlife impacts, private property rights and resource protection have arisen. These issues are compounded by the patchwork of private landowners and public land

managers with significant interests along the banks of the Slate River.

In response, the Land Trust and Town (co-conveners) formed the Slate River Working Group (Working Group), comprised of 18 stakeholders, to provide input, guidance, and ultimately partner in recommending adaptive river recreation management actions necessary for upholding the ecological integrity of the Slate River.

The goal of this document is to provide a framework by which both short- and long-term adaptive management actions can be efficiently and effectively implemented. The management solutions recommended by the Working Group are intended to guide future management actions of the Land Trust and Town on conserved lands, to create a cohesive river and environmental stewardship ethic among river users, and to guide short- and long-term fiscal investment in conservation-ensuring activities.

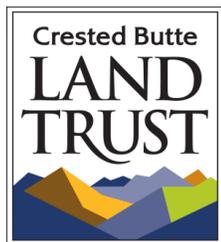
Included in the 2019 plan are multiple adaptive management solutions that take into account the need to collect additional river use, wildlife and flow level data. The Working Group is committed to revisiting the plan prior to each river-season to adjust the management solutions as is necessary.



*A birds eye view of the Slate River's path around Crested Butte. Credit: Xavier Fane*

## 1.1 Working Group Co-Conveners and Stakeholders

### Co-Conveners



#### Crested Butte Land Trust

Since 1991, the Land Trust has conserved more than 600 acres via seven conservation easements, and more than 700 acres in nine fee simple acquisitions in the Slate River Valley, including the Gunsight Bridge property. The Land Trust seeks a balanced management approach to uphold the diversity of conservation values throughout the Valley, including the protection of open space, ranching heritage, wildlife habitat, public recreation, and education.



#### Town of Crested Butte

The Town of Crested Butte holds the conservation easements on much of the Land Trust's fee simple acquisition land. As an easement holder, the Town is obligated to ensure that the values of these open space lands are upheld. Additionally, the Town holds the conservation covenant for allowing public river access to the north banks at the Rec Path bridge on the northeast corner of the Town. As a municipality, the Town works in the service of the health, safety, and well-being of its citizens, and believes that sustainable management of the Slate River is important to the long-term vitality of the Gunnison Valley.

### Stakeholders

#### Bureau of Land Management (BLM)



The BLM administers 620 acres of land adjacent to the Slate River from Oh-Be-Joyful Recreation Area along the Lower Loop Trail and River Flats Walk-in Campsites. These areas have grown in recreation use over the past 20 years, causing BLM in 2016 to initiate an environmental assessment to improve management of recreation on these BLM public lands. The Oh-Be-Joyful Recreation Area serves as an important access point to the Slate River Valley. Currently, there are no known unacceptable impacts on BLM public lands from people floating the Slate River. BLM does not limit river use and this management plan and process would not restrict river use or access to the river on BLM public lands.



#### Colorado Parks and Wildlife (CPW)

CPW is responsible for managing wildlife in the Slate River Valley. Impacts to wildlife from growing recreational use is a primary concern to some in the community. CPW provides expert knowledge and scientific information about the health of wildlife in the Slate River Valley, including big game and Great Blue Heron.



#### Gunnison County

Working Group recommendations focus on many geographic areas located in unincorporated Gunnison County. Additionally, the Working Group's planning effort dovetails with the County's Sustainable Tourism and Outdoor Recreation Committee (STORC), a group that acts thoughtfully and proactively to address negative impacts and develop unique approaches to create a sustainable tourism economy and outdoor recreation experience while preserving the natural resources of the county.

#### Skyland Metro District

Skyland Metro District is the owner of the southernmost river access point within the Working Group's geographic scope, the Skyland Bridge.

## 1.1 Working Group Stakeholders (cont.)



### Upper Gunnison River Water Conservancy District (District)

The District's mission is to be an active leader in all issues affecting water resources in the Upper Gunnison River Basin. As part of the Colorado Water Plan, the District is currently creating a comprehensive watershed management plan for the Upper Gunnison River Basin.



### Coal Creek Watershed Coalition (CCWC)

CCWC is a non-advocacy environmental organization that has been actively working to protect and restore watersheds surrounding Crested Butte. CCWC has worked throughout the Upper Slate River since 2011 and wrote the Upper Slate River Watershed Management Plan, which focuses on water quality, mine reclamation and watershed health.



### High Country Conservation Advocates (HCCA)

HCCA's Water Program aims to enhance the health of stream and riparian ecosystems by protecting healthy instream flows, improving water efficiency and conservation through local partnerships, and by using the best science available to collaborate with water resource managers in watershed management planning.



### CB SUP

CB SUP was founded in 2015 by Courtney and Braden Burton. The outfitter rents stand-up paddleboards (SUPs) from retail locations in Crested Butte and Gunnison, and provides guided SUP tours in various locations, including on the Slate River.



IRWIN

### Irwin Guides/Eleven

Irwin Guides/Eleven provide guided outdoor experiences for guests in the Crested Butte area. Among the services offered are float trips on the Slate River.

### Ralph R. Allen and Sons, Inc.

Ralph R. Allen and Sons, Inc. has been actively grazing the Crested Butte area for 120+ years. The corporation has permits and leases through the U.S. Forest Service, BLM, Land Trust, and Town to graze cattle in the Slate River Valley.

### Local River Recreation Representative

Tom Barry is a local river user and advocate who is well connected to and involved with various river-user groups, including Gunnison Valley Paddlers.

### Wildbird Homeowners Association

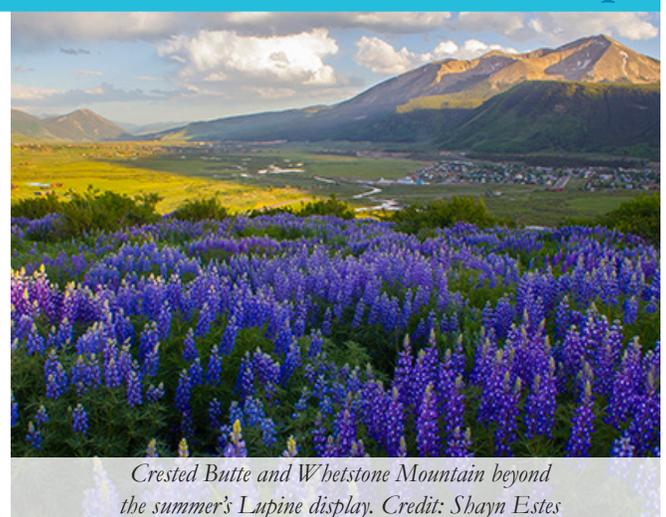
Wildbird Homeowners Association owns an open space parcel directly adjacent to the Slate River. In recent years, these homeowners have experienced increased trespass by river recreationists.

### Private Landowners

Private landowners with private property encompassing the Slate River were working group members. Participants include Wynn and Ryan Martens and Randi and Tony Stroh.

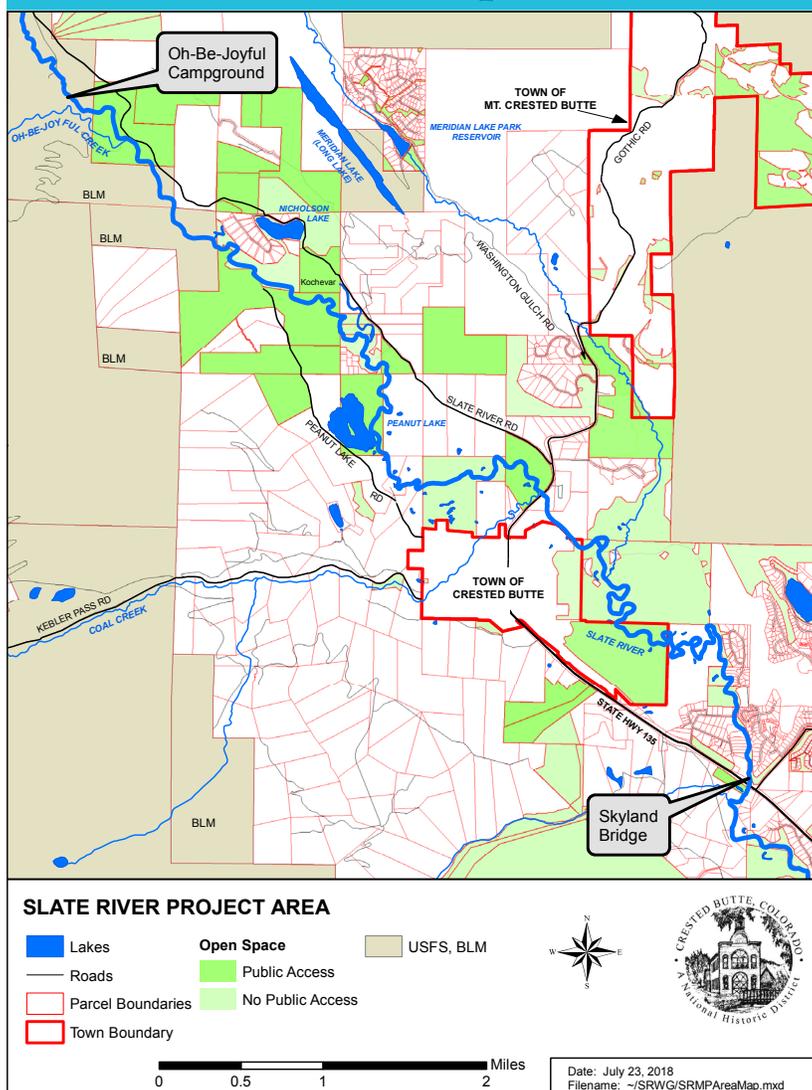
## 1.2 History of the Land Trust & Town's Conservation Partnership

Beginning in the late 1980s, the Town of Crested Butte started to feel the growing pains of increased development in and around town. In response, the Town began to pursue avenues for protecting its surrounding open space. This pursuit resulted in the development of a real estate transfer tax, and eventually the creation of Crested Butte Land Trust in 1991. Since then, the Town and Land Trust have raised and spent millions of dollars protecting open spaces (Watson, 2018). More than \$11 million has been raised through 2016 by the Town's real estate transfer tax, with funds playing a critical role in the acquisition of land and placement of conservation easements on thousands of acres, many of which are within the Slate River management area.



*Crested Butte and Whetstone Mountain beyond the summer's Lupine display. Credit: Shayn Estes*

## 1.3 Project Area & Scope



The geographic scope of the Working Group's proposed plan includes 10.5 miles of the upper Slate River corridor, from the Oh-Be-Joyful campground to the north, south to the Skyland Bridge (see map at left).

Land ownership along the banks of the Slate River is a complex network of federal-administered and privately-held land, Land Trust- and Town-administered open space, and privately-conserved land that is publically accessible.

The need to address management issues stems from rapidly-increasing river recreation activity on this section of the Slate River. The Working Group has concentrated its efforts on river recreation-specific issues. Therefore, camping, trail use, and other land and river management issues including water temperature, fisheries health, water quality, etc. are not specifically addressed in this plan. However, while the focus of the Working Group is on issues relative to recreationists floating the Slate River, some management solutions simultaneously address human health and safety, environmental stewardship, and ranch land preservation.

The goal of this management plan is to be complementary of other management plans and strategies relating to the Slate River and Slate River Valley, including the District's watershed management planning process.

## 1.4 Geography & Geology of the Slate River Valley

The Slate River Valley is located within the Southern Rocky Mountains physiographic province with its characteristic rugged, high-elevation peaks. The topography and geology of the area were influenced by several major landforms in western Colorado, including the Piceance Basin to the northwest, the Elk and West Elk mountains immediately to the north and west, the Sawatch Range to the east, and the San Juan Volcanic Field to the south. Gothic Mountain, Snodgrass and Crested Butte laccoliths are located north, northeast and east-southeast of the Valley, respectively. The Slate River lies within the Gunnison River drainage basin, encompassing approximately 8,000 square miles from the Continental Divide to confluence with the Colorado River in Grand Junction.

## 1.5 Upper Slate River Hydrology

The Slate River is driven by the natural pattern of seasonal peaks caused by snowmelt runoff, and occasional sub-peaks from rain events (Beardsley, 2012). Therefore, the river flows swing dramatically from season to season. Downstream from Gunsight Bridge, the Slate River transitions from a tight glacial valley to a wide alluvial valley that runs to Crested Butte. The side drainages through this section tend to be much less steep compared to upper reaches. This stretch of river braids into a complex ecosystem of wetlands. As such, river flows in this stretch are moderate, and heavily influenced by wildlife systems including beaver dams and riparian vegetation.



*The Slate River Valley from above. Credit: Xavier Fane*

## 2.0 Conservation Values in the Slate River Valley

The Land Trust and Town seek to balance the protection of open space (including ranch lands), wildlife habitat and public recreation and education. While some people are preferential to one value over another, each value is essential to successful conservation. Below is more in-depth information on the Land Trust's four primary conservation values.

### 2.1 Agriculture

The Gunnison Valley has a deeply-rooted agricultural heritage and today remains home to a number of multigenerational ranching families. These families rely heavily on seasonally-variable use of private and public lands for grazing cattle, while using their own pastures/hay production to overwinter their livestock. Ranching in the Gunnison Valley not only has helped preserve the beloved viewshed along Highway 135, but also contributes an estimated \$46 million annually to the local economy (Seidl, 2006). The Land Trust is committed to ensuring that these land-based livelihoods persist in the community. To do this, the Land Trust and Town, like the BLM and U.S. Forest Service, provide grazing leases for a number of local ranchers, many of whom make use of the Slate River drainage.



*One of the Valley's most hearty residents.  
Credit: Matt Berglund*

### 2.2 Wildlife



*A Great Blue Heron overlooks the  
Slate River rookery. Credit: Carley Clegg*

A combination of aspen and coniferous forests, diverse willow complexes, and riparian vegetation characterize the habitat types throughout the region and provide critical habitat for an abundance of wildlife in the Slate River corridor. Here one finds several big game species, including elk and mule deer, and a summer concentration of black bear and Gunnison Prairie Dog. Relative to increased river use, species of particular concern in the Slate River corridor relative to increased river use include Great Blue Heron and elk.

#### 2.2.1 Great Blue Heron

Located on Land Trust owned and conserved land is a Great Blue Heron rookery. At 8,900 feet above sea level, this rookery is believed to be one of the highest in the country. The rookery sits in standing dead spruce trees directly above the Slate River and in adjacent wetlands, providing an ideal nesting and foraging area for the birds.

Great Blue Heron populations in the U.S. are considered stable, although declines have been noted in some regions, including the western United States. These majestic birds practice site fidelity, and therefore return to the same nesting site (rookery) each year. A 2018 study of the rookery finds it currently hosts up to 50 adult Great Blue Heron and more than 25 nests, making it a productive rookery (Magee, 2018).

#### 2.2.2 Elk

The upper reaches of the Slate River Valley lie within the summer concentration area for elk. By late summer, elk begin their migration down valley, making use of the dense willow complexes that populate much of the Slate River Valley. Recently-collected spatial distribution data from CPW indicate that herds regularly make use of Anthracite Ridge and the Oh-Be-Joyful drainage. A combination of increased recreation and development in the valley have led to concerns regarding elk distribution and migration patterns.

## 2.3 Recreation

The Slate River Valley has long attracted year-round recreationists, from nordic and backcountry skiers to hikers and bikers making use of Crested Butte's Lower Loop and Lupine trails. Strong local appreciation for the Lower Loop in the early 1990s helped incentivize inception of the Land Trust. Since then, Crested Butte's growth as a recreation-driven economy has attracted an influx of trail users. In fact, a 2015 visitation study indicated that 100,000+ visitors and residents make use of the Slate River trails annually. In recent years, recreational use has expanded to include an influx of river users.



*Lower Loop trail users run alongside the Slate River. Credit: John Holder*



*Early season SUPers enjoy the upper Slate River. Credit: Billy Rankin*

### 2.3.1 River Recreation

Floating the stretch of Slate River between BLM's Oh-Be-Joyful campground and Skyland Bridge provides an incredible recreation experience. The river bends and turns across the floodplain, providing 10.5 miles of meandering fun. The dominant river use is stand-up-paddle boarding (SUP). Recreationists also float the stretch on tubes, rafts and kayaks. Most users launch at the Land Trust's Gunsight Bridge property, or just upstream from Oh-Be-Joyful or at the Town Rec Path Bridge. Observational data suggests that river use has significantly increased in recent years, with the majority of river users being independent locals and/or visitors with some guided groups led by Irwin Guides or CB SUP.

## 2.4 Scenic Views

The Slate River Valley provides the Town its dramatic northern backdrop. Oh-Be-Joyful and Paradise Divide hover over the valley and the meandering flows of the Slate River reflect incredible sunsets behind Paradise Divide. Years of preservation of private lands have created an uninterrupted natural corridor from Town to the Slate River Valley to public lands beyond, overall creating one of the most iconic and scenic views around.



*Hikers take in the view of Paradise Divide at the Lower Loop bench. Credit: John Holder*

## 3.0 Key Issues & Management Solutions

### 3.1 Working Group Values and Concerns

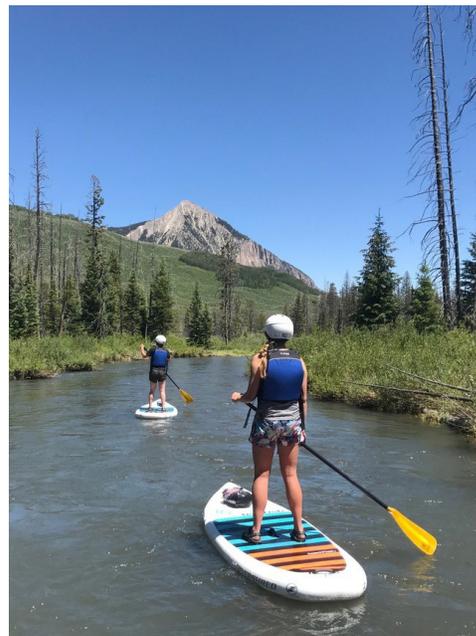
The Working Group convened for five facilitated meetings in May, June, and August 2018 prior to drafting this management plan, and in October 2018 to incorporate public feedback and finalize the 2019 version of the plan (see schedule on page 23). The facilitated process helped the Working Group recognize shared values, identify key river use and management challenges, and reach consensus in identifying realistic solutions.

*The working group identified the following shared values relevant to the project scope:*

- Ecosystem health
- Water quality
- Resource protection
- Wildlife habitat
- Wild places
- Sustainability
- Sense of place
- Community benefit
- Respect
- Educated river users
- Balanced management
- Long-term solutions
- Adaptability
- Public access
- Right to float
- Commercial river use
- Historic ranching
- Private property rights

*The following lists areas of concern in need of management attention, as identified by the Working Group. Each area of concern has been discussed at length to develop mutually agreed-upon adaptive management practices.*

- Private Property Rights
- Agricultural Rights
- Wildlife Impacts
- Variable River Flows
- River Etiquette
- Access and Legal Constraints
- Infrastructure Needs



*SUPers paddle the upper Slate River.  
Credit: Billy Rankin*

### 3.2 Private Property Rights

Private property owners throughout the Slate River corridor have witnessed significant trespass issues as a result of increased river use. Trespass issues range from river users making use of adjacent private property to “hang out,” use the “restroom,” etc. Additionally, private property owners observe litter and abandoned floating devices (i.e. tubes) both along the river bank and in the river. Attempts made by private property owners to utilize local law enforcement to cite trespassers have been mildly successful but, in general, fall short due to limited resources of law enforcement agencies.

Working Group members agree that these issues stem from an at-large lack of understanding of private property boundaries and trespass laws (e.g. river bottom and banks are private property). Also recognized as a driving issue is the absence of an understood river etiquette (discussed in more detail in section 3.6).

#### 3.2.1 Management Solutions

*The Working Group recommends the following management actions to reduce trespass and related issues:*

- Implement a comprehensive signage and outreach plan that educates users on river etiquette, including private property boundaries (see page 28 for more detail)
- Determine opportunities to have an interpretive representative at popular river access points to help educate users on responsible river use (see page 31 for more detail)
- Share Management Plan with local law enforcement and brainstorm ways in which local law enforcement can help private property owners when it comes to recurring trespass issues

## 3.3 Agricultural Rights

Cattle grazing in the region often requires private property fencing, including across the Slate River in four locations (see map at right). These fences are necessary for fencing cattle in and/or out of certain areas. However, when strung across the river, the fencing can create unsafe conditions for floaters. The Land Trust has worked with adjacent landowners to install two floater-friendly river fences across the Slate River. The photos below depict replacement of barbed wire with a floater-friendly fence. The fences have been effective for safe river travel and cattle exclusion but are costly and a management burden.

Dog and cattle conflicts are also of concern along the river; primarily, dogs accompanying river users sometimes chase and disturb cattle and wildlife. Additionally, the Rec Path river access point has become a popular dog place for people walking dogs off-leash, which the property's conservation covenant does not allow.

### 3.3.1 Management Solutions

#### Fencing

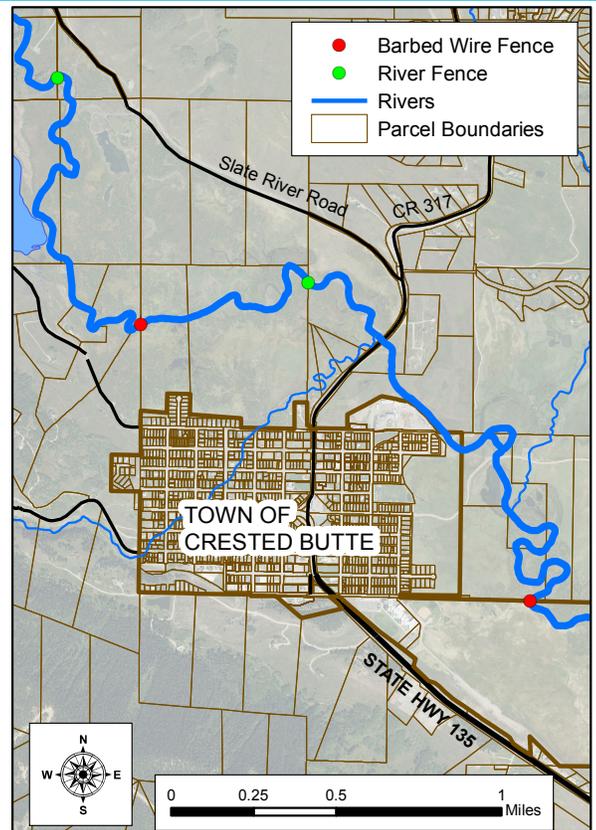
*The Working Group recommends the following management actions relating to fencing needs:*

- Ensure fencing meets wildlife standards
- Educate river users on how to use a river fence
- Establish maintenance plan for current river fences
- Consider alternative river-fence designs that withstand local climate conditions (i.e. snow load)
- Establish funding for installation and maintenance of two additional river fences to replace existing barbed wire fence lines (see map above); additionally, improve fencing at Rec Path to ensure that dogs cannot get through to where cattle are
- Work with ranchers and private property owners to identify additional fencing needs

#### Dogs

*The Working Group recommends the following management actions relating to dogs:*

- Ask river users to not bring dogs floating because of concerns of cattle/wildlife conflict, and likelihood of trespass due to the low probability of a dog staying on craft through long sections of private property
- Educate river users that dogs are legally not permitted to put-in or take-out on the river at the Rec Path bridge



Barbed wire fence across upper Slate River. Credit: Crested Butte Land Trust



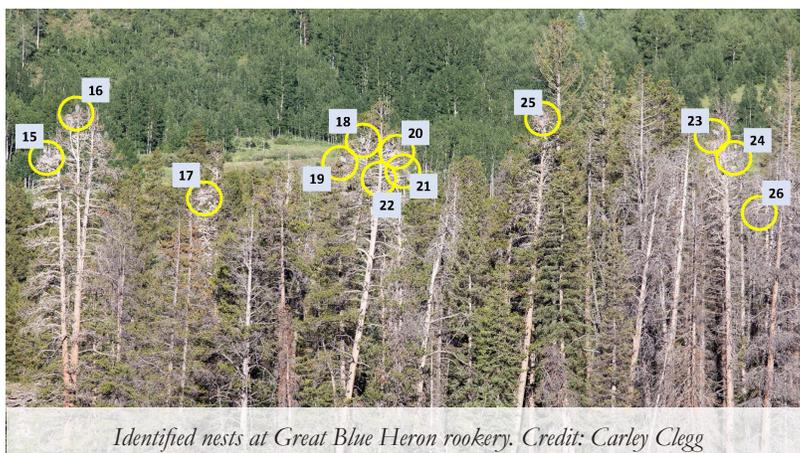
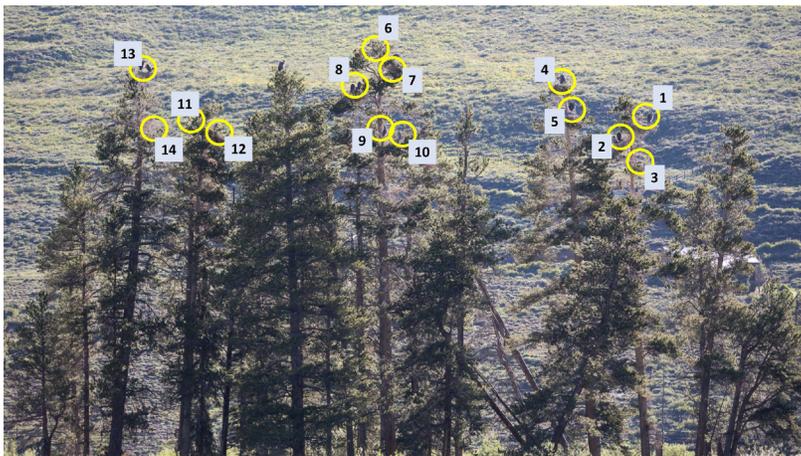
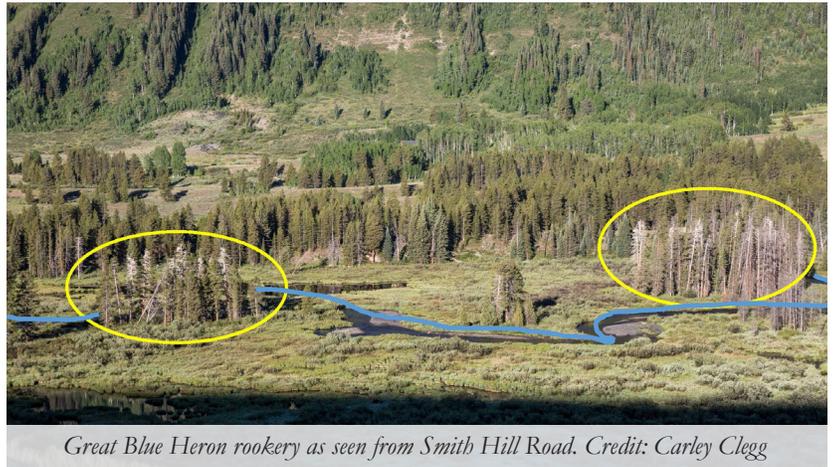
River fence across upper Slate River. Credit: Crested Butte Land Trust

## 3.4 Wildlife Impacts

Increased river recreational use has led to community anxiety regarding wildlife disturbance in the Slate River corridor. As noted above, of particular concern are impacts to the Great Blue Heron rookery.

### 3.4.1 Great Blue Heron Rookery

Together with Western Colorado University (WCU), the Land Trust and CCWC developed a study to better understand the Slate River's Great Blue Heron rookery. Preliminary data from the study was shared with the Working Group to inform a discussion about wildlife impacts. The Slate River meanders directing under the rookery (see photo at right) and in 2018 a total of 26 nests have been observed (see photos below).



A combination of observations collected by WCU researchers in 2018 at the Slate River rookery, as well as a literature review of additional Great Blue Heron studies, indicate that Great Blue Heron respond to both visual and aural disturbances and that the proximity to the Heronry is likely to be the main threshold to Heron activity. Recorded observations at the Slate River rookery describe regular occurrences of one or more adult Heron flushing (i.e. flying away from nests) in response to a river user passing underneath the rookery (see preliminary study results on page 23).

The WCU researcher asserted that the earlier phenological stages of nesting (i.e. incubation) are the most critical and that the fledging period is also a vulnerable period. Based on 2018 observations, the last heron hatched on June 21st. A recommended voluntary no float period from March 15 to June 21st was suggested to protect the Herons from disturbance during the early and sensitive nest initiation period, but due to the uniqueness of this rookery, the ultimate suggestion was that all activity be prohibited beneath the rookery for the full breeding season, March 15 to August 1.

Based on additional input from CPW, the Working Group recommends immediate attention be given to protect the Great Blue Heron rookery via the management solutions proposed in section 3.4.3, while continuing to study the impacts of floating under the rookery and adapt the management solutions as needed.

## 3.4 Wildlife Impacts (cont.)

### 3.4.2 Other Wildlife

Recreational impacts to elk in the region are believed to be less acute and require larger-scale management planning than the Working Group's scope allows. However, recommended management practices to benefit Great Blue Heron will have positive impacts on other Slate River wildlife, including elk, beaver, mule deer, and waterfowl. As mentioned in section 1.3, this management plan does not address fisheries' health in the Slate River.

### 3.4.3 Management Solutions

*The Working Group recommends the following management actions to minimize river recreationists' disturbance to wildlife on/near the Slate River:*

- Institute and publicize a voluntary no-float period on the upper reach of the river (from Gunsight Bridge to the Rec Path) from March 15 - June 21 to protect Heron brood rearing during their critical incubation period
- Land Trust and CCWC continue its partnership with WCU to monitor the Heron rookery and collect data in regards to impacts from river recreation and related variables (i.e. group size, travel frequency, time of day) to inform ongoing adaptive management solutions
- Designate and publicize/sign the stretch of river from Gunsight Bridge to the Rec Path as a quiet zone (see page 31 for more detail)
- Encourage and educate recreationists on protocols for quiet zone and other river etiquette



*A Great Blue Heron takes off from its nest Credit: Carley Clegg*

## 3.5 Variable River Flows

The Slate River currently lacks a defined floating season. Because both stretches of the Slate River flow through private property, where touching river bottom (most likely at low flow levels) is considered trespassing, the Working Group sees the need to develop an agreed-upon floating season. Additionally, too high of flows can lead to unsafe conditions and inability to float under bridges (which also can result in trespassing). A defined floating season will help mitigate private property concerns while preventing river users from floating in unsafe conditions when flows are too high or dragging their crafts along the river bottom when flows are too low, making for an undesirable river experience.

The Working Group designated a Flow sub-committee to develop recommendations for defining a floating season. The short-term recommendation from the Flow sub-committee for the 2018 season was to determine the season based on observation of when the river is too low to float; on June 20, 2018 (at 110 CFS as measured at the Baxter Gulch gage), the upper stretch was determined too low to float, and on July 2, 2018 (at 37 CFS as measured at the Baxter Gulch gage), the lower stretch was determined too low to float. Signage was placed at Gunsight Bridge and the Rec Path to relay this information.

Due to the dynamic nature of the Slate River, and the reality that some river users are more experienced than others and therefore can more easily navigate varying flow levels, it is recognized that stating a simple "black and white" floating season is not a workable solution. The Flow sub-committee, therefore, is charged with developing a high-medium-low flow standard, and a messaging system to define floating parameters for the Slate River, for use in 2019 and beyond.

*Because trespass is not an issue on public land (BLM), flow messaging will convey to river users that when the river is considered too low to float, floating on BLM sections of the river is still permitted.*

## 3.5 Variable River Flows (cont.)

### 3.5.1 Management Solutions

*The Working Group recommends the following river flow management actions:*

- Collaborate with the Upper Gunnison River Basin Watershed Management Planning effort to collect and analyze river recreational-user data and correlate survey data with flow level ranges (see page 23 for more detail on this process)
- Develop high-medium-low flow standards for the upper and lower stretches of the Slate River and utilize signage, outreach and staff gauges at put-ins and take-outs to publicize the message
- Explore the possibility of a river use study in 2019 and beyond through WCU's Master in Environmental Management program (see page 23 for more detail)
- Convene a group of key stakeholders prior to each floating season to discuss expected river flows on the Slate River and how they might affect outreach methods for that given season

## 3.6 River Etiquette

The Working Group recognizes that at the core of effective river management lies river etiquette. Floating the Slate River is a special experience, and a lack of user etiquette compromises access and takes away from the wildness and serenity of the recreational opportunity.

There currently are no defined river ethic or parameters of recommended use for the Slate River. Frequent infractions of proper river etiquette in recent years include large-sized groups, loud/amplified music, use of river bank as restrooms, littering, trespassing, lack of proper gear including life jackets, and a general lack of preparedness by floaters.

The Working Group seeks to build a river ethic that is understood and promoted by locals and visitors, and has developed agreed-upon floating parameters which are already being incorporated into signage and outreach materials.



*SUPers float the upper Slate River towards Mt. Crested Butte. Credit: Billy Rankin*

### 3.6.1 Management Solutions

*The Working Group recommends the following management actions to improve river etiquette compliance on the Slate River:*

- Develop and promote parameters for responsible river use (see page 28 for more detail)
- Utilize a comprehensive signage and outreach plan, as well an interpretive representative at access points to educate users on river etiquette (see page 28 for more detail)
- Work towards a voluntary fee and/or permit system to utilize as a tool to educate river users on proper river etiquette

*The Working Group also discussed the likelihood that river recreational use on the Slate River will continue to grow, and that while encouraging responsible river use is a critical first step, considerations must be made to define the river's carrying capacity.*

## 3.7 Access & Legal Framework

### 3.7.1 Access Points

The Slate River flows through a patchwork of federally-administered land, private and public conserved land, and privately-owned land. There currently are four legal access points for recreationists to put-in/take-out of the river:



#### Oh-Be-Joyful Campground

- Public Land administered by BLM
- Unrestricted river access



#### Gunsight Bridge

- Owned by Land Trust with conservation easement held by the Town
- Unrestricted river access (managed for commercial use)



#### Rec Path Bridge

- Privately-owned with conservation covenant held by the Town
- Public access easement for north side of the river (*most users are currently accessing via the south side of the river*)



#### Skyland Bridge

- Owned by the Skyland Metropolitan District
- Not legally specified, but public access/take-out allowed via the recreation path bridge

## 3.7 Access & Legal Framework (cont.)

### 3.7.2 Legal Framework

The Working Group reviewed all current land management plans, conservation easements and conservation covenants on land parcels encompassing this stretch of the Slate River to ensure compatibility with proposed management approaches. The list below (corresponding with the map on page 19) indicates parameters and restrictions of certain properties along the river corridor.

#### 1. Oh-Be-Joyful Campground

- Public land administered by BLM
- Campground recently came under a management plan, resulting in designated campsites, permanent toilets, and improved parking
- BLM requires a permit for commercial use

#### 2. Gunsight Bridge

- Owned by Land Trust, with conservation easement held by Town
- Conservation values: open space, wildlife habitat, education, recreation, agriculture
- De-minimus (*too minor to merit consideration*) commercial recreational use permitted
- Agricultural grazing lease in place

#### 3. Lower Loop

- Section of Lower Loop area (as shown on map) is public land administered by BLM
- Section of Lower Loop area (as shown on map) is owned by Land Trust, with conservation easement held by Town
- Conservation values: open space, wildlife habitat, recreation, agriculture
- De-minimus commercial use permitted
- Agricultural grazing lease in place
- *The Working Group agreed that although this area is not a designated access point, river users could exit the river on the border of BLM and Land Trust parcels at the bench (#3 on map). The Working Group suggests that tubers consider taking out at this point to hike back to Gunsight Bridge via the Lower Loop Trail. This avoids what is often too long a float for tubers. This recommendation has been incorporated into the signage and outreach plan on page 28.*

#### 4. Divine Property

- Owned by Rick Divine, with conservation easement held by Land Trust
- Conservation values: wetlands, riparian areas, natural wildlife habitat, open space

#### 5. Wildbird

- Privately-owned pedestrian community
- Management values: open space, wildlife habitat, agriculture
- Aggressive noxious weed management program

#### 6. Rice Property

- Owned by the Land Trust, with restrictive covenant
- Conservation values: open space, wildlife habitat
- Access easement for Spehar and Kapushion family on Kapushion Ditch No. 1
- Portion of property grazed
- Between 2011 and 2014, multiple riparian restoration improvements were implemented on the property, requiring long-term monitoring commitments

## 3.7 Access & Legal Framework (cont.)

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### 7. Peanut Lake

- Owned by Land Trust, with conservation easement held by Town
- Conservation values: open space, natural habitat of wetlands, wildlife
- 2015: River restoration/bank stabilization to prevent breach of Peanut Lake
- Project enrolled in five-year Army Corps monitoring plan

### 8. Kapushion Property

- Owned by Kapushion family, with conservation easement held by Land Trust
- Conservation values: wildlife and plant habitat, open space, agriculture

### 9. Confluence Site

- Owned by Land Trust
- Conservation values: open space, wildlife habitat, public recreation, agriculture
- Agricultural grazing lease in place

### 10. Cypress Foothills

- Privately-owned
- Boater easement to be provided by the developer and held by Town to provide access

### 11. Verzuh Ranch (and Rec Path Bridge)

- Privately-owned by Ryan and Wynn Martens, with conservation covenant held by Town
- Easement for river access to Slate River on north side
- Public trail access via Rec Path
- No commercial use allowed
- No dogs allowed to river (dogs allowed on-leash on trail)

### 12. McCormick Ranch

- Privately-owned land comprised of seven lots
- No public river access, public trail access to Tony's trail permitted on McCormick Ranch Road
- No dogs allowed to river or trail
- Agricultural grazing lease in place

### 13. Town Ranch

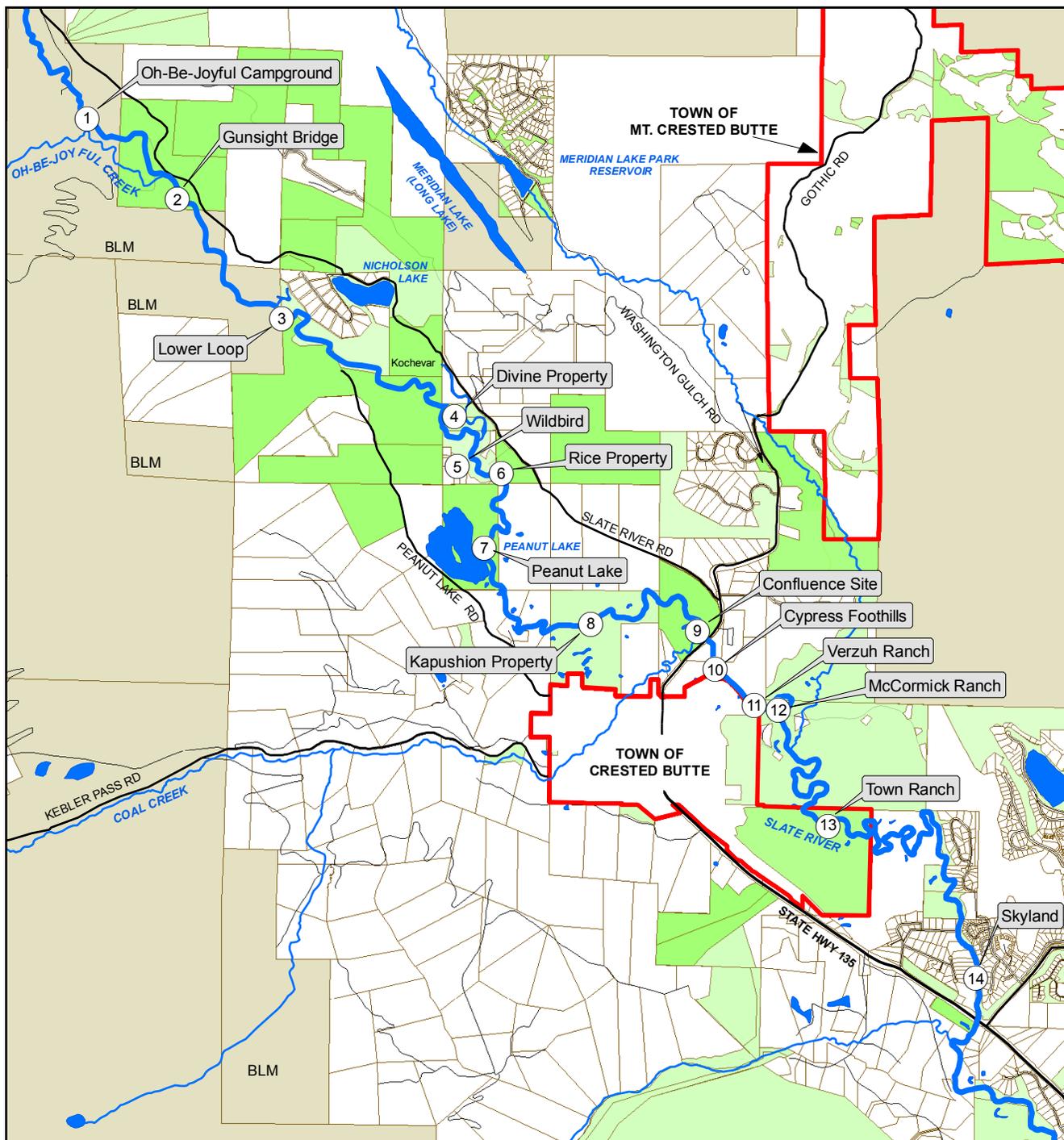
- Owned by Town, with conservation covenant requiring protection of wetlands
- Limited over-land access permitted

### 14. Skyland

- Owned by Skyland Metropolitan District, managed by board of directors
- No specified easement or management plans, but public access/take-out allowed via the recreation path bridge
- *SUP/tubing use of the Slate River is not recommended beyond Skyland due to swiftwater downstream.*

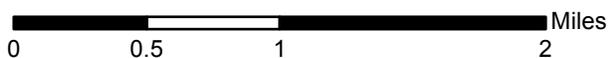
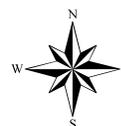
The only violations noted in extensive review of legalities is use of the Rec Path river access point for guided commercial trips and for use as an off-leash dog walking and/or floating area. The Working Group discussed allowing controlled commercial use here as an opportunity to provide a beneficial example of river etiquette for other river users.

### 3.7 Access & Legal Constraints (cont.)



#### SLATE RIVER PROJECT AREA

- Lakes
- Roads
- Parcel Boundaries
- Town Boundary
- Open Space**
- Public Access
- No Public Access
- USFS, BLM



Date: August 23, 2018  
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## 3.7 Access & Legal Framework (cont.)

### 3.7.3 Management Solutions

#### Commercial Use

*The Working Group recommends the following management actions to ensure compliance with access and other legal mandates:*

- Utilize this management plan and Land Trust protocol as guiding documents for managing commercial use of the Slate River. (The Land Trust currently uses its *New and Improved Use Protocol* to inform commercial users of the process by which the organization balances commercial use with the conservation values it's tasked with protecting. The Land Trust currently tracks and schedules requests per calendar year, and is planning to create a more comprehensive commercial use program. This program will more clearly define the parameters of commercial use and the process by which commercial operators may apply for use of conserved lands.)
  - Commercial use may be allowed at the Rec Path via a private commercial use license agreement with the landowners, who are participants in the Working Group and are open to this discussion.
  - The Land Trust and Town will strive to use the same commercial use parameters set forth in the license agreement for the Rec Path at Gunsight Bridge to ensure consistency for both stretches of the river.
  - Working towards consistent commercial use parameters along the full stretch of river, the Land Trust and Town will communicate with BLM regarding commercial users approved to put-in at Oh-Be-Joyful.

#### Dogs

*The Working Group recommends the following management actions to ensure compliance with access and other legal mandates:*

- Ensure consistent enforcement of existing dog regulations at Rec Path bridge

## 3.8 Infrastructure Needs

The Working Group collaboratively brainstormed infrastructure improvements for river access points that will help relieve the stressors presented by increased river recreational use. (Oh-Be-Joyful was not discussed, in light of recent BLM management planning for improvements to the site.)

#### *Infrastructure Recommendations:*

#### Gunsight Bridge

- Temporary restroom/Port-a-Potty
- Protection of sensitive areas from vehicle traffic and parking (e.g. utilizing big boulders to block cars from accessing certain places)
- Additional kiosk/signage board

*There is overall limited infrastructure growth potential for Gunsight Bridge, as the parking lot cannot be expanded. Users are encouraged to put in at Oh-Be-Joyful, where significant parking and permanent restrooms are available.*



*The Slate River at high water moves past Gunsight Bridge. Credit: Mark Beardsley*

## 3.8 Infrastructure Needs (cont.)

### Rec Path

- Bike racks to encourage river users to bike shuttle on the Deli Trail
- Permanent restrooms
- Signage and language that make sense for river users as well as dog walkers, bikers, hikers, etc., to be posted at the permanent kiosk already in place
- Dog fencing around the bridge
- Carts/bike trailers to transport river craft to the river
- Craft launching and loading area
- Formalized parking areas in the neighborhood near the Rec Path put-in
- Work to address the condition/usability of the legal river access point (north side) while fixing/rehabilitating/revegetating the south river bank (see top right photo).



*Heavily used south river bank at Rec Path bridge.  
Credit: Town of Crested Butte*

*It is noted that the Town is working to solve parking issues within its boundaries, which will help alleviate parking issues at the Rec Path.*

### Skyland

- Additional gravel on the river take-out to prevent slipping
- Permanent restrooms
- Bike rack to encourage biking rather than driving; explore feasibility of utilizing public transportation and/or biking for running shuttle
- Signage to indicate that Skyland is the last take-out before encountering swift water downstream



*Skyland Bridge take-out. Credit: Town of Crested Butte*

## 3.8.1 Management Solutions

### Infrastructure

*Plans for improvements need to be investigated for each river access point. Many of these improvements will have larger financial impacts. The Working Group recommends the following management actions to develop infrastructure improvements:*

- Identify any easement constraints that may prohibit certain improvements
- Work with the managing jurisdictions to identify fiscal impacts of needed infrastructure and investigate improvements that provide necessary amenities to river users
- Work to reduce impacts from vehicular traffic at put-ins and educate users to not park multiple vehicles

### Streambank Improvements

While the official designated access point at the Rec Path bridge is on the north bank, most users are putting in on the south bank. Both sides of the river at the bridge have experienced some damage and erosion. After consulting with the property owners at the Rec Path bridge, the co-conveners will look into designating one official side of the river for access, and working with experts to improve and revegetate the other streambanks.



Upper Slate River and adjacent wetlands upstream from Gunsight Bridge. Credit: Lydia Stern

## 4.0 Appendix

### 4.1 Photo Credits

All photos in this management plan are courtesy of the Crested Butte Land Trust, Town of Crested Butte, and Irwin Guides.

*Thank you to the following photographers for sharing their photos of the Slate River Valley:*

Xavier Fane	Billy Rankin
Lydia Stern	Matt Berglund
Carley Clegg	Jerry Clark
John Holder	Mark Beardsley
Trent Bona	Shayn Estes

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Watson, J. (2018). “Bring Your Pocket Book” A History and Handbook of Saving Open Space Gunnison County, Colorado . Gunnison, CO: Jim Watson.

## 4.3 Working Group Meeting Schedule

The Working Group met on May 16, June 6, June 20, June 27, and August 22, 2018 prior to drafting the management plan and then on October 10, 2018 to refine and finalize the 2019 management plan after incorporating stakeholder edits and public input.

Meeting minutes can be viewed at [www.cblandtrust.org/project/slate-river-working-group](http://www.cblandtrust.org/project/slate-river-working-group).

## 4.4 Great Blue Heron Study

Together with Western Colorado University (WCU), the Land Trust and CCWC developed a study to better understand the Slate River's Great Blue Heron rookery.

### Preliminary Data from 2018 Great Blue Heron Study at Slate River Rookery

*Please note that this is preliminary data representative of observations made from May through June, 2018. The final study report will be available in December, 2018.*



*Western student, Megan Zareba, observes the rookery from Slate River Road. Credit: Carley Clegg*

### The Great Blue Heron study objectives:

1. Document Great Blue Heron life cycle phenology
2. Determine basic demography of Great Blue Heron at Slate River Rookery
3. Quantify Great Blue Heron activity budgets during incubation and brood rearing periods
4. Document potential disturbances to Great Blue Heron and quantify Great Blue Heron response

### 2018 Great Blue Heron Phenology:

Lifecycle Event	Slate River Rookery Dates		Disturbance Index
Spring migration/arrival	March 13 <sup>th</sup>		Moderate
Nest building and courtship	March 13 <sup>th</sup> – April 11 <sup>th</sup>		Highest
Egg laying and incubation	April 11 <sup>th</sup>		High
Chicks hatch	May 8 <sup>th</sup>		Moderate
Fledging	June 27 <sup>th</sup> – August 13 <sup>th</sup> (7 weeks)		Moderately high
Nests abandoned	Mid- August		Low
Fall migration/departure	Unknown until report finalization		Low

*\*Food delivery peaks at 29 days, at 26-40 days chicks have highest energy demands, by 45 days weight is 85% of adult mass.*

## 4.4 Great Blue Heron Study (cont.)

### 2018 Great Blue Heron Chick Counts

Lower Colony			Upper Colony		
Nest Number	# of Chicks	Hatch Date	Nest Number	# of Chicks	Hatch Date
1	2	May 9 <sup>th</sup>	15	3	May 22 <sup>nd</sup>
2	5	May 15 <sup>th</sup>	16	4	May 17 <sup>th</sup>
3	2	June 1 <sup>st</sup>	17	1	June 3 <sup>rd</sup>
4	2	June 7 <sup>th</sup>	18	2	June 13 <sup>th</sup>
5	2	May 17 <sup>th</sup>	19	5	May 9 <sup>th</sup>
6	1	June 13 <sup>th</sup>	20	4	May 18 <sup>th</sup>
7	2	May 29 <sup>th</sup>	21	2	June 19 <sup>th</sup>
8	4	May 18 <sup>th</sup>	22	1	May 30 <sup>th</sup>
9	3	May 21 <sup>st</sup>	23	unoccupied	
10	3	May 29 <sup>th</sup>	24	2	May 25 <sup>th</sup>
11	3	May 29 <sup>th</sup>	25	2	June 7 <sup>th</sup>
12	0	N/A	26	2	May 22 <sup>nd</sup>
13	4	May 18 <sup>th</sup>	<b>Total chicks</b>	<b>63</b>	
14	2	May 19 <sup>th</sup>	<b>Nest Success</b>	<b>96%</b>	

### 2018 Human Disturbance Observations

Observations were conducted in 1-hour periods. All potential disturbances were recorded as well as the Great Blue Heron response (i.e. alert behavior, flush).

Time	River Event	# of Alert Heron	# of Heron Flushed	Return Time
5-25-18, 2:30 pm	2 duckies	1	1	Not recorded
5-25-18, 2:38 pm	1 raft	4	4	Most in 1 minute
5-25-18, 2:52 pm	2 SUP	3	3	3 in 2 minutes
6-5-18, 12:48 pm	1 SUP	0	4	3 in 1 minute, 1 in 4 minutes
6-9-18, 3:15	1 SUP	1	0	
6-9-18	3 SUP	2	2	1 in 3 minutes 1 did not return
6-9-18	2 SUP + 1 kayak	5	1	1 in 2 minutes
6-13-18	2 SUP + 1 kayak	0	1	
6-18-18	2 SUP + 2 kayak	0	3	
6-18-18	15 SUP		1 (moose)	

## 4.5 Recreational Flow Data

The Upper Gunnison River Water Conservancy District (District) is currently administering surveys as part of its watershed management planning process to collect data on recreational flows for all floatable reaches in the East River watershed (which encompasses the Slate River). The working group held an event at the Crested Butte Public House on July 23, 2018 to collect data utilizing surveys (shown on pages 24-27). The Working Group co-conveners will work with the District to correlate survey data with flow levels to develop and publicize a high-medium-low flow standard for the upper and low stretches of the Slate River.

In addition, the co-conveners will consider collaborating with WCU's Masters in Environmental Management (MEM) program to design and implement a study to collect detailed data on river-use between Oh-Be-Joyful and Skyland Bridge. In 2015, the Land Trust and BLM collaborated with WCU's MEM program to collect visitation data for the Slate River Valley trail system. This data has been critical for securing funding and informing management decisions; currently, little river-use data exists for this reach of river.

## 4.5 Recreational Flow Data (cont.)

### Slate River Gunsight Bridge to Crested Butte

Name: \_\_\_\_\_ E-mail: \_\_\_\_\_

Additional Surveys?     Yes     No

1. Circle the type of craft(s) you have used on this reach?

Kayak    Whitewater raft    Float fishing    Stand-up Paddleboard (SUP)    Innertube    Other

2. How do you decide whether to float this reach? (e.g. name of USGS gage, website, location of an indicator rock, etc.)? If unsure, leave blank.

3. What do you enjoy about this reach? Examples: relaxing float, social opportunity, close to town, exciting and difficult whitewater, etc.

4. Does this reach have any notable obstacles or hazards? Examples: large strainers, fences, low bridges, etc.

5. During the float, do you touch the river bottom or river banks? Do not include put-in or take-out. Please, explain where and why.

6. After touching the river bottom or river bank, are you able to continue floating the reach?

7. Are there unsafe times to float this reach? Provide explanation and estimate flow, if possible. Examples: low bridge becomes impassable, too rowdy for my skill level, etc.

8. Could this reach benefit from infrastructure improvements? Examples: parking areas, bathrooms, boater-friendly fences, etc.



## 4.5 Recreational Flow Data (cont.)

### Slate River Crested Butte to East River

Name: \_\_\_\_\_ E-mail: \_\_\_\_\_

Additional Surveys?    \_\_\_\_\_ Yes    \_\_\_\_\_ No

1. Circle the type of craft(s) you have used on this reach?

Kayak    Whitewater raft    Float fishing    Stand-up Paddleboard (SUP)    Innertube    Other

2. How do you decide whether to float this reach? (e.g. name of USGS gage, website, location of an indicator rock, etc.)? If unsure, leave blank.

3. What do you enjoy about this reach? Examples: relaxing float, social opportunity, close to town, exciting and difficult whitewater, etc.

4. Does this reach have any notable obstacles or hazards? Examples: large strainers, fences, low bridges, etc.

5. During the float, do you touch the river bottom or river banks? Do not include put-in or take-out. Please, explain where and why.

6. After touching the river bottom or river bank, are you able to continue floating the reach?

7. Are there unsafe times to float this reach? Provide explanation and estimate flow, if possible. Examples: low bridge becomes impassable, too rowdy for my skill level, etc.

8. Could this reach benefit from infrastructure improvements? Examples: parking areas, bathrooms, boater-friendly fences, etc.



## 4.6 Signage & Outreach Plan

### 4.6.1 Recommended River Use Parameters & Etiquette

The working group suggests the following river user parameters and etiquette to be incorporated into a comprehensive signage and outreach plan:

#### Slate River Floating Information

*Planning a trip to float the Slate River? The Slate River is a wild and special place—please keep in mind that the Slate River meanders through public, private and conserved land, as well as critical wildlife habitat. To ensure that the Slate River remains special, please adhere to the following river manners:*

##### River Access

- Only use designated river access points to put-in and take-out on the river. View the map (on page 29) indicating access points, bathrooms and parking.

*Remember, you cannot leave the river mid-float, you must use an access point to start and finish. Please note that much of what you float through is private property. The only exception is that tubers are recommended to take-out at the Lower Loop bench to hike back to the put-in as it's a long float downstream to the next designated access point.*

##### Be a Good Neighbor

- No amplified music or sound systems. From Gunsight Bridge to the Rec Path is a quiet float zone due to critical wildlife habitat.
- Float in groups of six people or fewer. Please space out from other groups when you launch and let faster groups float through while on the river.
- Respect private property and do not trespass.

*In Colorado, private property includes the shore, bank and even the bottom of the river. Please stay on your water craft and respect our neighbors.*

- Please leave your dogs at home. To be respectful of wildlife, cattle, and our neighbors, it is recommended to not float with your furry friend. Dogs are legally not permitted to put-in or take-out on river at Rec Path Bridge.
- No litter, pack out trash. No glass containers.
- Do not use river bank as a toilet, go to the restroom before you float!

##### Go With the Flow

*Make sure you are comfortable with conditions, and float at your own risk. The Slate River is snow-melt driven; peak flows can lead to dangerous conditions, and by mid-late summer, the water level becomes too low to float and trespassing is inevitable. It is your responsibility to avoid trespassing by checking conditions before heading out. It's suggested to talk to local shop and outfitter personnel about the current conditions.*

##### Be Prepared

*Be prepared for long stretches through private property where you cannot exit your craft, as well as long stretches without a public restroom. Dress for cold water swim and changing weather. Wear a life vest and secure foot gear. You may encounter logs, beaver dams, rocks and strong currents.*

##### River Fences and Cows

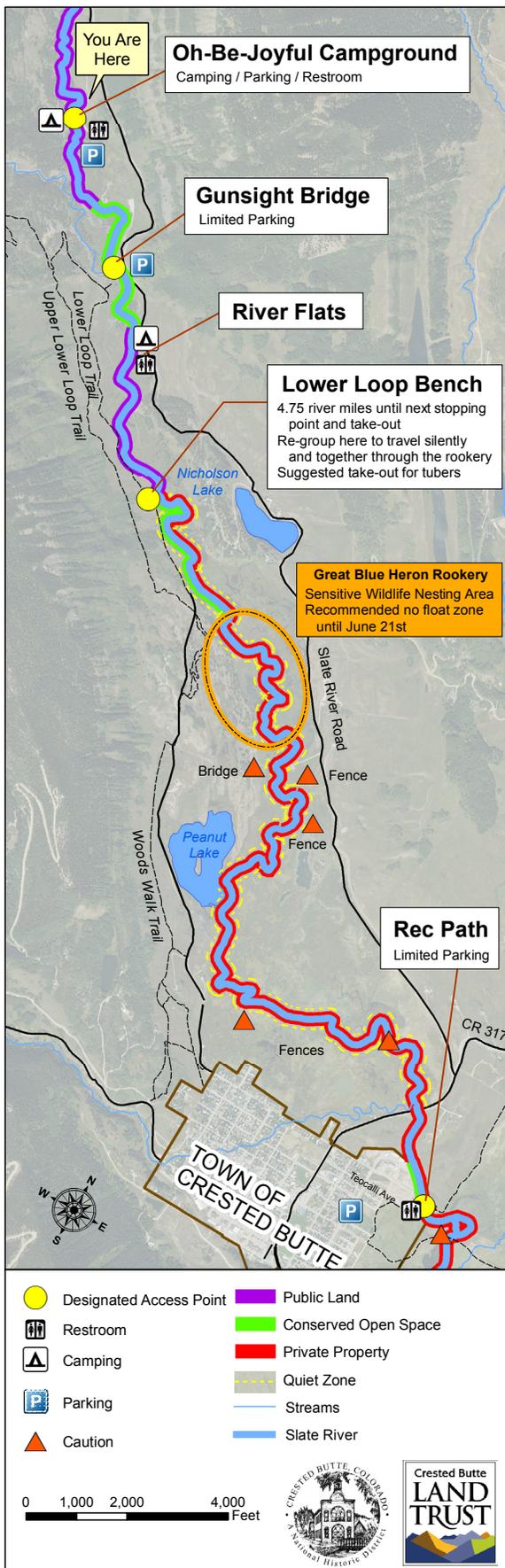
*We share this area with local ranchers and their cattle. Fences are needed to keep cattle from wandering. When you encounter a river fence (made of white plastic), please hold tight and float underneath the fence; it is designed for this purpose! If you encounter any cows near the river, show them the same respect you would any other user.*

##### Wildlife

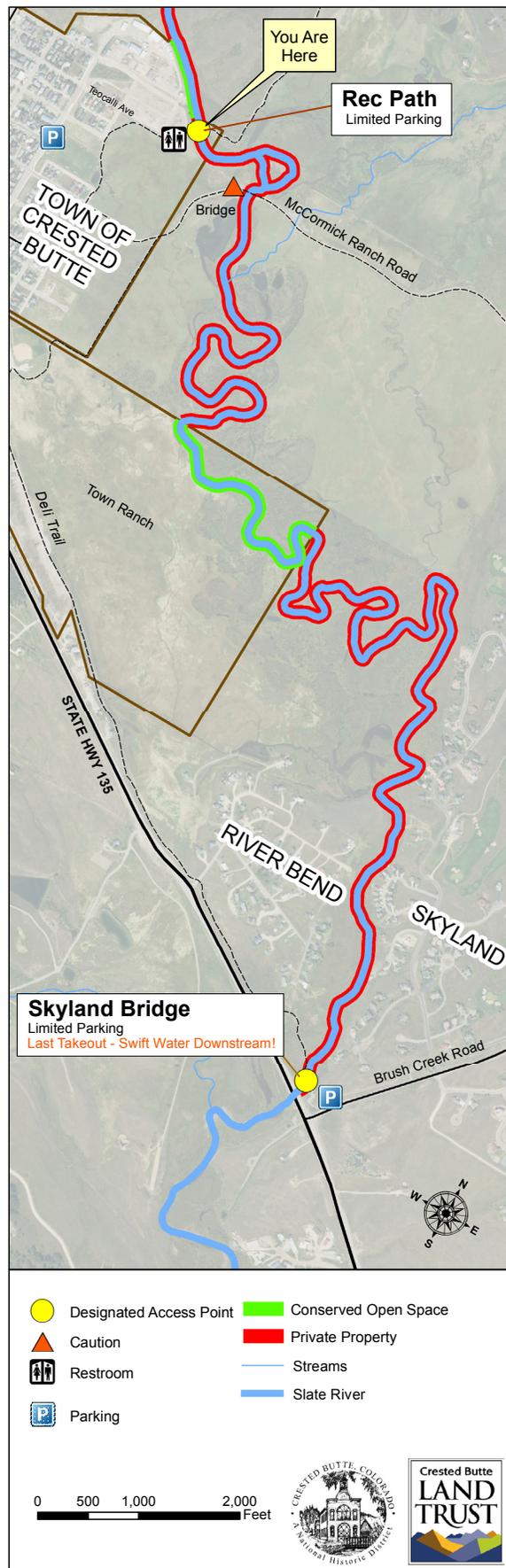
*The Slate River wetlands provides a fragile refuge for resident and migratory wildlife, including, elk, Great Blue Heron and waterfowl. Please note that the stretch of river from Gunsight Bridge to the Rec Path bridge has a recommended no-float period from March 15-June 21 due to the critical nesting period of the Great Blue Heron rookery. After June 21, to help maintain this habitat, please float respectfully and quietly. Wait at the Lower Loop bench to regroup and begin extra quiet travel through the rookery. Watch for the signs that indicate you're traveling through their home.*

# 4.6 Signage & Outreach Plan (cont).

## Upper Slate River



## Lower Slate River



## 4.6 Signage & Outreach Plan (cont).

### 4.6.2 Signage

#### Access Point Signage

The Working Group recommends consistent use of signage throughout the river corridor, including uniform informational signs at each access point (Oh-Be-Joyful, Gunsight Bridge, Rec Path, and Skyland Bridge) and the Lower Loop bench. Each sign will include information on river use and etiquette, and a river map. Signs will be consistent in look and design, coordinated with other recreational signage in the Valley, and with information tailored to the specific access point (for example, the voluntary no-float period will be publicized at Gunsight Bridge). The Skyland Bridge sign will additionally indicate the take-out to river users. An example of information to be included on the sign is shown on the right, which has information about floating the Animas River in Durango, Colorado.



#### River Corridor Signage

The Working Group agrees that it will be beneficial to place signs along certain river banks throughout the corridor to indicate private property versus public property. Signage will be consistent in look and design to those at access points, rather than installing generic “No Trespassing” signs that have proven ineffective. Utilizing red private property signs (“Entering Private Property” and “Still on Private Property” as shown at right) in collaboration with individual landowners – will indicate to river users that they must stay on their crafts and may not stop on river banks. Additionally, green signs (shown at right) will be placed when entering conserved property owned by the Crested Butte Land Trust or Town of Crested Butte.



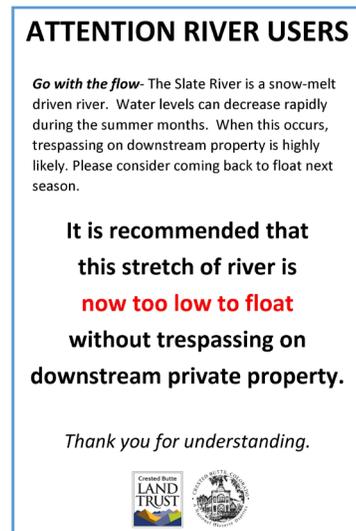
The Working Group will also work with the BLM to place “Entering and/or Leaving Public Land” signs (shown at left) on BLM parcel boundaries for Oh-Be-Joyful and River Flats.

Signs already have been placed on the lower Slate River (June 2018) as a trial run to test visibility and recreationist adherence, with plans to work with property owners on the upper stretch placing signs during Fall 2018 when flows are low and Heron have left their nests.

#### Flow Signage

After high-medium-low flow standards are developed to provide guidance on when to float, a system for communicating this information will be vital. Visible flow meter sticks and signage at each access point will indicate conditions relating to advisability of river use, including warning when flows are so low that touching the river bottom downstream is inevitable.

“Too Low to Float” signage (see photo at right) was posted at Gunsight Bridge and the Rec Path bridge in June 2018 based on consensus of the Flow sub-committee and observations from commercial river users. Future flow signage will have similar messaging and design as signs placed at access points to ensure consistency.



## 4.5 Signage & Outreach Plan (cont).



### Great Blue Heron Rookery Quiet Zone Signage

In Spring 2018, Crested Butte Land Trust placed two signs (see photo at left) to indicate a quiet zone through the Great Blue Heron Rookery (250 feet above and below the rookery). Based on Summer 2018 feedback, the Land Trust potentially will change locations or add additional signage to remind river users they are floating through a critical quiet zone. Additionally, a sign will be placed at the Lower Loop bench advising tubers to take-out and asking floaters to regroup and float through the rookery extra quietly.

### 4.6.3 Educational Guide/Brochure

The Working Group recommends creating an educational guide/brochure based on the agreed-upon river information and etiquette (page 28), utilizing similar design and language as used in all signage, ensuring consistency and to create a recognizable “brand” regarding Slate River use and etiquette. The educational guide will be distributed via commercial river outfitters, outdoor retail shops, the Crested Butte/Mt. Crested Butte and Gunnison Chambers of Commerce, lodging outlets and short-term renters, coffee shops, and wherever otherwise advisable.

### 4.6.4 Comprehensive Outreach Plan

The Working Group recommends working with commercial river outfitters, the Chambers of Commerce, the Gunnison-Crested Butte Tourism Association, Travel Crested Butte, The Land Trust, Bureau of Land Management, and other prominent partners whose websites can be used to post information from the educational guide, furthering the impact of consistent messaging directed at those wanting to float the Slate River.

Working with a video producer, one or more videos that educate users on proper river etiquette on the Slate River will be produced, then shown on the websites mentioned above and posted via social media as part of an educational campaign. The campaign will be coordinated with the organizations mentioned above, and will additionally utilize local newspapers and KBUT Community Radio to share information on floating the Slate River throughout Spring and Summer 2019. The campaign will adjust messaging in accordance with river flow and conditions until recommendations include the river is too low to float for the remaining season. When the river is considered too low to float, the message will additionally inform users that they can continue to float the BLM portions of river (from Oh-Be-Joyful to Lower Loop bench), as trespass is not an issue on public land.

### 4.6.5 Interpretive Representatives at Access Points

An interpretive and educational representative at Slate River access points is believed to be a highly effective method for educating river users. Recommendations include exploring the use of volunteers or a paid employee at put-ins during peak floating periods.

The Land Trust has suggested securing funding to broaden its summer seasonal stewardship position to include work as an interpretive representative on the river with two dedicated days per week at the Gunsight Bridge put-in. Another possibility is to secure funding to create a joint position between the Land Trust and Crested Butte Conservation Corps to staff various access points throughout the peak floating season.

## 4.7 Implementation Timeline

*The list below identifies which management solutions will be short-term versus long-term.*

**Short-term solutions:** *Short-term management solutions are actions that have been identified by the Working Group to be implemented in 2019.*

- Implement a comprehensive signage and outreach plan that educates users on river etiquette and floating parameters
- Institute and publicize a voluntary no-float period on the upper reach of the river (from Gunsight Bridge to the Rec Path) from March 15 - June 21 to protect Heron brood rearing during their critical incubation period
- Secure funding for Land Trust and CCWC continue its partnership with WCU to monitor the Heron rookery and collect data in regards to impacts from river recreation and related variables (i.e. group size, travel frequency, time of day) to inform ongoing adaptive management solutions
- Secure funding to have an interpretive representative at popular river access points to help educate users on responsible river use
- Collaborate with WCU's MEM program to plan and implement a river use study in 2019 and beyond
- Collaborate with the Upper Gunnison River Basin Watershed Management Planning effort to collect and analyze river recreational-user data and correlate survey data with flow level ranges; develop high-medium-low flow standards for the upper and lower stretches of the Slate River and utilize signage, outreach and staff gauges at put-ins and take-outs to publicize the message
- Share Management Plan with local law enforcement and brainstorm ways in which local law enforcement can help private property owners when it comes to recurring trespass issues; work with local law enforcement to ensure active and consistent enforcement of existing dog regulations at Rec Path bridge
- Secure funding for installation and maintenance of two additional river fences to replace existing barbed wire fence lines and establish maintenance plan for current river fences; improve fencing at Rec Path bridge
- Work with private landowners at Rec Path bridge and commercial guiding companies to develop commercial use parameters for put-in and take-out at Gunsight Bridge and Rec Path bridge
- Work with the private landowners at Rec Path bridge and ecologists to designate one official side of the river for access while improving and revegetating the other streambanks

**Long-term solutions:** *Long-term solutions are typically larger infrastructure projects that require greater financial commitments, ongoing actions to influence user behavior, and additional studies/monitoring that will require extended periods of time to complete.*

- Begin planning for infrastructure improvements; identify any easement constraints that may prohibit certain improvements
- Work with the managing jurisdictions to identify fiscal impacts of needed infrastructure and investigate improvements that provide necessary amenities to river users
- Work to reduce impacts from vehicular traffic at put-ins
- Work towards a voluntary fee and/or permit system to utilize as a tool to educate river users on proper river etiquette

The Slate River Floating Management Plan is an adaptive management plan. The Working Group recognizes the need to collect more data when it comes to river use, wildlife impacts, flow levels and more. The Working Group is committed to revisiting the management plan and activities/impact prior to each river season, and adapt management solutions as needed.

## 4.8 Estimated Cost Summary

Infrastructure	Explanation	Estimated Cost
<b>Signage</b>		
Oh-Be-Joyful signage	Smaller signage to complement existing BLM signage.	\$ 100
Gunsight Bridge signage	New river use-specific kiosk.	\$ 5,000
Rec Path signage	River use-specific panels for existing kiosk.	\$ 2,000
Skyland signage	New kiosk and river-use specific panels.	\$ 6,000
Property Boundary signage	20-30 12'x12' property boundary signs for river corridor.	\$ 700
<i>Signage Total</i>		<i>\$ 13,800</i>
<b>Outreach Plan</b>		
River etiquette video	Informational video about floating on the river.	\$ 1,000.00
River etiquette material	Maps and brochures.	\$ 500
<i>Outreach Total</i>		<i>\$ 500</i>
<b>River Fences</b>		
Kapushion property fence	1 river fence at western Kapushion property boundary.	\$ 3,500
Lacy property fence	1 river fence for Lacy property.	\$ 3,500
Rec Path fence	Improve rec path fence to ensure dogs cannot get through to where cattle are.	\$ 2,500
<i>River Fence Total</i>		<i>\$ 9,500</i>
<b>Great Blue Heron Monitoring</b>		
2019 Monitoring	Student hire, data analysis and report writing, and travel expense.	\$ 8,500
<i>Monitoring Total</i>		<i>\$ 8,500</i>
<b>2019 River Use Study</b>		
River Use Study	Western MEM student hire, study design and implementation, and travel.	\$ 4,500
<i>River Study Total</i>		<i>\$ 4,500</i>
<b>Infrastructure Needs</b>		
2019 temporary restrooms	Portable toilet service for 16 weeks on Slate River Road, Rec Path and Skyland Bridge	\$ 3,600
Permanent restrooms	Permanent Restrooms for Rec Path and Skyland	\$ 220,000
Bike racks	Bike racks for Rec Path and Skyland to encourage bike shuttling.	\$ 1,000
Bank restoration	Bank restoration at Rec Path Bridge.	\$ 4,000
Boulder work at Gunsight Bridge	Boulder placement around parking area at Gunsight Bridge.	\$ 1,500
Gravel at Skyland	Gravel for Skyland take-out path.	\$ 500
<i>Infrastructure Total</i>		<i>\$ 230,600</i>
<b>TOTAL</b>		<b>\$ 267,400</b>



## Staff Report

October 15, 2018

**To:** Mayor and Town Council  
**From:** Mel Yemma, Open Space/Creative District Coordinator  
**Thru:** Michael Yerman, Director of Community Development  
**Subject:** **Creative District Annual Report**

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### Background of the Crested Butte Creative District

The Creative District Program in Colorado is managed by [Colorado Creative Industries](#) (CCI), Colorado's state arts agency and a division of the Colorado Office of Economic Development and International Trade. Since 2014, Crested Butte has worked to establish itself as one of Colorado's Creative Districts. Colorado's Creative District certification process identifies towns and specific geographic areas with cultural communities that have the potential to attract artists and creative entrepreneurs who subsequently enhance civic capital. Crested Butte was certified as a Creative District in the summer of 2016, and is one of twenty three districts in the state of Colorado.

### Annual Report Overview

As required by Ordinance 14, Series 2015, which established the Crested Butte Creative District Commission, the Commission is required to present an annual report to the Town Council. The nine-member Commission that is appointed by the Town Council has worked tirelessly over the past two years to establish the Creative District with marketing and branding efforts, build community partnerships, develop a directory of local creatives, and provide paid opportunities for local creatives in regards to public art, signage, and other Town projects.

Earlier this year, the Commission developed a 2018 Action Plan, with specific goals in the areas of Advocacy, Public Art, Professional Development, Education, and Marketing to create specific programming to help the Creative District reach its mission of "supporting a dynamic cultural economy where local creatives live, create, and thrive."

The Commission is proud to present our 2018 Annual Report (attached), which highlights many of the accomplishments of the Creative District since its inception, while also demonstrating how we are already meeting many of our targeted goals in the Action Plan.

In addition to our new program offerings, the Commission is looking towards ways to be self-sustaining in the future, utilizing a diversity of funding. As the Creative District establishes itself and becomes fully operational, they are hoping the Town of Crested Butte will continue to support their work.



# creative district

— CRESTED BUTTE —

## 2018 ANNUAL REPORT



“**Colorado** *is recognized as a national leader in building sustainable communities and economies by cultivating creative talent, leveraging local resources, and fostering a sense of place through the arts and innovation. Colorado’s creative industries have a significant impact on the strength of our economy and continue to play an integral role in our state’s vitality. In fact, Coloradans participate in the arts more than any other state in the country.*”

Governor John Hickenlooper

**Did you know?** Creative Industries contribute \$13.7 billion annually to Colorado’s economy (4.3%). In comparison, Outdoor Recreation makes up 1.9% of Colorado’s economy.

# The Crested Butte Creative District

supports a dynamic, cultural economy where local creatives live, create, and thrive.

**Through this report,** you'll learn more about the Creative District and how it supports our creative community while demonstrating the importance of the creative sector.

**Featured creativity on the cover:** *The Crested Butte Creative District sign created by Sarah Schmidt and the Furry Friends bus created by Heather Bischoff. **All photography** in this Annual Report by local photographer Lydia Stern. **Layout and design** by local graphic designer Keitha Kostyk.*

## Dear Friends,



The people of Crested Butte, inspired by the amazing wilderness around them and the challenges of high altitude mountain living, have long been known for their innovation and creativity. Throughout Crested Butte's mining town history, accordion music and polka dancing played a prominent role in the town's character. The infusion of artistic hippies in the 1960's fostered the eclectic events, festivals, and celebrations that contribute to the flavor and soul of town today. The increase in tourism that Crested Butte has seen in recent years is in part due to the town's attractive blend of cultural events, heritage, and the creativity of artists in every genre, from music to food to fine art.

Crested Butte became a certified Creative District by the State of Colorado in 2016. This certification provides helpful resources to our growing, creative community. The Commission that is appointed by the Crested Butte Town Council has worked tirelessly over the past few years to achieve several long-term outcomes that include providing creatives with the opportunities and resources they need to thrive. These include: the fostering of excellence in the community for public arts projects and contributing to an increase in sustainable, creative businesses.

The Crested Butte Creative District attracts visitors, creative entrepreneurs and artists to our community who bring their energy and innovation, and subsequently support the economic and civic capital of the Gunnison Valley. Our creatives celebrate and strengthen our community's vibrant and funky identity and bring attention to our cultural organizations, events, and amenities.

It has been an incredible journey and we have experienced unprecedented growth in our programs and collaborations over the past two years. This Annual Report is more than a record of our accomplishments. It is a celebration of the continued growth of the creative sector in the Crested Butte community. Through testimonials, informational graphics, and beautiful photography, we hope to communicate the transformative power of the arts and the importance of the Creative District to the economic vitality of the Town of Crested Butte.

Sincerely,

Jenny Birnie *Interim Chair, Crested Butte Creative District Commission*

## Crested Butte Creative District Commission:

<i>Jenny Birnie</i>	Interim Chair
<i>Kimbire Woods</i>	Vice-Chair
<i>Melissa Mason</i>	Commissioner
<i>Emily Rothman</i>	Commissioner
<i>Mary Tuck</i>	Commissioner
<i>Jeff Taylor</i>	Commissioner
<i>Nancy Woolf</i>	Commissioner
<i>Harry Woods</i>	Commissioner
<i>Brooke MacMillan</i>	Commissioner
<i>Kent Cowherd</i>	Town Council Liaison
<i>Mel Yemma</i>	Creative District & Open Space Coordinator

## At-Large Committee Members:

*Laurel Runcie*  
*Peggy Stenmark*  
*Ashley UpChurch*



## Crested Butte is strongly tied to its sense of place –

in the natural environment, in its rich history, and in its unique community character. This sense of place creates a nurturing environment for creativity of all types to flourish. Despite its small size, Crested Butte has a vibrant creative scene with many working artists and artisans, innovators and entrepreneurs, and robust cultural offerings.

The Creative District supports local artists, facilitates collaboration between creative organizations, and increases the visibility of the arts. The Creative District preserves the fun, funky character that sets Crested Butte apart from other mountain resort towns.





## What is a Creative District?

The Creative District Program in Colorado is managed by Colorado Creative Industries (CCI), Colorado's state arts agency and a division of the Colorado Office of Economic Development and International Trade. Since 2014, Crested Butte has worked to establish itself as one of Colorado's Creative Districts. Colorado's Creative District certification process identifies towns and specific geographic areas with cultural communities that have the potential to attract artists and creative entrepreneurs who subsequently enhance civic capital. Crested Butte was certified as a Creative District in the summer of 2016, and is one of twenty three districts in the state of Colorado.

**Since its inception, the Crested Butte Creative District has**  
(among many other initiatives):



**Built** a directory of local creatives to better market and promote our local creative businesses and organizations.



**Worked** with the Town to develop paid opportunities for local creatives from wayfinding signage, destination signage, and other public art initiatives.



**Developed** a small grants program for local creatives to get "Paid to Create".

**The Crested Butte Creative District is just getting started.**

*While we are proud of what we have accomplished in the past two years, we are beyond excited to share with you our goals to reach our Creative District's mission: to support a dynamic cultural economy where local creatives live, create, and thrive.*



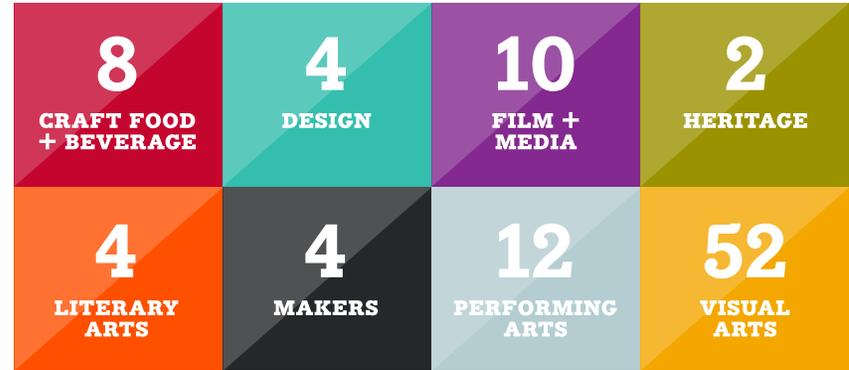
# A Snapshot of Crested Butte's Creative Economy

This regional snapshot report gives the big picture of our region's creative landscape. Data sources include Economic Modeling Specialists International, National Assembly of State Arts Agencies, National Center for Charitable Statistics, Americans for the Arts, and the Town of Crested Butte Finance Department.

## CREATIVE **BUSINESSES**

**THERE ARE**  
**90+** **CREATIVE BUSINESSES**  
**IN THE CBCD DIRECTORY**

Registered Creative Businesses contribute to 10% of the total sales tax collected in Crested Butte



## CREATIVE **INDUSTRIES**

▲ **4% gain** SINCE 2015



There is a gain of \$52,000 in creative industry earnings in the region since 2015



industries with the greatest earnings

## CULTURAL **NONPROFIT + EVENTS**

▲ **15% gain** SINCE 2015

NONPROFIT REVENUE  
**\$5.7 million**



**27%** of visitors choose to visit this region to attend an **art or cultural event**

There are \$85,000 more in revenues in the region since 2015

## Crested Butte's Creative Community

*With its unparalleled natural beauty, Crested Butte has been a magnet for artists for many years.*

It is a place of inspiration that attracts creative people with an entrepreneurial spirit. The Crested Butte Creative District encompasses the historic district of Elk Avenue, creative businesses located on Belleview Avenue, and the Center for the Arts.

The Center for the Arts is an anchor of the Creative District as it is the largest performing and visual arts venue in the valley. In addition to this community-based facility, the Creative District includes over 16 artist-owned studios and galleries, 3 co-op galleries, 10 Artwalk events and performance venues, restaurants, bars, coffee shops and numerous additional venues exhibiting local art.

All creative individuals and businesses are encouraged to join and/or utilize the Creative District Directory, where locals and visitors can connect with the creative community. Visit [cbcreativedistrict.org/our-creatives](http://cbcreativedistrict.org/our-creatives) to join today. The Creative District also encourages you to stop by the Crested Butte/Mt. Crested Butte Chamber of Commerce to pick up a map of the Creative District to become immersed in Crested Butte's creative community today!



# building community partnerships

Partnerships abound in the Crested Butte Creative District. From collaborating on community projects to supporting existing programs, the Creative District is proud to partner with the following organizations and entities to support our local creative community:



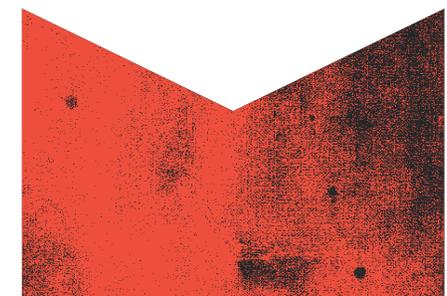
Thank you to the following entities for supporting the Creative District:



## Partnerships at its finest:



As most event planners or event attendees know, there are several different calendars and websites where different community events may be posted. The Creative District saw this as an opportunity to bring the valley together and initiated a partnership with KBUT Community Radio, Crested Butte/Mt. Crested Butte Chamber of Commerce, Gunnison County Chamber of Commerce and the Gunnison-Crested Butte Tourism Association to create a new regional events calendar known as [www.gunnisonvalleycalendar.com](http://www.gunnisonvalleycalendar.com). Now, event organizers no longer have to submit events to multiple organizations and calendars. Instead, all events live on the Gunnison Valley Calendar. The community can utilize this comprehensive website for all of their event needs.



# Expanding Partnerships Beyond District Lines: **Colorado Creative Corridor**

## **Recognizing Colorado's Western Slope as a Creative Destination**

Earlier this year, the Crested Butte Creative District and the Gunnison-Crested Butte Tourism Association joined the Colorado Creative Corridor, a collaborative project with Salida, Ridgway, Carbondale, and Paonia.

The Colorado Creative Corridor received a \$25,000 marketing matching grant from the Colorado Tourism Office (CTO). This regional collaboration brings the five rural destinations together to promote a travel itinerary through all five towns. The Colorado Creative Corridor links the five towns through

common themes such as small-town culture and arts, and promotes each destination's Creative Districts. Activities range from cultural events, to outdoor recreation, to dining. Visitors can view trip planning information and sample itineraries at: [www.colorado.com/fieldguide/colorado-creative-corridor](http://www.colorado.com/fieldguide/colorado-creative-corridor).

## Paid to Create: **Providing Paid Opportunities for Creatives**

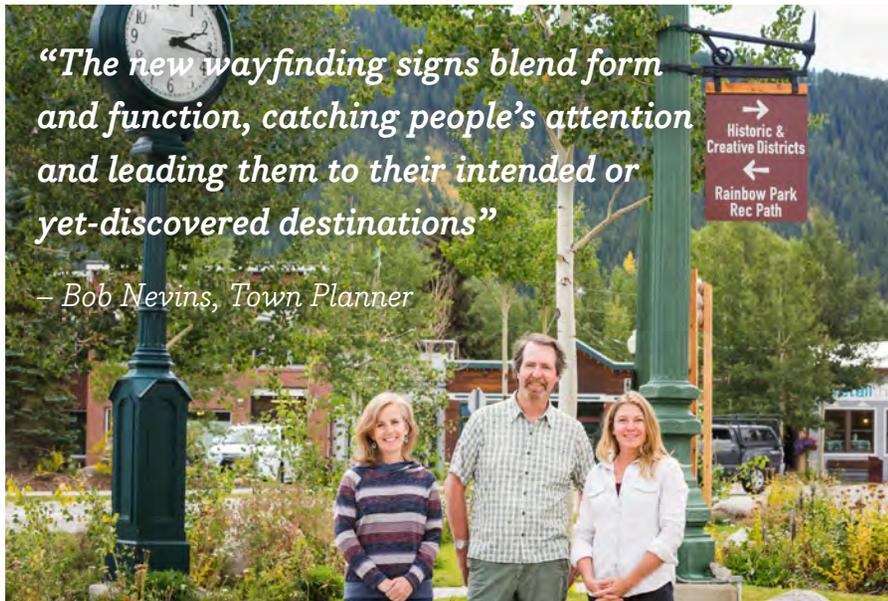


*Left: Local Artist Sooner McKay was selected for a paid opportunity to paint one of three creative crosswalks for the safe route to school.*

The Crested Butte Creative District recognizes the value in shopping locally and paying our local creatives for community projects—from public art projects to small batch manufacturing. The Creative District strives to connect local creatives with all available paid opportunities.

The Creative District has also worked with the Town of Crested Butte to develop paid opportunities for Town projects. Working together with the Town, the Creative District released multiple requests for proposals from local creatives for wayfinding signage, destination signage, safe route to school signage, and more.

Visit [cbcreativedistrict.org/opportunities](https://cbcreativedistrict.org/opportunities) to view current creative opportunities.



*“The new wayfinding signs blend form and function, catching people’s attention and leading them to their intended or yet-discovered destinations”*

*– Bob Nevins, Town Planner*

## Honoring the History & Creativity of Crested Butte: **Wayfinding Signage**

The Town invested over \$77,000 to create a comprehensive wayfinding signage program that builds upon the history and distinctive sense of place in Crested Butte. The Creative District, the Town, and Board of Zoning and Architectural Review worked together with local designers Margaret Loperfido and Keitha Kostyk to design wayfinding signage that would fit the context and character of the Town and Historic District, while featuring artistic elements that are consistent with the character of the Creative District. Ira Houseweart from Hotchkiss, Colorado and Sign Guys and Gal from Gunnison, Colorado were chosen to manufacture the brackets and signs. The Creative District is excited to see the wayfinding signage in place and hopes that visitors and locals alike will be encouraged to utilize the signage to walk their way through town.

## Paid to Create: **The Creative District Grant Program**

For the past two years, the Creative District has administered a grant program called *Paid to Create*. These grants provide funding for temporary, ephemeral, and permanent public art in the Town of Crested Butte. The program is overall designed to foster creative projects that can be enjoyed by the community at large. The Creative District has witnessed great creativity and success with past grant recipients. View past projects at [cbcreativedistrict.org/grants](http://cbcreativedistrict.org/grants)

**The Creative District is honored to have provided the opportunity for the Old Rock Library and the Crested Butte Music Festival to bring their creative ideas to fruition. In 2018, these two grant recipients demonstrated the positive outcome that results when public art is driven by a sense of place in the community.**

### 1 Little Free Library



The Old Rock Library received a Paid to Create grant to hire three local creatives (Kate Seeley, Rob Lindsay, and Levi Rugheimer) to build a Little Free Library at the 4-way bus stop. The Little Free Library promotes literacy by putting books into the hands of everyone. It's highly visible, well-crafted and is stocked with donation books from the library.

*“The Little Free Library is a great community asset providing free books for all ages. The Little Free Library is accessible to everyone. Building community through the Creative District Grant, the Little Free Library highlights collaboration between the Crested Butte Library and the Town of Crested Butte, showcases local artists’ work, and inspires readers to share literature!”*

*– Alex Reidman, Old Rock Library*

## 2 Play Outside Painted Piano

The *Play Outside Piano* project combined visual art and music in one instrument that was available for anyone to play. From June 30th to July 30th, people could access the piano in the courtyard of the Crested Butte Mountain Heritage Museum. One of the primary goals of this project was to encourage public music making and community pride among locals, visitors and artists. The Creative District, Crested Butte Music Festival and the Crested Butte Mountain Heritage Museum selected Richard Buchanan, a graduate from Western State Colorado University, to paint the piano.

*“I was thrilled to be chosen for this project because I was so excited about my idea to engage the community in life painting. I discovered that everyone who came in to model for me was not only a close friend, but also a professional artist. This unexpected result of being reunited with colleagues who work across the spectrum of fine art brought us together as a community of artists connected by the valley. After the piano was complete, I was delighted to see people gathering around to play it and engage with my work.”* – Richard Buchanan

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# \$20,928

**Amount to date the Paid to Create Grant Program has funded towards 18 projects.**

## Paid to Create: **Exploring Our History**



Local artists Nicholas Reti and Ivy Walker received a Paid to Create grant in Fall 2017 for their project called “The History of Art in Crested Butte” with the goals of uncovering, discovering, and archiving our local art history. The project quickly demonstrated that Gunnison Valley had a longer and deeper art history than many imagined. Through their research, Reti and Walker realized that the earliest art in the valley can be traced to the first U.S. Geological surveys of the area that occurred concurrently with the mining boom of the 1870’s. Reti compiled months of research and purchased a small number of historical prints and photographs to build the foundation for the project while Walker took the lead as project manager. Additionally, Peggy Morgan Stenmark volunteered hours of research to the project. Lastly, Shaffer Nickel, created a short video about the film featuring animation by Ryan Sullivan.

**Check out [www.cbcreativedistrict.org](http://www.cbcreativedistrict.org) to watch the video and learn more about the project, and stay tuned for the gallery exhibition coming in late June 2019 at the new Crested Butte Center for the Arts.**

*Thomas Moran, Teocalli Mountain, engraving from Picturesque America in 1874.*



*“Drawn west initially by the romance of riches that followed mining booms, artists have been finding ways to record their experiences in Gunnison Country for over 150 years. The character of the West attracts artists with entrepreneurial spirit, creativity, independence and determination. The goal of the History of Art in Crested Butte project is to discover and archive the art, people and events that made our town the creative community it is today and to chronicle our place in Western Art.”*

*– Ivy Walker*

# where we're going

## 2018 Action Plan Goals

*In 2018, the Creative District Commission developed a new action plan to realign our strategic plan with the long-term goals of the Creative District.*

### The goals developed are:

To have Crested Butte recognized as a Creative District

To provide creatives with the opportunities and resources that they need

To provide professional development opportunities for creatives

To support the growth of small, sustainable businesses and the creative class

To foster excellence in public art projects

To build credibility with the community and to be recognized as an economic driver

To develop a plan for the Creative District's financial sustainability

To advocate for affordable housing and workspaces for creatives

To create arts education opportunities for students

The Creative District will reach these goals through the following program areas:

1. Advocacy
2. Public Art
3. Professional Development
4. Education

*Additionally, The Creative District will enhance our marketing efforts in 2019 and beyond to better market and promote our local creative community while building recognition of the creative sector.*

1

## Advocating for Local Creatives

The Creative District advocates for local creatives as part of its mission to support a dynamic cultural economy. The Creative District has worked with the Town of Crested Butte to develop the following goals to better provide creatives with opportunities and the resources they need.

### **The Creative District will determine the type and amount of space local creatives need.**

The Creative District plans to release a comprehensive plan to determine the exact needs of our creative community in regard to housing, space to create, and professional development.

### **The Creative District will work with Governmental, non-profit, and private businesses to buy locally and pay creatives for their work.**

The Creative District has already worked closely with the town to release requests for creatives to design, build, and create local Town projects. The Creative District looks forward to expanding these opportunities and will continue to advocate for buying locally and paying for creative services.

### **The Creative District will advocate for projects, funding streams, and other initiatives that provide workforce housing to creatives.**

The Creative District plans to attend more public hearings and sessions about local developments, including affordable housing projects, where the Creative District will advocate for the needs of our local community. Additionally, the Creative District and the Town were proud to have supported the development of the new Center for the Arts building, which will provide much needed amenities to our local creative community.

## Public Art in Crested Butte

The Town of Crested Butte has a vibrant public art culture, with many public art pieces located throughout the Town. Through the Public Art Program, the Creative District encourages community engagement in the arts by providing the opportunity for new temporary, ephemeral, and permanent public art installations.

The Creative District has supported new public art projects through the Paid to Create grant program, and has also set aside funding in its budget to initiate two small public art installations for 2018. These two projects (to be completed in November 2018) include a new mural painted by Heather Bischoff at the 308 3rd Street Public Restrooms and an iron embellishment fabricated by Ira Houseweart for the Creative District destination sign posts at the 4-way lawn. These projects are providing valuable

experience to the Creative District commission before implementing a large-scale capital public art project in the future.

For 2019 and beyond, the Creative District is ready to initiate larger public art projects that will contribute to Crested Butte's distinctive sense of place. The Creative District will utilize its public art budget for 2018 to begin a feasibility study and public dialogue for a large-scale capital public art installation in the Town. The Creative District additionally plans to partner with the Center for the Arts to secure matching funding from CCI to install the infrastructure for a new sculpture garden in the Town Park.

**Anyone is welcome to attend Creative District commission meetings to provide ideas and feedback for upcoming public art projects.**



## Arts in Public Places Policy (AIPP)

### About "Jokerville"

*Comedy and Tragedy are the iconic symbols representing theatre and acting. Jokerville represents the tragedy of the 1884 horrific mine explosion which killed 63 men. Rescuers brought many of the bodies to the Mallardi Theatre, Town Hall at the time, to serve as a temporary morgue until they could be laid to rest in the Crested Butte Cemetery. This sculpture honors those individuals trapped inside the Jokerville mine.*

In June 2017, The Crested Butte Creative District and the Town of Crested Butte developed and passed an Arts in Public Places (AIPP) policy. The policy specifies that 2% of any capital project in the Creative District or a Town Park shall be dedicated to the creation of public art. Full information on the AIPP is available at: [cbcreativedistrict.org/about-the-district/policies-projects](http://cbcreativedistrict.org/about-the-district/policies-projects).

Earlier this year, the Mallardi Theatre was renovated. This was the first capital improvement project that qualified for funding per the AIPP. The Town and the Creative District Commission released a request for proposals (RFP) from local creatives for the creation of a one-of-a-kind hanging art piece for the theatre.

The Creative District commission held a public hearing to review the proposals and selected Ben Eaton's installation named "Jokerville," which was then approved by Town Council.

Ben Eaton (Get Bent LLC) creates his artwork using traditional blacksmithing tools and techniques. He describes his "Line Art" as an image broken down to its simplest elements, a series of lines. These hanging wall sculptures use light and shadow to create an ever-changing image. The Creative District is proud to witness Ben's installation as the first AIPP public art project. Check out this inspiring work of art in the Mallardi Theatre!

“ *Whatever the form, public art instills meaning—a greater sense of identity and understandings of where we live, work, and visit—creating memorable experiences for all.* ”  
– Americans for the Art



## 3

## Professional Development

As part of our mission to support local creatives, the Creative District is working to increase professional development programming for our local community. The Creative District has initiated partnerships with the Crested Butte/Mt. Crested Butte Chamber of Commerce and the ICElab at Western State Colorado University to expand existing professional development opportunities and resources for our creative community.

### Off-Season Professional Development Series



Starting this fall, the Creative District is honored to partner with the Crested Butte/Mt. Crested Butte Chamber of Commerce for their off-season professional development series. The series features unique and relevant seminars throughout October and November to support creatives and creative businesses with new information and professional development resources. Visit [cbcreativedistrict.org/2018-marketing-series/](http://cbcreativedistrict.org/2018-marketing-series/) to learn more about the Fall 2018 schedule.

*“The Off-Season Seminar Series was a huge hit. With eight sessions so far, we’ve seen an average of 20 attendees per seminar. Topics have ranged from marketing to financial options. By partnering with the Creative District, we will be able to offer this benefit to even more small business owners and self-employed locals. I’m very excited for this partnership and to continue this series.”*

– Ashley UpChurch, Crested Butte/Mt. Crested Butte Chamber of Commerce

### Business Bootcamp for Creatives

*The Creative District is excited to partner with Western’s ICELab to offer a mini-conference called “Business Bootcamp for Creatives” to be launched in Fall 2019.*

The conference will incorporate important business skills for creative individuals or businesses, and will serve not only the Gunnison Valley community but our Creative Corridor partners as well. The goal for this conference is to develop the programming that will best meet our creatives’ needs. The conference will be hosted by a different Creative District each subsequent year.

## 4

## Education

One of the Creative District's goals is to support regular arts education opportunities for our students. The Creative District works closely with the Crested Butte Community School to identify new or current areas in need of funding in the school's arts education programs. The Creative District allocates education funds for new arts programs at the school and the expansion of existing programs which (1) demonstrate a need for funding and (2) can demonstrate how they will have an impact on arts education.

The Creative District awarded these programs in 2018:

**\$1,500**

to the CBCS Upper School Art Department for the purchase of a new ceramics wheel

**\$1,000**

to the CBCS "Celebrate the Beat" Dance Performance for production costs

**\$1,000**

to CBCS Enrichment Program to fund the after-school violin program, extend the drama club, and fund the guitar master class with Nicolo Spera.

**\$2,500**

to fund the A.P. Art Mentorship Program (with matching funds from the Center for the Arts)



*“We appreciate the Creative District’s support for the arts in our schools. In a time of limited funding for public education, it is difficult for us to provide programs and experiences beyond the required subject areas and curricula. Our students benefit so much by participating in programs such as Celebrate the Beat and the exceptional artistic experiences and instruction in our AP and studio art classes in high school. Support from the Creative District, collaboration with our local artisans and community organizations allows us to expand our course offerings for all of our students.”* – Sally Hensley, CBCS Elementary Principal

# Inspiring Creativity in the Next Generation: **Art Mentorship Program**

In 2017, the Creative District partnered with the Community School and the Center for the Arts to develop an art mentor program for Advanced Placement (AP) art students. The mentor program pairs an AP art student with a local artist-mentor who helps the student complete their portfolio, gain new skills, and learn about the art industry. The first year of the art mentor program was a great success, and the Creative District is looking forward to expanding this program in 2018 to even more students.



**The reach of the art mentorship program is explained best by participant Malia Olsen:**

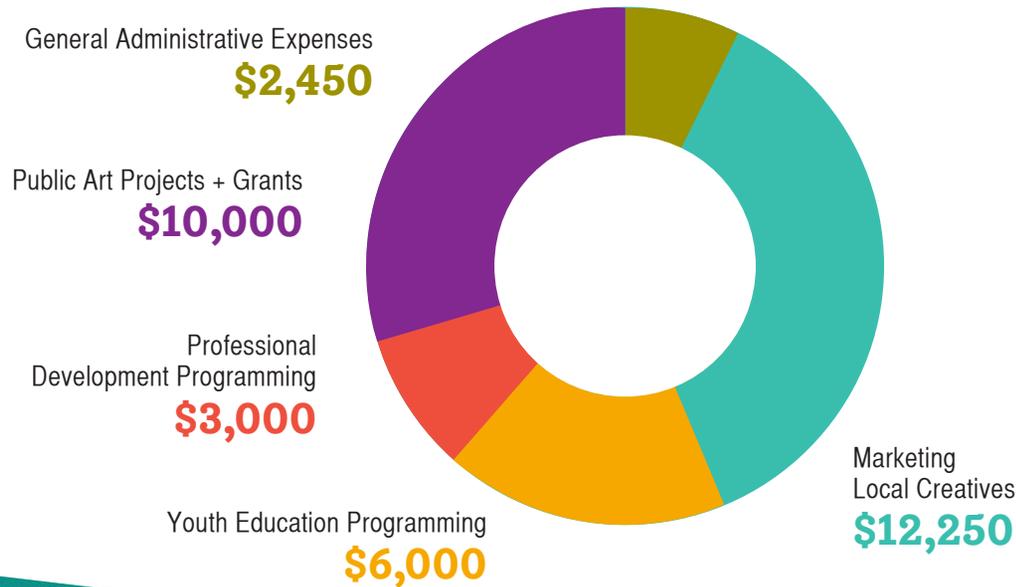
*“Working with Donna Rozman was pivotal in creating my AP 3D art portfolio. Almost every single piece I submitted used techniques and/or materials that Donna provided. At the beginning of the year, I was hitting a lull. I was planning to make tea sets as my portfolio concentration, but this idea did not really fit what I envisioned myself pursuing as an artist. Donna inspired me to pursue groundbreaking techniques in ceramics...As a young artist, it has been so important to have multiple mentors in order to find my own voice. Donna has taught me things I will never forget, and she has shaped my art immensely. I am so grateful for the opportunity to work with her.” – Malia Olsen*

# 2018 Financials

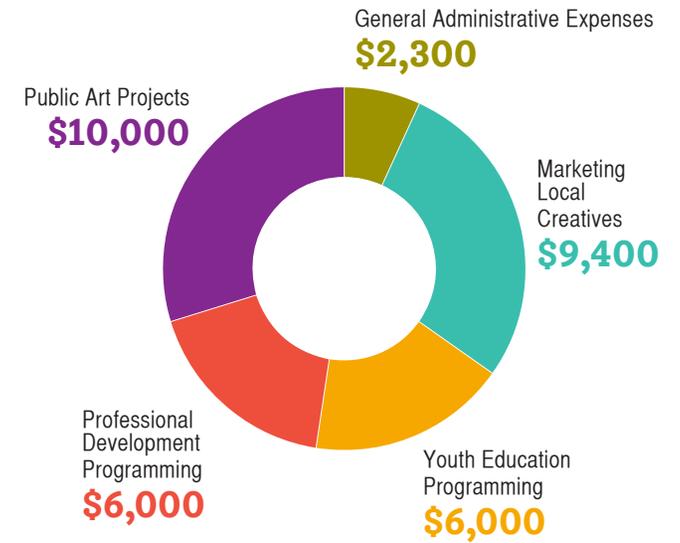
## Where does the Creative District receive funding from?

The 2018 Budget for the Creative District was \$33,700. The Creative District is currently funded by Colorado Creative Industries and the Town of Crested Butte. The Creative District has also worked with the Center for the Arts and the Gunnison-Crested Butte Tourism Association to receive matching funds for specific projects, such as the Colorado Creative Corridor, in which the Creative District received matching funds from the Colorado Tourism Office.

### 2018 Budget *What does the Creative District spend funding on?*



### 2019 Budget Proposal



## How will the Creative District become self-sustaining?

The Creative District is incredibly appreciative of the support from the Town of Crested Butte and Colorado Creative Industries. The Creative District is currently working towards developing a plan for long-term financial sustainability that will utilize a diversity of funding sources and allow the Creative District to continue its mission of supporting our local creative community.



While the Crested Butte Creative District is still evolving, the Creative District's 2018 action plan featuring new goals for advocacy and policy, public art, professional development, and education programming will help us meet our mission of supporting a dynamic creative economy. Visit [cbcreativedistrict.org](http://cbcreativedistrict.org) to view the 2018 action plan in detail and stay up-to-date on new opportunities and initiatives.



# creative district

— CRESTED BUTTE —





## Staff Report

October 15, 2018

**To:** Town Council

**Thru:** Dara MacDonald, Town Manager

**From:** Janna Hansen, Parks and Recreation Director

**Subject:** Town Park Bathrooms

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### Background:

In 2016 Town Council approved the site plan for the Town Park Playground Renovation Project which called for the removal of the old Pitsker bathrooms and the construction of exteriorly accessible restrooms in the renovated Center for the Arts building adjacent to the Yelenick Playground. At the September 17, 2018 Council meeting, Council indicated that they would prefer to keep the Pitsker bathrooms and make both the new bathrooms and the existing bathrooms available to the public at Town Park. In 2018 maintenance and repairs of the Pitsker bathrooms included painting of the floor and walls, new faucets, new flush valves on the toilets, new mirrors, and new trash cans, soap and towel dispensers.

### Summary:

In order to keep the cinder block bathrooms usable into the future, additional maintenance is required. In 2019 the bathrooms will need new exterior doors with time locks, and a new water fountain with bottle filler. These will come out of the facilities maintenance and parks maintenance general operating budgets. Renovations to the Pisker bathrooms will be added to the 5 year capital plan for completion in either 2020 or 2021 and will include heating the bathrooms, and rebuilding the pump room to accommodate janitorial supplies and heat. Porto potties will continue to be used at Town Park until the new bathrooms come online or the Pitsker bathrooms are heated. The addition of a set of bathrooms at Town Park will also have an impact on the Facilities staff and budget for cleaning and maintenance into the future. Estimated costs include \$11,000/yr in custodial and maintenance staff, and \$1,300/year in custodial and maintenance supplies for a total annual expense of about \$12,300/yr. The site and playground plan for Town Park can remain the same with the Pitsker bathrooms.



## Staff Report

### October 15, 2018

**To:** Mayor Schmidt and Town Council

**Thru:** Michael Yerman, Community Development Director

**From:** Bob Nevins, Town Planner

**Subject:** **Discussion and Possible Direction on Proceeding with Recommendations on the Parking Management Plan.**

**Date:** October 15, 2018

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#### **1.0 Purpose:**

To discuss and receive potential direction from Town Council on whether to proceed with the recommendations on implementing a Parking Management Plan.

#### **2.0 Phase 1-Parking Management Study:**

Interstate Parking Company of Colorado, LLC conducted the Phase 1- Parking Study with an expanded scope of work that included: 1) verification of the existing on and off-street public parking supply in the downtown area; and 2) collection of data regarding current traffic patterns and usage of the on and off-street public parking supply during peak weekdays and weekends in August 2018.

The study revealed that the public off-street parking supply in the downtown core area increased by 103 spaces, from 366 spaces in 2014 to 469 spaces in 2018. This increase was largely to the expansion, paving and striping of the 4-Way and Tennis Court parking lots and the paving and striping of the Fire Station, Pita's and head-in parking within the right-of-way on Third and Fourth Streets between Sopris and Maroon Streets. In addition, the study determined the average turn-over rate of parking spaces in the downtown core area to be 1.5 times during an 8-hour period; and that between 5 pm and 8 pm, more than 85% of the available parking spaces downtown were occupied which created traffic congestion and neighborhood impacts as drivers circulated searching for parking spaces.

#### **3.0 Community Survey Results:**

According to the 2018 Community Survey, 47% (147) of Town respondents said that traffic congestion and parking are problems year-round except during off-seasons; 38% (120) felt that they are sometimes a problem, mostly in summer (38%/120); while 11% (35) did not think traffic congestion and parking are problems. In terms of potential solutions, 32% (97) of Town responses preferred developing an intercept lot near town with transit; 26% (79) said change user behavior instead of investing in new capital improvement projects; 26% (78) opted for installing additional pedestrian/bicycle infrastructure; 17% (53) wanted to implement a parking management program with paid parking downtown and resident/employee permits; and 15% (45) preferred creating more public parking lots in town.

#### **4.0 Phase 2-Developing a Potential Parking Management Program**

Based on existing traffic patterns including pedestrians, bicyclists, service/deliveries and transit, parking supply and land uses, the goal of implementing a parking management program would be to maximize efficiencies of the existing roadways and to increase the capacity of the existing on and off-street public parking supply by:

- Increasing the turn-over rate of downtown parking spaces.
- Expanding transit usage to alleviate congestion.
- Creating additional revenues to fund transit service and other public purposes.
- Developing a potential intercept parking lot with funded transit service.

#### **5.0 Projected Operating Budget:**

As part of the RFP selection process, Interstate Parking Company, LLC submitted two (2) itemized budget proposals for the operation of parking management program:

- Option 1 is a flat fee of \$353,014.00 per annum and invoiced monthly.
- Option 2 is a traditional management fee of \$76,985.00 per annum with the Town paying all of the monthly operating expenses estimated to be \$242,165.00 plus amortized start-up costs of \$33,864.00.

The proposed Operating Budget projects the Parking Management Program to generate a total revenue of \$478,485.00 minus \$353,014.00 in expenses, management fees and start-up costs, resulting in a net income to the Town of \$125,471.00. The Itemized Project Budget is included as Attachment 1.

#### **6.0 Transition to Managed Parking:**

The potential of paid and/or permit parking are major changes to how public parking has been managed in Crested Butte. However, a parking management system can be devised that favors town residents, area locals and employees while placing greater financial responsibility on visitors who are more accustomed to paid parking and parking enforcement. Clearly, there needs to be considerably broader and more effective public outreach and community involvement. The Phase 1-Parking Management Study was merely the starting point for beginning our community discussion.

While the Summer-season is understood in terms of traffic patterns and parking utilization; the 2018-19 Winter-season is “unknown” due to the acquisition of CBMR by Vail Resorts and the introduction of the EPIC Pass with no black-out dates. In similar mountain communities where the EPIC Pass has been introduced, visitation has increased up to 40% over previous ski seasons. This Thanksgiving, Christmas, Martin Luther King and Presidents Day holidays should provide solid “indicators” as to the scope and magnitude of our traffic and parking issues in Town and within the North Valley.

#### **7.0 Recommended direction.**

Given the responses from the Community Survey and attendance at two (2) public Open Houses/Discussion Meetings, it appears as if residents do not believe that traffic congestion and parking are major issues that need to be immediately addressed. Therefore, it may be prudent to continue monitoring conditions this winter before proceeding with development and implementation of a Parking Management Program. Should this become an important public concern, we can move forward with more community outreach and cooperative involvement with the various stakeholders.



### 3.1.6- Itemized Project Budget

- Interstate Parking's team has proven experience in developing, implementing and operating entire on-street and off-street parking systems for municipalities similar in scale to Crested Butte;
- Our experience in **planning, development, project management, technology selection and the operation** of major parking operations makes us a valuable partner to Crested Butte.

#### Operating Budget

Based upon our in-depth review of the parking operation, the requirements of the RFP and our understanding of the future plans for continuing to advance Crested Butte's parking experience we have assembled the following proposed budget for our first year of operation. We propose to review this budget on an as-needed basis to ensure it aligns with the expectations of the town -subject to change after Parking Management Plan is completed.

##### Phase 1

COMPLETED 10-1-18

##### Phase 2

###### Option 1

A flat all inclusive fee for all services rendered as laid out in the operating budget below of \$353,014 per annum Invoiced in 12 monthly invoices.

###### Option 2

Traditional management fee as outlined in the budget below- Town pays all operating expenses monthly.



	A	B	C	D	E	F	G	H
1	<b>Town Operating Budget</b>							
2								
3	<b>Revenue</b>		<b>Total</b>					
4	Pay Parking		\$ 450,000					
5	Violation		\$ 49,500					
6	Permits		\$ 15,000					
8	<b>Gross Revenue</b>		\$ 514,500					
10	Credit Card/Passport Fees		\$ 36,015					
12	<b>Total Revenue</b>		\$ 478,485					
13								
14	<b>Expenses</b>							
15	Payroll		\$ 152,930					
16	Payroll Taxes and Insurance		\$ 27,527					
17	Health Insurance		\$ 12,600					
18	Park Crested Butte Website		\$ 3,500					
19	PCS Mobile		\$ 1,500					
20	Recruitment		\$ 3,000					
21	Uniforms		\$ 3,300					
22	LPR Vehicle Amortization		\$ -					
23	Vehicle Fuel & Maintenance		\$ 7,800					
24	Liability Insurance		\$ 5,400					
25	Tickets and Supplies		\$ 3,000					
26	Maintenance Supplies		\$ 2,000					
27	Technology License Fees & Data Serv		\$ 9,360					
28	Cellular Telephones		\$ 3,060					
29	Technology Equipment R&M		\$ 5,688					
30	Signs		\$ 1,500					
32	<b>Total Expenses</b>		\$ 242,165					
34	<b>Net Operating Income</b>		\$ 236,320					
35								
36	Less Management Fee		\$76,985					
37	Less Amortized Start Up Costs							
38	\$187,000 over 7 years at 7%		\$33,864					
39	<b>Net Income</b>		\$ 125,471					
40								
41								
42								
43								
45								



A B C D E F G H I J K

**Traditional Fixed Fee Format**

Interstate Parking proposes a traditional base management fee to cover all corporate support costs, senior management project management travel, staff loyalty rewards program costs and our profit. All other operating expenses would be reimbursable on a monthly basis.

Management Fee	*Town of Crested Butte		*If Interstate is successful in procuring Mount Crested Butte and Mountain
	Total	portion	
Accounting & Audit	\$ 5,850	\$ 4,388	
Project Mgmt Travel	\$ 21,060	\$ 15,795	
Data Processing	\$ 3,825	\$ 2,869	
Staff Loyalty Rewards	\$ 8,750	\$ 6,563	
Profit	\$ 37,500	\$ 28,125	
<b>Total Management Fee</b>	<b>\$ 76,985</b>	<b>\$ 57,739</b>	
total expenses	\$ 319,150		

/x

	A	B	C	D
<b>2 Start Up Costs</b>				
3 Vehicle			\$ 25,000	
4 Solar Powered Machines			\$ 150,000	
5 Signage			\$ 5,000	
6 Uniforms			\$ 3,000	
7 Office Supplies			\$ 2,000	
8 Two Way Radios			\$ 2,000	
9 <b>Total Expenses</b>			<b>\$ 187,000</b>	
10				





**To:** Mayor Schmidt and Town Council  
**From:** Michael Yerman, Community Development Director  
**Thru:** Dara MacDonald, Town Manager  
**Subject:** Recommendation Regarding Paradise Park Developer Selection  
**Date:** October 15, 2018

---

**Background:**

On October 1, 2018, Council directed staff to enter negotiations with Bywater and Coburn Partners for the Paradise Park Workforce Housing project and return to the Council with a final recommendation on October 15. The outcome of the negotiations has been very satisfactory, with both developers demonstrating continued responsiveness to Town's requests, high quality design, and local references. Coburn shifted their proposal to include three one bedroom units, and retained a total unit count of 28 homes. New pricing for Coburn is as follows:

<b>Coburn</b>	<b>Number of Homes</b>	<b>Average Price</b>	<b>Total</b>	<b>Reduction compared to proposal</b>
Average price - 1 BR	3	\$ 221,583	\$ 664,749	
Average price - 2 BR	20	\$ 277,086	\$ 5,541,720	
Average price - 3 BR	5	\$ 358,272	\$ 1,791,360	
	28		\$ 7,997,829	\$ 257,073

Bywater retained the same unit mix, with a total of 26 homes on the site. Bywater's new pricing is as follows (with sample AMI detail on proposed unit pricing in the attachment):

<b>Bywater</b>	<b>Number of Homes</b>	<b>Average Price*</b>	<b>Total</b>	<b>Reduction compared to proposal</b>
Average price - 1 BR	5	\$ 216,819	\$ 1,084,095	
Average price - 2 BR	15	\$ 274,712	\$ 4,120,680	
Average price - 3 BR	6	\$ 331,869	\$ 1,991,214	
	26		\$ 7,195,989	\$ 1,058,852

Town staff requested both developers to target the following unit price points as label "Average Price" in the table below. The following table show where the developer average price fell as it relates to their response to the Town's request:

	<b>Average Price requested in MOU</b>	<b>Bywater - MOU</b>	<b>Coburn - MOU</b>
Average price - 1 BR	\$ 210,000	\$ 216,819	\$ 221,583
Average price - 2 BR	\$ 260,000	\$ 274,712	\$ 277,086
Average price - 3 BR	\$ 340,000	\$ 331,869	\$ 358,272

Staff is recommending selection of Bywater, based on larger units at more affordable prices. Coburn also proposed an increased contingency that could be shared to reduce the home price points if the project had cost savings. Staff felt this was a helpful and creative proposal, but the arrangement was not sufficient to overcome Bywater's stronger overall pricing and home sizes.

**Recommendation:**

Staff recommends a Council member make a motion followed by a second for the Town Manager to execute a memorandum of understanding with Bywater, LLC to allow them to proceed with development approvals with BOZAR and to instruct the Town Attorney to prepare a development contract to be executed prior to the end of the year.

**Attachments:**

Memorandum of Understanding – Crested Butte and Bywater, LLC

## **Paradise Park Affordable Housing Development Memorandum of Understanding**

This memorandum of Understanding (MOU) is between Town of Crested Butte (“Town”) and Bywater, LLC (“Developer”).

### **Intro**

Town of Crested Butte has conducted a competitive process to find a qualified developer to build up to 26 affordable homes that will be offered for sale located in Blocks 76, 77, 79 and 80 of the Paradise Park Subdivision in the Town of Crested Butte. Bywater has been selected based on their qualifications, ability to meet neighborhood compatibility, competitive pricing, ability to meet the Town’s Design guidelines, and construction schedule. The Town and Developer are aligned in moving forward to execute a contract for this work, which will substantially further the Town’s community housing goals and be a profitable endeavor for the Developer.

### **Phases**

While the project is considered to be a single, continuous process, we are describing two phases to differentiate the units anticipated to be complete in 2020 (Blocks 76 and 77 – Phase 1) from those anticipated to be complete in 2021 (Blocks 79 and 80 – Phase 2). The construction schedule will begin with the Block 77 duplex, followed by Block 76.

### **Timeline**

October 15, 2018 – Council directs signing of this MOU.

November 2018 – BOZAR submissions begin – submissions are anticipated to include 1 building and Subdivision in November, 2 Buildings December, 2 buildings January, 2 buildings February, and 2 Buildings in March.

December 2018- Execution of development Contract

February 2019 – Subcontractor bid process begins

March 2019 – Financial underwriting

April 2019 – Bid process final, subcontractor agreements in place

May, 2019 – Permit ready drawings, transfer of land, construction loan close, notice to proceed issued from Developer to subcontractors

Fall 2019 – Gating process for Phase 2. Town and Developer meet to discuss project completion, satisfaction and economics on Phase 1. Mutual agreement and/or refinement required prior to entering Phase 2.

## Design Changes

Within two weeks of execution of this MOU, Developer will meet with Town staff to address needed design changes and in preparation for the first BOZAR submission. Space for 2 buildings per month has been reserved on the BOZAR schedule.

Required design changes include:

- All lots must be rectangular and the parking for that lot must be within its boundaries
- Eliminate mid-block pedestrian access way
- Clearly define exterior access walkways to each residential unit
- Simplify building footprints and roof forms
- Provide more fenestration on ground level than on second floor
- Quality of interior finishes must be consistent across all homes
- All units shall be constructed of durable exterior materials with variations in texture and color

## Affordability, Unit Pricing, and Sales

The following prices reflect Bywater’s revised proposal on 10/9/18. In the contract process, these prices will need to be modified slightly to account for an additional 1% for GVRHA to qualify buyers and act as transaction broker, for a total fee to GVRHA of 2%. A sample of how these average unit prices could be distributed by AMI is included as Exhibit A.

### Average Unit Pricing

<b>Bywater</b>	<b>Number of Homes</b>	<b>Average Price</b>	<b>Total</b>
Average price - 1 BR	5	\$ 216,819	\$ 1,084,095
Average price - 2 BR	15	\$ 274,712	\$ 4,120,680
Average price - 3 BR	6	\$ 331,869	\$ 1,991,214
	26		\$ 7,195,989

- The Town commits to purchase the building on Block 77 (duplex consisting of a 2BR home and 3BR home); the purchase price for which will not exceed \$600,000. The Town will pay 70% of the cost of these two homes at groundbreaking as a “deposit” to assist with reducing construction interest costs across the project. The remaining 30% will be paid following Certificate of Occupancy; when the homes are transferred to the Town. Ideally, these two units completed by November 2019.

- The Town will provide a further reduction of sales risk by agreeing to purchase up to two more Phase 1 homes, should those homes remain on the market for more than nine months following certificate of occupancy. The total purchase price for these two homes will not exceed \$680,000.
- The Town will seek additional sources such as the Gunnison Valley Housing Foundation to assist in writing down the cost of some homes to an even greater extent than what is proposed here and the possibility of providing ADA or senior Housing.
- The Town will assist in recruiting other employers to purchase units to rent to their employees; this effort will support pre-sales and reduce sales risk for the developer.

### **Role of the Housing Authority**

The Gunnison Valley Regional Housing Authority will be actively engaged in recruiting and educating buyers, and assisting the Developer and in setting prices and matching buyers with homes. The Town, the Developer, and the Housing Authority will work together to set specific unit prices to ensure the most marketable and responsive solutions (consistent with the contractually required averages across the project). The Developer will pay a 2% broker fee to the Housing Authority with the sale of each home. Sales to the Town and other employers will be exempt from this fee.

### **Land**

The details of the land transfer will be spelled out in the contract, which is anticipated to include an option agreement for Bywater's purchase of the land at a nominal price. A deed restriction similar to what is in place on Blocks 79 and 80 will be recorded for Block 76. The contract will include provisions for transfer of the land, at the time that all buildings on Block 76 are BOZAR approved, construction finance is committed, and subcontractor bids are secured ensuring a financially feasible project. The agreement to transfer the land will permit the Developer to encumber the land to secure construction finance. The Town will be in a second lien position, and land will revert to the Town if the following milestones aren't met, including:

- Complete foundations on Blocks 76 and 77 by August 15, 2019,
- Certificate of Occupancy for all units on Blocks 76 and 77 by September 1, 2020
- Complete foundations on Blocks 79 and 80 by July 1, 2020
- Certificate of Occupancy for triplexes on Blocks 79 and 80 by August 15, 2021

The contract is also anticipated to include mutually agreed upon extensions to these milestones for force of nature type delays.

### **Consideration of an Economic Downturn**

Bywater anticipates commencing excavation and foundation work on Blocks 79 and 80 in fall of 2019, and agrees to have a “gating” conversation to evaluate market conditions. Town and the Developer will discuss and agree in writing that current market conditions are satisfactory prior to proceeding with construction in Blocks 79 and 80.

Town of Crested Butte:

Bywater, LLC:

\_\_\_\_\_  
Dara MacDonald, Town Manager

\_\_\_\_\_  
Joel Wisian,

Note: These prices include a 1% fee to GVRHA, where a 2% fee is anticipated in the contract between Town of Crested Butte and Bywater.

**50% at or below 100% AMI/ 100% at or below 150% AMI**

Home Type	AMI %	Sales Price
1 bed	90%	\$150,143.00
1 bed	100%	\$173,956.00
1 bed	100%	\$173,956.00
1 bed	150%	\$293,021.00
1 bed	150%	\$293,021.00
2 bed	90%	\$164,376.00
2 bed	100%	\$221,399.00
2 bed	130%	\$307,070.00
2 bed	130%	\$307,070.00
2 bed	140%	\$335,628.00
3 bed	80%	\$199,855.00
3 bed	100%	\$265,862.00
3 bed	100%	\$265,862.00
3 bed	140%	\$397,877.00
3 bed	150%	\$430,880.00
3 bed	150%	\$430,880.00

**Number of Homes By AMI %**

80%	1	13
90%	2	
100%	10	
110%	0	13
120%	0	
130%	2	
140%	7	
150%	4	
160%	0	0
170%	0	
180%	0	

**Average home sales Price- \$276,768.88**

**Average AMI-119%**

**Average sales price by home type**

1 Bed-	\$216,819.40
2 bed	\$274,711.87
3 bed	\$331,869.33

**Cost /sqft before profit-240**

**Cost /sqft with profit-276**

Total Gross Sales \$7,195,991.00

Gross Sales	\$7,195,991.00
GVRHA	\$71,959.91
COGS	\$6,234,300.00
Net Profit	\$889,731.09
% profit	12.30%



# MEMO

Scott C. Miller\*  
shareholder  
miller@waterlaw.com

reply to Aspen office  
\*licensed in CO

**TO:** Mayor James A. Schmidt and Town Council  
**CC:** Barbara Green, Esq., Dara MacDonald, Michael Yerman, Shea Early  
**FROM:** Scott Miller, Esq.  
**DATE:** October 11, 2018  
**RE:** Staff Report - Ruby Ridge Application for Extension of Water Service

\*\*\*\*\*

## Background:

### ASPEN:

197 Prospector Dr.  
Suite 2104 A  
Aspen, CO 81611  
T. 970.920.1030  
F. 970.925.6847

### BASALT:

Waterlaw Riverwalk  
229 Midland Avenue  
Basalt, CO 81621  
T. 970.920.1030  
F. 970.927.1030

### DENVER:

999 18th St.  
30th Floor  
Denver, CO 80202  
T. 303.893.9700  
F. 303.893.7900

### TULSA:

7633 E. 63rd Pl.  
Suite 300-18  
Tulsa, OK 74133  
T. 800.282.5458  
F. 970.927.1030

### SCOTTSDALE:

16427 N. Scottsdale Rd.  
Suite 410  
Scottsdale, AZ 85254  
T. 800.282.5458  
F. 970.927.1030

In 1974, the Town secured a decree from the Division 4 Water Court for the Crested Butte Town Pipeline conditional water right (“Town Pipeline”) for 15.0 c.f.s. for municipal use out of the Slate River. The Town secured a finding of reasonable diligence for the Town Pipeline in 1978. However, the Town did not complete adjudication of its subsequent application for a finding of reasonable diligence in 1984. The Court dismissed the application but did not cancel the water right.

On September 29, 2017, the Town filed a renewed diligence application for the Town Pipeline in Case No. 17CW3054. This water right out of the Slate River will create important diversification for the Town’s municipal water portfolio since all of the Town’s municipal water rights are currently sourced from Coal Creek. Given the abundance of old mine sites and tailings in the vicinity of the drainage areas for Coal Creek, the Slate River water right will provide a potential critical back-up water supply in the event of a contamination episode or environmental disaster on Coal Creek (for example, like the 2015 Gold King Mine wastewater spill into Cement Creek near Silverton Colorado). The Slate River water right also provides a back-up physical source of water for long term drought protection if Coal Creek supplies were ever to run low or be inadequate. The Town Pipeline is a good water right to serve these diversification and back-up functions given that its 1973 priority date makes it senior to the Colorado Water Conservation Board’s 1980 and 2014 instream flows that are the major calling rights on the Slate River.



On November 30, 2017, Ruby Ridge Holdings, LLC (“Ruby Ridge”) filed the only Statement of Opposition to Case No. 17CW3054. It did so because the decreed point of diversion of the Town Pipeline is located on its property at 194 Meadow Drive; Trapper’s Crossing at Crested Butte Lot 6 (Gunnison County Parcel No. 3177-000-01-005).

In order to construct the Town Pipeline in the future, the Town would need an easement through private property. Ruby Ridge has offered to grant to the Town, *free of charge*, an easement on its property for installation of a pump station (or alternate diversion structure) and transmission line for the Town Pipeline. This easement is a significant public benefit for the reasons described above, and because it avoids the need for condemnation of land by eminent domain. Condemnation is a court proceeding and requires paying fair market value for the easement, as well as incurring litigation expenses, all which could be significant.

The proposed easement and Town Pipeline route is shown on the attached Figure 1. The easement through Ruby Ridge property would cover most of the pipeline, however the Town would still need to cross one other piece of private property between Ruby Ridge and the Town Reservoir.

In exchange for the Town Pipeline easement, Ruby Ridge is requesting extraterritorial potable water service from the Town pursuant to Town Code § 13-1-280 et al.

In addition, if Town Council agrees to extend water service to Ruby Ridge, then Ruby Ridge will withdraw its Statement of Opposition to Case No. 17CW3054. This would occur immediately upon execution of the necessary Ruby Ridge water service agreement and associated easement agreement for the Town Pipeline. Settlement of the water court case with Ruby Ridge will facilitate the Town receiving a final decree in Case No. 17CW3054 for the Town Pipeline water right. To the extent the Water Court did not issue a final decree in the Case for the Town Pipeline, the extension of water service to Ruby Ridge would be null and void.

In furtherance of the above, Ruby Ridge has prepared and submitted an Application for Extension of Water Service Beyond Town Boundaries in compliance with Town Code § 13-1-280(B). Town staff has reviewed the Application. As part of the overall easement, water service and water court case settlement negotiation, Town Staff has discussed with Ruby Ridge certain parameters and limits to be placed on any such extraterritorial water service. These limits include: maximum delivery of 0.533 acre-foot of water per year for indoor residential use for one single-family home that does not exceed 5,000 square feet plus irrigation of up to 2,500 square feet of outdoor lawns and gardens; maximum of 1” service line at the location where the Town’s existing water line intersects Meadow Drive; Ruby Ridge to secure any and all requisite easements for its service line; Ruby Ridge responsible for all construction, installation, maintenance, repair, and replacement of its service line; no municipal sewer services; Ruby Ridge charged a service fee of two times (2X) times the in-town rate; and waiver of Ruby Ridge’s tap fee and payment of the costs and expenses defined in Town Code § 13-1-280(E)(6) as partial consideration for the Town Pipeline easement.



*Any water service agreement would also state very clearly that the service is being provided due to unique and limited circumstances; and that the service is not precedent and cannot be used to compel future extraterritorial potable water service to any other party or property.* Note that under Colorado law, extraterritorial water service by a municipality is proprietary and can be denied in the municipality's discretion. Nor does such service render the municipality a regulated public utility under Colorado Public Utilities Commission jurisdiction.

Pursuant to Code Section 13-1-280, Town Staff has consulted with other Town departments and has considered any comments related to the extension of extraterritorial water service in this unique circumstance. Town Staff believes the matter is now ripe for Town Council's "first step" review, consideration and approval or disapproval of such extraterritorial water service (and associated other deal points) under Code Section 13-1-280(C).

If Town Council does elect to approve such extraterritorial water service in this instance, then Town Staff and Ruby Ridge will follow the other 13-1-280 code provisions, including review of the engineering feasibility study; and finalize the necessary easement agreement, water court settlement documents and water service agreement, for Town Council's consideration at a second public meeting.

Annexation is not contemplated in this circumstance.

**Recommendation:**

Town Staff recommends that Town Council make a motion, pursuant to Town Code § 13-1-280(C), to approve of extraterritorial potable water service to Ruby Ridge at its Trapper's Crossing Lot 6 property in accordance with Ruby Ridge's Application for Extension of Water Service Beyond Town Boundaries, in exchange for an easement across Ruby Ridge for the Town Pipeline and for full settlement of the Ruby Ridge opposition to the Town's 17CW3054 water court case, and pursuant to the other terms and conditions discussed above; and to direct Town Attorney to prepare the requisite potable water service agreement and easement agreement.

**Proposed Motion:**

[A Council Member followed by a second Council Member] hereby makes a motion pursuant to Town Code § 13-1-280(C) to approve extraterritorial potable water service to Ruby Ridge at its Trapper's Crossing Lot 6 property in accordance with Ruby Ridge's Application for Extension of Water Service Beyond Town Boundaries, and to direct Town Attorney to prepare a potable water service agreement and easement agreement, and any other settlement documents, between Ruby Ridge and the Town to be brought back before the Town Council at its November 5 meeting.

**APPLICATION FOR EXTENSION OF WATER SERVICE BEYOND TOWN  
BOUNDARIES**

Ruby Ridge Holdings, LLC (“Ruby Ridge”) hereby submits this Application for Extension of Water Service Beyond Town Boundaries (the “Application”).

Ruby Ridge owns an approximately 37.3-acre parcel of land northwest of the Town of Crested Butte (the “Town”) legally described as Lot 6, Trapper’s Crossing at Crested Butte, according to the Plat thereof filed April 26, 1990 as Reception No. 419857, County of Gunnison, State of Colorado (the “Property”).

In September of 2017, the Town filed an application for a finding of reasonable diligence (the “Diligence Application”) with respect to the Crested Butte Town Pipeline (the “Pipeline”). The Pipeline is a 15 c.f.s. conditional water right that would divert water from the Slate River to the Town’s water treatment plant for inclusion within the Town’s municipal water supply.

To apply the Pipeline to a beneficial use, the Town needs an easement across the Property, which lies between the Slate River and the Town’s water treatment plant.

The Property is located in Gunnison County, Colorado, outside of the Town’s municipal boundaries. Ruby Ridge desires to connect the Property to the Town’s potable water supply in exchange for granting the Town an easement across the Property for the Pipeline.

If the Town is amenable to this compromise exchange of consideration, the terms will be set forth in the forthcoming Easement, Settlement Agreement, and Potable Water Supply Agreement between Ruby Ridge and the Town (the “Agreement”). The Agreement is being submitted to the Town Council subsequent to this Application.

Section 13-1-280 of the Town Code authorizes the Town to provide water service to users outside of the Town’s boundaries. In fact, the Town’s potable water supply line extending from the Town’s water treatment plant intersects Meadow Drive, and there is an existing utility easement along Meadow Drive to the Property’s driveway.

The forthcoming Agreement shall set forth detailed terms and conditions between the parties for (a) Ruby Ridge’s withdrawal of its statement of opposition to the Diligence Application; (b) Ruby Ridge’s grant of an easement across the Property for the Pipeline; and (c) connecting the Property to the Town’s potable water supply. The Town may be willing to allow, pursuant to the terms and conditions of the forthcoming Agreement:

- (1) A one-inch service line;
- (2) To be constructed at Ruby Ridge’s sole cost and pursuant to plans approved by the Town;
- (3) A maximum of 0.533 acre-feet of water per year for indoor residential use and no more than 2,500 square feet of irrigation of lawn and gardens; and
- (4) Subject to all Town water customer regulations contained in the Town Code, as amended from time to time.

Pursuant to paragraph (b) of section 13-1-280, “[t]he owner of any land outside the Town’s boundaries may request, in writing, water and/or sewer service for such lands by means of an extension of the Town’s systems . . . . Such request must include:

- (1) A legal description of the real property to be served;
- (2) A description of the nature and scope of the land owner’s proposed development;
- (3) A statement as to the timing of the completion of the development;
- (4) An estimate as to probable flow requirements; and
- (5) A description with copies of all supporting documents, of the property rights (e.g., easements) that allow for such an extension.”

Ruby Ridge hereby requests that the Town’s water system be extended to provide potable water service to the Property. The Town’s Planning General Development Application is being submitted herewith as **Exhibit A**. The corresponding authorization letter is attached hereto as **Exhibit B**. The information required by paragraph (b) of section 13-1-280 of the Town Code follows:

(1) **A legal description of the real property to be served:**

The legal description of the Property is attached hereto as **Exhibit C**.

(2) **A description of the nature and scope of the land owner’s proposed development:**

The Property has already been developed. It is used exclusively for single-family residential purposes. The primary residence is 4,489 sq. ft. according to the assessor, with a 728 sq. ft. garage. The reference to the 728 square feet garage is the detached garage on the property. Town water will not be provided to this detached garage.

(3) **A statement as to the timing of the completion of the development:**

The property is already developed. In the event Ruby Ridge is able to reach an agreement with the Town for water service and this Application is approved, the only necessary construction would relate to the connection to the Town’s water potable water supply, which would be at Ruby Ridge’s sole cost and expense and subject to plans approved by the Town. The construction ready, engineered plans for connecting the Property to the Town’s water supply are attached hereto as **Exhibit D**.

(4) **An estimate as to probable flow requirements:**

See **Exhibit E**, pp. 7-8.

Pursuant to the forthcoming Agreement, the tap fee will be waived as partial consideration for the Pipeline easement granted by Ruby Ridge to the Town. Pursuant to section 13-1-280(e)(4)(j) of the Town Code, Ruby Ridge will pay two times the in-Town rate for monthly service fees.

**(5) A description with copies of all supporting documents, of the property rights (e.g., easements) that allow for such an extension:**

A copy of Ruby Ridge's vesting deed is attached hereto as **Exhibit F**.

A copy of Ruby Ridge's title insurance policy showing all owners' names, mortgages, liens, easements, judgments, contracts and agreements that run with the land, as required by the Planning General Development Application, is attached hereto as **Exhibit G**.

The Town's potable water line extending from the Town's treatment plant to the Town intersects Meadow Drive. Meadow Drive is a "utility easement created by" the plat of Trapper's Crossing at Crested Butte, according to the Plat thereof filed April 26, 1990 as Reception No. 419857, County of Gunnison, State of Colorado. As shown on **Exhibit H**, an excerpt of such plat, this "utility easement created by" the plat is dedicated for the benefit of the owners of all Lots within Trapper's Crossing at Crested Butte, their guests, successors, and assigns, "for the installation and maintenance of all utilities, either by the Association, any utility company, the dedicator, the Association or a Lot owner."

The exact location of the water service line from the Town's current system to the Property will depend on final connection plans. Ruby Ridge does not believe any easements from third parties will be necessary given the existing utility easement along Meadow Drive.

The forthcoming Agreement between Ruby Ridge and the Town shall address the financial considerations of Section 13-1-280(e)(4)(l) and Section 13-1-280(e)(6). In essence, the easement granted across the Property in favor of the Town for the Pipeline is serving as consideration for the authorization to connect the Property to the Town's potable water supply.



PLANNING GENERAL DEVELOPMENT APPLICATION

PO Box 39
Crested Butte, CO 81224
Phone: 970-349-5338
Email: myerman@crestedbutte-co.gov

1. TYPE OF APPLICATION (Check-off as appropriate)

- Concept Annexation
Formal Annexation Petition Review
Sketch Plan
Preliminary Plan
Final Subdivision Plan Review
Water/Waste Water Outside Town Boundary Connection
Other:

2. GENERAL DATA (To be completed by the applicant)

A. Applicant Information

Name of Applicant: Ruby Ridge Holdings, LLC, a Colorado limited liability company

Mailing Address: 3036 8th Street, Boulder, Colorado 80304

Telephone Number: Contact through agent FAX: Contact through agent

Email Address: Contact through agent

Power of Attorney/ Authorized Representative: Marcus J. Lock
(Provide a letter authorizing agent to represent you, include representative's name, street and mailing address, telephone number, and FAX)

B. Site Data

Name of Development: Lot 6, Trapper's Crossing at Crested Butte

Street Address: 194 Meadow Drive, Crested Butte, Colorado 81224

Legal Description: Lot 6, Trapper's Crossing at Crested Butte

Disclosure of Ownership: List all owners' names, mortgages, liens, easements, judgments, contracts and agreements that run with the land. (May be in the form of a current certificate from a title insurance company, deed, ownership and encumbrance report, attorney's opinion, or other documentation acceptable to the Town Attorney)
(see attached title work in Exhibit G)

I certify that I have read the application form and that the information and exhibits herewith submitted are true and correct to the best of my knowledge.

Signature of applicant/agent [Handwritten Signature] Date 10-10-2018

Signature of property owner \_\_\_\_\_ Date \_\_\_\_\_

Exhibit B

Town of Crested Butte  
Attn. Mr. Michael Yerman  
P.O. Box 39  
Crested Butte, CO 81224

*Re: Authorization of Ruby Ridge Holdings, LLC, a Colorado limited liability company, for Law of the Rockies, LLC and Schmueser Gordon Meyer, Inc. To Act On Its Behalf With Respect To Request For Water Extension Beyond Town Boundaries*

To whom it may concern:

Please be advised that Ruby Ridge Holdings, LLC, a Colorado limited liability company ("Ruby Ridge") hereby authorizes: (1) Law of the Rockies, LLC, including but not limited to attorney Marcus J. Lock and (2) Schmueser Gordon Meyer, Inc., including but not limited to engineer Tyler Harpel to act on its behalf with respect to its application with the Town of Crested Butte, Colorado for the extension of water beyond town boundaries.

Mr. Lock shall act as the primary contact and representative of Ruby Ridge with respect to said application. His contact information is:

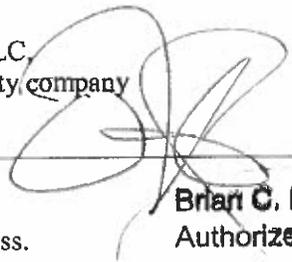
Marcus J. Lock  
Law of the Rockies  
525 North Main Street  
Gunnison, Colorado 81230  
Tel: 970-641-1903, ext. 1  
Fax: 970-641-1943  
[mlock@lawoftherockies.com](mailto:mlock@lawoftherockies.com)

Ruby Ridge hereby consents to the submittal of such application by the above designated representatives for the property described on Exhibit A hereto.

Sincerely,

Ruby Ridge Holdings, LLC,  
a Colorado limited liability company

By: \_\_\_\_\_



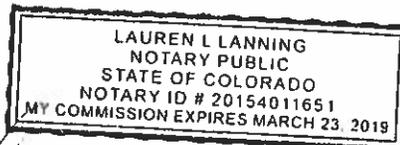
**Brian C. Humphrey**  
Authorized Signatory

STATE OF COLORADO )  
                                  )ss.  
COUNTY OF Arapahoe )

The foregoing letter was acknowledged before me this 24 day of September, 2018, by Brian Humphrey, as Authorized Signatory of Ruby Ridge Holdings, LLC.

Witness my hand and official seal.

My commission expires: March 23, 2019



  
Notary Public

Exhibit B

**EXHIBIT A**Legal Description:

**Lot 6, TRAPPER'S CROSSING AT CRESTED BUTTE, according to the Plat thereof filed April 26, 1990 as Reception No. 419857, County of Gunnison, State of Colorado,**

Legal Description:

Lot 6, TRAPPER'S CROSSING AT CRESTED BUTTE, according to the Plat thereof filed April 26, 1990 as Reception No. 419857, County of Gunnison, State of Colorado,









# Exhibit D

**194 Meadow Drive Water Service Line  
ENGINEER'S OPINION OF PROBABLE COST**

9/24/2018

Exhibit E

Item/Description	Estimated Quantity	Unit	Unit Price (\$)	Total Price \$
<b>Water Service Line</b>				
1" Insulated HDPE	570	LF	\$60.00	\$34,200.00
Hot Tap Service Connection	1	EA	\$3,000.00	\$3,000.00
Under House Plumbing Connections	1	EA	\$3,500.00	\$3,500.00
TOTAL				\$40,700.00
<b>TOTAL</b>	<b>\$40,700.00</b>			

1 of 1

# WATER SERVICE LINE ENGINEERING FEASIBILITY STUDY AND HYDRAULIC ANALYSIS

---

## 194 MEADOW DRIVE

September 2018

Prepared by



103 WEST TOMICHI AVENUE, SUITE A  
GUNNISON, CO 81230  
970.641.5355  
970.945.5948 FAX

Prepared For

RUBY RIDGE HOLDINGS, LLC  
3036 8<sup>TH</sup> STREET  
BOULDER CO, 80304  
303.668.5314

# WATER SERVICE LINE ENGINEERING FEASIBILITY STUDY AND HYDRAULIC ANALYSIS

## 194 MEADOW DRIVE



PREPARED BY

TYLER HARPEL P.E.

SGM Project # 2018-359.001

## TABLE OF CONTENTS

<b>1.0</b>	<b>Introduction</b>	<b>1-1</b>
<b>2.0</b>	<b>Project Location and Description</b>	<b>2-1</b>
<b>3.0</b>	<b>Calculated Water Demands</b>	<b>3-1</b>
<b>3.1</b>	<b>In-House Demands</b>	<b>3-1</b>
<b>3.2</b>	<b>Irrigation Demands</b>	<b>3-1</b>
<b>3.3</b>	<b>Town Capacity to Meet Demands</b>	<b>3-1</b>
<b>3.4</b>	<b>Fire Flow Requirements</b>	<b>3-1</b>
<b>4.0</b>	<b>Hydraulic Analysis</b>	<b>4-1</b>

## LIST OF APPENDICES

### **Appendix A**

#### **Flow Calculations**

## 1.0 Introduction

This report is created to satisfy the requirements of Crested Butte Town Code section 13-1-280 providing the Engineering Feasibility and Hydraulic Analysis for a single residential unit potable water service connection outside of town boundaries.

The single residential unit is 194 Meadow Drive located in Gunnison County just west of the Town of Crested Butte boundaries and about 600' down gradient of the Town's water treatment plant and potable water storage tanks. The Town's primary 12" potable water supply line from the water treatment plant and tanks directly crosses the driveway for 194 Meadow Drive so that a service line could be connected onto the 12" line within the existing driveway.

The new 1" HDPE insulated water service line could then run down gradient in the middle of the existing gravel driveway approximately 570 L.F. to the existing residence.

## 2.0 Project Location and Description

The project consists of connecting one existing residential unit to the existing Town of Crested Butte potable water system. The residential unit is 194 Meadow Drive, an approximately 37.3-acre parcel of land northwest of the Town of Crested Butte legally described as Lot 6, Trapper's Crossing at Crested Butte, according to the Plat thereof filed April 26, 1990 as Reception No. 419857, County of Gunnison, State of Colorado.

The Town's existing main 12" potable water supply line crosses 194 Meadow Drive's gravel driveway approximately 600 L.F. from the water storage tanks and 65 feet lower in elevation. From the driveway crossing a new 1" HDPE insulated water service line can be installed with 7' of cover under the middle of the gravel driveway. There is continuous negative grade from the service connection point in the driveway about 570 L.F. to the location of the existing house.

The connection to the 12" main line would be a saddle service "Hot Tap" with corporation stop and curb stop located 10' away from the connection. Full service connection and service line will meet all Town of Crested Butte Public Works Criteria for Design and Construction: Earthwork, Sewer and Water.

Currently the residence is served off an existing well. The residence has a 1,200 gallon water storage tank that is feed by the well. Out of the residential storage tank the line splits serving a fire suppression system. The current system splits again with one line supplying outdoor sprinklers and hose bibs and the other going through a water filtration system before it supplies the indoor residential use. Because of the current pipe plumbing set up the new Town potable water service line can connect directly into the residences' indoor use only. The existing well, storage tank and pumps will continue to supply fire suppression and outdoor irrigation use.

## 3.0 Calculated Water Demands

### 3.1 In-House Demands

In-house potable use is projected for the current existing full build-out of a single-family residence, defined as a single house with an annual average of 3.5 people using 100 gallons per person per day (gpd). It is assumed that the home uses an average 350 gpd indoor use. The average daily demand for the residence is not to exceed 0.533 acre-feet per year.

There will be times when more than the daily average water use is used during the peak day and peak hours. Typical peak day is about 4 times the annual average and peak hour flow is between 5-6 times the average daily use. During peak hours as much as 5 gallons per minute could be flowing in the 1" service pipe.

The 1" HDPE pipe can easily flow 13 gallons per minute at 5 feet per second.

### 3.2 Irrigation Demands

Irrigated area for each lot will be limited to 2,500 square feet; therefore requiring 0.143 acre-feet of water.

However the current piping design plan is to continue to use the existing well for outdoor irrigation use.

### 3.3 Town Capacity to Meet Demands

The Town of Crested Butte has the following current water system capacities:

- 6 cubic feet per second (cfs) domestic water rights (they have additional irrigation water rights); that is equal to 3.88 million gallons per day of water
- Raw water storage capacity up stream of the treatment plant of 10 million gallons
- Water treatment plant capacity of 1.25 million gallons per day
- Treated water storage capacity of 1.1 million gallons per day

Therefore adding our calculated peak day use of the proposed water service line a maximum daily use would be approximately .03% of the current treated daily storage volume.

### 3.4 Fire Flow Requirements

The residential unit has an already installed approved and existing fire suppression system. The design piping will continue to have the tank and pumps all connected to the existing well system. No change to the existing fire suppression system will be made nor needs to be made.

## 4.0 Hydraulic Analysis

For hydraulic modeling on the proposed system SGM used the Bentley FlowMaster software using the Hazen-Williams formula. Appendix A show the summary reports for flow and pressure within the existing 12" main line at the connection location and the flow and pressure at the house using a 1" HDPE water service line.

The connection point on the existing 12" main line is approximately 600' away and 65' lower than the Town's current treated water storage tanks.

The new 1" HDPE line would run at a continuous negative grade from the connection point approximately 570' down the existing gravel driveway and another 35' lower from the connection point.

Therefore the 1" pipe should be able to flow 13.5 gallons per minute, 5 feet per second, with a 20 psi residual, have a static working pressure of about 45 psi without any additional storage or pressure tank.

This is all more than adequate for a single residential unit this size and use.

# Appendix A

## Flow Calculations

**Worksheet**  
Exhibit E  
**Worksheet for Pressure Pipe**

---

Project Description	
Worksheet	Pressure Pipe - 1
Flow Element	Pressure Pipe
Method	Hazen-Williams Fo
Solve For	Pressure at 2

---

---

Input Data	
Pressure at	6.00 psi
Elevation at	00.00 ft
Elevation at	35.00 ft
Length	100.00 ft
C Coefficient	130.0
Diameter	12.0 in
Discharge	5.00 cfs

---

@ bottom of water tanks



65' of elevation change



---

Results	
Pressure at 2	31.23 psi
Headloss	6.80 ft
Energy Grade at	114.47 ft
Energy Grade at	107.67 ft
Hydraulic Grade :	113.84 ft
Hydraulic Grade :	107.04 ft
Flow Area	0.8 ft <sup>2</sup>
Wetted Perimeter	3.14 ft
Velocity	6.37 ft/s
Velocity Head	0.63 ft
Friction Slope	011332 ft/ft

---

Active water pressure in 12" main line at service tap location



**Worksheet**  
Exhibit E  
**Worksheet for Pressure Pipe**

---

Project Description	
Worksheet	Pressure Pipe - 1
Flow Element	Pressure Pipe
Method	Hazen-Williams Fo
Solve For	Pressure at 2

---

---

Input Data	
Pressure at	31.00 psi
Elevation at	00.00 ft
Elevation at	65.00 ft
Length	100.00 ft
C Coefficient	150.0
Diameter	1.0 in
Discharge	0.01 cfs

---

Static Pressure @  
House when no water  
is in use

---

Results	
Pressure at 2	45.04 psi
Headloss	2.62 ft
Energy Grade at	171.52 ft
Energy Grade at	168.90 ft
Hydraulic Grade :	171.50 ft
Hydraulic Grade :	168.89 ft
Flow Area	0.0 ft <sup>2</sup>
Wetted Perimeter	0.26 ft
Velocity	0.92 ft/s
Velocity Head	0.01 ft
Friction Slope	004362 ft/ft

---



**Worksheet**  
Exhibit E  
**Worksheet for Pressure Pipe**

---

Project Description	
Worksheet	Pressure Pipe - 1
Flow Element	Pressure Pipe
Method	Hazen-Williams Fo
Solve For	Discharge

---

---

Input Data	
Pressure at	31.00 psi
Pressure at :	20.00 psi
Elevation at	00.00 ft
Elevation at	65.00 ft
Length	100.00 ft
C Coefficient	150.0
Diameter	1.0 in

---

@20 PSI operating residual pressure



---

Results	
Discharge	0.03 cfs
Headloss	60.37 ft
Energy Grade at	171.89 ft
Energy Grade at	111.52 ft
Hydraulic Grade :	171.50 ft
Hydraulic Grade :	111.13 ft
Flow Area	0.0 ft <sup>2</sup>
Wetted Perimeter	0.26 ft
Velocity	4.99 ft/s
Velocity Head	0.39 ft
Friction Slope	100621 ft/ft

---

13.5 GPM flow is available out of fixtures



**GENERAL WARRANTY DEED****J. Roger Collins and Mary L. Collins,**

whose address is           2208 E 23<sup>rd</sup> Street  
                                  Tulsa, OK 74114

for ten dollars and other valuable consideration, in hand paid, hereby sell  
convey to

**Ruby Ridge Holdings, LLC, a Colorado limited liability company,**

whose address is           1 West 3<sup>rd</sup> Street, Suite 1000  
                                  Tulsa, OK 74103

the following real property in the County of Gunnison, State of Colorado:

Lot 6, TRAPPER'S CROSSING AT CRESTED BUTTE, according to the  
Plat thereof filed April 26, 1990 as Reception No. 419857, County of  
Gunnison, State of Colorado,

with all its appurtenances and warrant the title to same, subject to: the lie  
for 2016 and subsequent real property taxes and assessments; reservation  
exceptions contained in U.S. Patents, or in Acts authorizing the issuance  
thereof, recorded December 23, 1897 in Book 101 at Page 177, and record  
March 21, 1895 in Book 115 at Page 146; Reservations and exceptions in  
Patents, as reserved in United States Patent recorded July 7, 1965 in Book  
381 at Page 212 and recorded March 7, 1986 in Book 627 at Page 503; an  
right, title or interest to the strip of land ten feet wide on each side of the  
centerline of the Crested Butte Light and Water Company's Ditch as set fo  
in Quit Claim Deed recorded August 11, 1890 in Book 81 at Page 63; Licer  
recorded November 15, 1966 in Book 393 at Page 134; terms, conditions, :  
perpetual easement as set forth in Quit Claim Deed recorded September 2  
1977 in Book 506 at Page 524 and in Quit Claim Deed recorded February  
1978 in Book 512 at Page 278; Easement as set forth in instrument record  
July 13, 1978 in Book 517 at Page 97; Declaration of Protective Covenants  
Trapper's Crossing at Crested Butte recorded April 26, 1990 in Book 677 a  
Page 509, in Amendment of Declaration of Protective Covenants of Trapper  
Crossing at Crested Butte recorded February 14, 1991 in Book 687 at Pag  
946, in Notice of Amendment recorded May 31, 2001 as Reception No.  
511091, Amendment to Declaration of Protective Covenants of Trappers  
Crossing at Crested Butte recorded May 31, 2001 as Reception No. 51110:  
Amendment to Declaration of Protective Covenants of Trappers Crossing at  
Crested Butte recorded May 31, 2001 as Reception No. 511103, and

01330-89022

11/17/2016 11:37:30 AM 2 of 3

Gunnison County, CO

Amendment recorded April 13, 2011 as Reception No. 604665; Approval of Town of Crested Butte to Amendment to Declaration of Protective Covenant of Trappers Crossing at Crested Butte recorded May 31, 2001 as Reception No. 511092; all matters as shown on the Plat of Trapper's Crossing at Crested Butte recorded April 26, 1990 as Reception No. 419857; Agreement between Trappers Crossing LTD, a Delaware limited partnership and the Town of Crested Butte, Colorado recorded April 26, 1990 in Book 677 at Page 532, as set forth in Agreement Vacating Easements recorded February 20, 1998 as Reception No. 481790; easement and right of way for County Road 4 over across subject property; a 5% nonparticipating royalty interest in and to all minerals of every nature and description, including, but not limited to, oil, gas, coal, all hydrocarbon substances, methane gases, metals, fissionable material, carbonate material, geothermal energy and in general any and all minerals actually produced or removed from Trapper's Crossing at Crested Butte according to the Plat thereof filed April 26, 1990 as Reception No. 419857 as set forth in Special Warranty Deed recorded November 16, 1991 in Book 715 at Page 398 and any and all assignments and interests thereof; all minerals of every nature and description, including but not limited to, oil, gas, coal, all hydrocarbon substances, methane gases, metals, fissionable material, carbonate material, geothermal energy and in general any and all minerals actually produced or removed from the subject property; provided, however, that the removal of the above described minerals and mineral rights shall be done in a manner that will not interfere with the full and absolute use and enjoyment of the surface of the subject property, as reserved in Warranty Deed recorded September 5, 1990 in Book 681 at Page 980 as Reception No. 422344 and in Book 681 at Page 986 as Reception No. 422346; Restrictions in Warranty Deed recorded November 21, 1989 in Book 672 at Page 417 as Reception No. 417254; Restrictions in Warranty Deed recorded November 16, 1992 in Book 715 at Page 398 as Reception No. 438511; Agreement recorded August 1, 1990 in Book 680 at Page 727 as Reception No. 421648; Grant of Utilities Easement recorded August 17, 1990 in Book 681 at Page 397 as Reception No. 422022; document recorded February 14, 1991 in Book 687 at Page 948 as Reception No. 425378; Notice of Watershed Ordinances Affecting Real Property recorded February 12, 1993 in Book 720 at Page 163 as Reception No. 440659; Agreement recorded August 10, 1993 in Book 728 at Page 591 as Reception No. 444455; Utility Easement recorded July 30, 1997 as Reception No. 477181; Amendment to Declaration of Protective Covenants recorded May 31, 2001 as Reception No. 511097; Conservation Easement recorded December 19, 2001 as Reception No. 516729; all matters as shown on the Improvement Location Certificate dated October 28, 2016, Job No. 16164.00, prepared by NCW & Associates, Inc.; Certificate of Administrative Review recorded October 19, 2012 as Reception No. 616268; and Mineral Deed recorded June 30, 2014 as Reception No. 627498.

11/17/2016 11:37:30 AM 3 of 3

Gunnison County, CO

Signed this 14<sup>th</sup> day of November, 2016.

J. Roger Collins  
J. Roger Collins

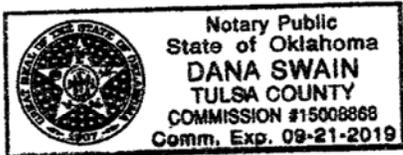
Mary L. Collins  
Mary L. Collins

STATE OF OKLAHOMA  
COUNTY OF Tulsa ) ss.

The foregoing General Warranty Deed was acknowledged before me this 14 day of November, 2016, J. Roger Collins and Mary L. Collins.

Witness my hand and official seal.  
My commission expires:

Dana Swain  
Notary Public



# stewart title

## ALTA OWNER'S POLICY OF TITLE INSURANCE

ISSUED BY  
STEWART TITLE GUARANTY COMPANY

Any notice of claim and any other notice or statement in writing required to be given to the Company under this Policy must be given to the Company at the address shown in Section 18 of the Conditions.

### COVERED RISKS

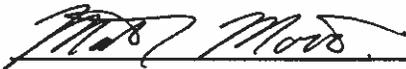
SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, STEWART TITLE GUARANTY COMPANY, a Texas corporation, (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
  - (a) A defect in the Title caused by
    - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
    - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
    - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
    - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
    - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
    - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
    - (vii) a defective judicial or administrative proceeding.
  - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid
  - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (a) the occupancy, use, or enjoyment of the Land;
  - (b) the character, dimensions, or location of any improvement erected on the Land;
  - (c) the subdivision of land; or
  - (d) environmental protection
 if a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.
7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.

  
Authorized Countersignature

Stewart Title Company - Crested Butte  
411 3rd Street  
Crested Butte, CO 81224





Matt Morris  
President and CEO



Denise Carraux  
Secretary

For coverage information or assistance resolving a complaint, call (800) 729-1902 or visit [www.stewart.com](http://www.stewart.com). To make a claim, furnish written notice in accordance with Section 3 of the Conditions. For purposes of this form the "Stewart Title" logo featured above is the represented logo for the underwriter, Stewart Title Guaranty Company.

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ALTA Owner's Policy 06-17-06

File No. 01330-89022

Policy Serial No.: O-9301-4199747

Page 1 of 10

AMERICAN  
LAND TITLE  
ASSOCIATION



9. Title being vested other than as stated in Schedule A or being defective
- as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
  - because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
    - to be timely, or
    - to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this Policy, but only to the extent provided in the Conditions.

### EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

- Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
    - the occupancy, use, or enjoyment of the Land;
    - the character, dimensions, or location of any improvement erected on the Land;
    - the subdivision of land; or
    - environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

  - Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
- Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
- Defects, liens, encumbrances, adverse claims, or other matters
  - created, suffered, assumed, or agreed to by the Insured Claimant;
  - not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - resulting in no loss or damage to the Insured Claimant;
  - attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
  - resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
- Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - a fraudulent conveyance or fraudulent transfer; or
  - a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
- Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

### CONDITIONS

#### 1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- "Insured": The Insured named in Schedule A.
  - the term "Insured" also includes
    - successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
    - successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
    - successors to an Insured by its conversion to another kind of Entity;
    - a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
      - if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
      - if the grantee wholly owns the named Insured,
      - if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
      - if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.
  - with regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- "Insured Claimant": An Insured claiming loss or damage.
- "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- "Title": The estate or interest described in Schedule A.
- "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

#### 2. CONTINUATION OF INSURANCE

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ALTA Owner's Policy 06-17-06

File No. 01330-89022

Policy Serial No.: O-9301-4199747

Page 2 of 10

AMERICAN  
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ASSOCIATION



The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

**3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT**

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

**4. PROOF OF LOSS**

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

**5. DEFENSE AND PROSECUTION OF ACTIONS**

(a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.

(b) The Company shall have the right, in addition to the options contained in Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

(c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

**6. DUTY OF INSURED CLAIMANT TO COOPERATE**

(a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) in securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

**7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY**

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance. To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay. Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or

(ii) to pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

**8. DETERMINATION AND EXTENT OF LIABILITY**

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

(a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of

(i) the Amount of Insurance; or

(ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.

(b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,

(i) the Amount of Insurance shall be increased by 10%, and

(ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.

(c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

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ALTA Owner's Policy 06-17-06

File No. 01330-89022

Policy Serial No.: O-9301-4199747

Page 3 of 10

AMERICAN  
LAND TITLE  
ASSOCIATION



**9. LIMITATION OF LIABILITY**

- (a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

**10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY**

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

**11. LIABILITY NONCUMULATIVE**

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

**12. PAYMENT OF LOSS**

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

**13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT**

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies. If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.
- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

**14. ARBITRATION**

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

**15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT**

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.
- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

**16. SEVERABILITY**

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

**17. CHOICE OF LAW; FORUM**

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefor in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located. Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

**18. NOTICES, WHERE SENT**

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at Claims Department at P.O. Box 2029, Houston, TX 77252-2029.



**ALTA OWNERS POLICY  
SCHEDULE A****ISSUED BY  
STEWART TITLE GUARANTY COMPANY****Name and Address of Title Insurance Company**Stewart Title Guaranty Company  
P.O. Box 2029  
Houston, TX 77252-2029**File No.:** 01330-89022**Policy No.:** O-9301-4199747**Address Reference:** 194 Meadow Drive Crested Butte, CO 81224**Amount of Insurance:** \$2,900,000.00**Premium:** \$5,281.00**Date of Policy:** November 17, 2016 at 11:37AM

1. Name of Insured:  
Ruby Ridge Holdings, LLC a Colorado Limited Liability Company
2. The estate or interest in the Land that is insured by this policy is:  
FEE SIMPLE
3. Title is vested in:  
Ruby Ridge Holdings, LLC a Colorado Limited Liability Company
4. The Land referred to in this policy is described as follows:  
See Exhibit "A" Attached Hereto

**ALTA OWNERS POLICY  
EXHIBIT "A"  
LEGAL DESCRIPTION**

ISSUED BY  
STEWART TITLE GUARANTY COMPANY

**File No.:** 01330-89022

**Policy No.:** O-9301-4199747

Lot 6,  
TRAPPER'S CROSSING AT CRESTED BUTTE,  
According to the Plat thereof filed April 26, 1990 as Reception No. 419857.

COUNTY OF GUNNISON,  
STATE OF COLORADO.

## ALTA OWNERS POLICY SCHEDULE B

ISSUED BY  
STEWART TITLE GUARANTY COMPANY

File No.: 01330-89022

Policy No.: O-9301-4199747

### EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees or expenses that arise by reason of:

1. Rights or claims of parties in possession, not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the Land and not shown by the public records.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) Minerals of whatsoever kind, subsurface and surface substances, in, on, under and that may be produced from the Land, together with all rights, privileges, and immunities relating thereto, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records or listed in Schedule B.
6. Water rights, claims or title to water.
7. All taxes for 2016 and subsequent years, which are a lien not yet payable.
8. The effect of inclusions in any general or specific water conservancy, fire protection, soil conservation or other district or inclusion in any water service or street improvement area.
9. Reservations or exceptions contained in U.S. Patents, or in Acts authorizing the issuance thereof, recorded December 23, 1897 in Book 101 at Page 177, and recorded March 21, 1895 in Book 115 at Page 146 reserving 1) Rights of the proprietor of a vein or lode to extract and remove his ore therefrom and 2) rights of way for ditches and canals constructed under the authority of the United States.
10. Reservations and exceptions in Patents, or Acts authorizing the issuance thereof, including the reservation of the right of proprietor of a vein or lode to extract and remove his ore therefrom should the same be found to penetrate or intersect the premises as reserved in United States Patent recorded July 7, 1965 in Book 381 at Page 212 and recorded March 7, 1986 in Book 627 at Page 503.
11. Any right, title or interest to the strip of land ten feet wide on each side of the centerline of the Crested Butte Light and Water Company's Ditch as set forth in Quit Claim Deed recorded August 11, 1890 in Book 81 at Page 63.
12. License recorded November 15, 1966 in Book 393 at Page 134.
13. Terms, conditions, and perpetual easement as set forth in Quit Claim Deed recorded September 21, 1977 in Book 506 at Page 524 and in Quit Claim Deed recorded February 8, 1978 in Book 512 at Page 278.
14. Easement as set forth in instrument recorded July 13, 1978 in Book 517 at Page 97.
15. Declaration of Protective Covenants of Trapper's Crossing at Crested Butte recorded April 26, 1990 in Book 677 at Page 509, in Amendment of Declaration of Protective Covenants of Trapper's Crossing at Crested Butte recorded February 14, 1991 in Book 687 at Page 946, in Notice of Amendment recorded May 31, 2001 as

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File No. 01330-89022

ALTA Owner's Policy 06-17-06

Page 7 of 10

AMERICAN  
LAND TITLE  
ASSOCIATION



## ALTA OWNERS POLICY SCHEDULE B

ISSUED BY  
STEWART TITLE GUARANTY COMPANY

File No.: 01330-89022

Policy No.: O-9301-4199747

Reception No. 511091, Amendment to Declaration of Protective Covenants of Trappers Crossing at Crested Butte recorded May 31, 2001 as Reception No. 511102, Amendment to Declaration of Protective Covenants of Trappers Crossing at Crested Butte recorded May 31, 2001 as Reception No. 511103, and Amendment recorded April 13, 2011 as Reception No. 604665.

16. Approval of Town of Crested Butte to Amendment to Declaration of Protective Covenants of Trappers Crossing at Crested Butte recorded May 31, 2001 as Reception No. 511092.
17. All matters as shown on the Plat of Trapper's Crossing at Crested Butte recorded April 26, 1990 as Reception No. 419857.
18. Agreement between Trappers Crossing LTD, a Delaware limited partnership and the Town of Crested Butte, Colorado recorded April 26, 1990 in Book 677 at Page 532, and as set forth in Agreement Vacating Easements recorded February 20, 1998 as Reception No. 481790.
19. Easement and right of way for County Road 4 over and across subject property.
20. A portion of the route of access to and from the subject property is over those roads as shown on the Plat of Trapper's Crossing at Crested Butte recorded April 26, 1990 as Reception No. 419857 dedicated to Trapper's Crossing at Crested Butte Association, a non-profit corporation, for the non-exclusive use and benefit of the owners of all Lots within Trapper's Crossing at Crested Butte, their guests, successors and assigns, and is subject to the control of Trapper's Crossing at Crested Butte Association, a Colorado non-profit corporation.  
NOTE: A portion of the route of access is over property owned by the United States of America and is subject to rules and regulations of the United States government and its agencies.
21. A 5% nonparticipating royalty interest in and to all minerals of every nature and description, including, but not limited to, oil, gas, coal, all hydrocarbon substances, methane gases, metals, fissionable material, carbonate material, geothermal energy and in general any and all minerals actually produced or removed from Trapper's Crossing at Crested Butte according to the Plat thereof filed April 26, 1990 as Reception No. 419857 as set forth in Special Warranty Deed recorded November 16, 1992 in Book 715 at Page 398 and any and all assignments and interests thereof.
22. All minerals of every nature and description, including but not limited to, oil, gas, coal, all hydrocarbon substances, methane gases, metals, fissionable material, carbonate material, geothermal energy and in general any and all minerals actually produced or removed from the subject property. Provided, however, that the removal of the above described minerals and mineral rights shall be done in a manner that will not interfere with the full and absolute use and enjoyment of the surface of the subject property, as reserved in Warranty Deed recorded September 5, 1990 in Book 681 at Page 980 as Reception No. 422344 and in Book 681 at Page 986 as Reception No. 422346.
23. Restrictions in Warranty Deed recorded November 21, 1989 in Book 672 at Page 417 as Reception No. 417254.
24. Restrictions in Warranty Deed recorded November 16, 1992 in Book 715 at Page 398 as Reception No. 438511.
25. Agreement recorded August 1, 1990 in Book 680 at Page 727 as Reception No. 421648.
26. Grant of Utilities Easement recorded August 17, 1990 in Book 681 at Page 397 as Reception No. 422022.
27. Document recorded February 14, 1991 in Book 687 at Page 948 as Reception No. 425378.

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File No. 01330-89022

ALTA Owner's Policy 06-17-06

Page 8 of 10

AMERICAN  
LAND TITLE  
ASSOCIATION



**ALTA OWNERS POLICY  
SCHEDULE B****ISSUED BY  
STEWART TITLE GUARANTY COMPANY****File No.:** 01330-89022**Policy No.:** O-9301-4199747

28. Notice of Watershed Ordinances Affecting Real Property recorded February 12, 1993 in Book 720 at Page 163 as Reception No. 440659.
29. Agreement recorded August 10, 1993 in Book 728 at Page 591 as Reception No. 444455.
30. Utility Easement recorded July 30, 1997 as Reception No. 477181.
31. Amendment to Declaration of Protective Covenants recorded May 31, 2001 as Reception No. 511097.
32. Conservation Easement recorded December 19, 2001 as Reception No. 516729.
33. All matters as shown on the Improvement Location Certificate dated October 28, 2016, Job No. 16164.00, prepared by NCW & Associates, Inc.
34. Certificate of Administrative Review recorded October 19, 2012 as Reception No. 616268.
35. Mineral Deed recorded June 30, 2014 as Reception No. 627498.
36. (a) All right, title or claim of any character by the United States, state, local government or by the public generally in or to any portion of the land lying within the current or former bed, or below the ordinary high water mark, or between the cut banks of a stream navigable in fact or by law. (b) Right of water right owners to the use and flow of the water. (c) The consequence of any past or future change in the location of the bed of the Slate River.

**CO 110.1 OP DELETION OF EXCEPTION  
ATTACHED TO POLICY NUMBER O-9301-4199747**

ISSUED BY  
STEWART TITLE GUARANTY COMPANY

File No.: 01330-89022

Charge: \$65.00

Said Policy is hereby amended by deleting exceptions [1-4], of Schedule B.

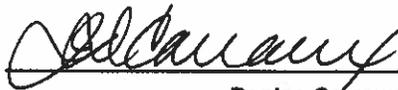
This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

  
Authorized Countersignature

Stewart Title Company - Crested Butte  
411 3rd Street  
Crested Butte, CO 81224



  
Matt Morris  
President and CEO

  
Denise Carraux  
Secretary

For purposes of this form the "Stewart Title" logo featured above is the represented logo for the underwriter, Stewart Title Guaranty Company.

## **Anti-Fraud Statement CRS 10-1-128**

File No.: 01330-89022

"It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies."

File No.: 01330-89022

## STG Privacy Notice Stewart Title Companies

### WHAT DO THE STEWART TITLE COMPANIES DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of the Stewart Title Guaranty Company and its title affiliates (the Stewart Title Companies), pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Stewart Title Companies, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information, the reasons that we choose to share, and whether you can limit this sharing.

Reasons we can share your personal information.	Do we share	Can you limit this sharing?
<b>For our everyday business purposes</b> — to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
<b>For our marketing purposes</b> — to offer our products and services to you.	Yes	No
<b>For joint marketing with other financial companies</b>	No	We don't share
<b>For our affiliates' everyday business purposes</b> — information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and non-financial companies. <i>Our affiliates may include companies with a Stewart name: financial companies, such as Stewart Title Company.</i>	Yes	No
<b>For our affiliates' everyday business purposes</b> — information about your creditworthiness.	No	We don't share
<b>For our affiliates to market to you</b> – For your convenience, Stewart has developed a means for you to opt out from its affiliates marketing even though such mechanism is not legally required.	Yes	Yes, send your first and last name, the email address used in your transaction, your Stewart file number and the Stewart office location that is handling your transaction by email to <a href="mailto:optout@stewart.com">optout@stewart.com</a> or fax to 1-800-335-9591.
<b>For non-affiliates to market to you.</b> Non-affiliates are companies not related by common ownership or control. They can be financial and non-financial companies.	No	We don't share

We may disclose your personal information to our affiliates or to non-affiliates as permitted by law. If you request a transaction with a non-affiliate, such as a third party insurance company, we will disclose your personal information to that non-affiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

### SHARING PRACTICES

<b>How often do the Stewart Title companies notify me about their practices?</b>	We must notify you about our sharing practices when you request a transaction.
<b>How do the Stewart Title Companies protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer, file, and building safeguards.
<b>How do the Stewart Title Companies collect my personal information?</b>	We collect your personal information, for example, when you <ul style="list-style-type: none"> <li>■ request insurance-related services</li> <li>■ provide such information to us</li> </ul> We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.
<b>What sharing can I limit?</b>	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.

**Contact us:** If you have any questions about this privacy notice, please contact us at: Stewart Title Guaranty Company, 1980 Post Oak Blvd., Privacy Officer, Houston, Texas 77056

- line;
58. North 0° 40' 48" West 468.00 feet to the north quarter corner of said Section 3;
  59. North 0° 59' 38" West 2579.24 feet to the center quarter corner of said Section 34;
  60. South 89° 20' 20" West 2646.01 feet to the west quarter corner of said Section 34;
  61. North 1° 16' 03" West 2605.71 feet to the northwest corner of said Section 34, said corner being the POINT OF BEGINNING;

EXCEPTING THEREFROM a tract of land within the NE1/4SW1/4 of Section 34, that was conveyed from CFI to Jay O'Neal in a deed recorded in Book 517 at Page 97 of the records of the Gunnison Clerk and Recorder.

ALSO EXCEPTING THEREFROM a tract of land within the NE1/4NW1/4 Section 3 that was conveyed from Durango land and Coal Company Crested Butte Light and Water Company in a deed recorded in Book 517 at Page 548 of the records of the Gunnison County Clerk and Recorder.

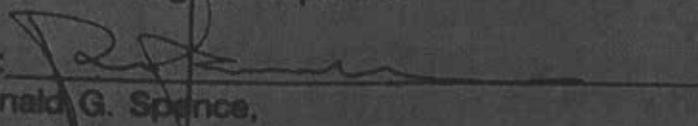
This tract contains 996 acres more or less.

Bearings used herein are relative to astronomic north as determined by solar observations.

has laid out, platted and subdivided the same as Trapper's Crossing at Crested Butte as shown on this Plat and does hereby dedicate to Trapper's Crossing at Crested Butte Association, a Colorado non-profit corporation, for the non-exclusive use and benefit of the owners of all Lots within Trapper's Crossing at Crested Butte, their guests, successors and assigns, the private roads set forth on the Plat for vehicular and pedestrian ingress and egress and for the installation and maintenance of all utilities, either by the Association, any utility company, the dedicator, the Association or any Lot owner. There is dedicated to the Town of Crested Butte, Colorado the land shown as Public Lands as shown on the Plat under the terms and conditions set forth in the Agreement. There is further dedicated to Trapper's Crossing at Crested Butte Association the Reservoir Easement, Ditch Easement, and Pipeline Easement as shown on the Plat, for the installation, maintenance, repair, replacement and operation of those facilities as described in Case No. 89-CW-219 of the Water Court for Water Division 4, State of Colorado.

IN WITNESS WHEREOF, the dedicator has subscribed its name this 25<sup>th</sup> day of April, 1990.

TRAPPERS CROSSING, LTD., a Delaware limited partnership, by FAR CORP., a Colorado corporation, general partner

By:   
Ronald G. Spence,  
President

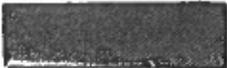
ously conveyed to Town in Bk 393 at page 134 in  
 initially the same location. The existing  
 -ded easement is 20 feet in width (being 10 feet on each  
 of the center line described in said Quit Claim Deed) -  
 plat created a additional width on that easement of 20  
 so the total easement width is now 20 feet in width on  
 side of said center line for a total width of 40 feet.

ted Butte Reservoir Site is shown on the plat in its  
 recent recorded location - it was recorded as two  
 els - Bk 512 at page 278 is the larger and a smaller  
 el for water tank location adjacent on the southeast  
 er of the larger parcel is recorded in Bk 543 at page

There are two previously recorded locations for  
 reservoir site - being Bk 393 at page 134 and Bk 81 at  
 63 - both of these previously recorded locations being  
 ntially on the same location as displayed on this plat.

.ITY EASEMENTS are reserved WITHIN all lots, said easements  
 ited on the lot lines and having a width of 10 feet, said  
 ements being for construction and maintenance of buried  
 lities, said utilities to serve lots within this  
 ivision. See sheet no. 8 of 8 for a drawing of said *easements*.

LEGEND

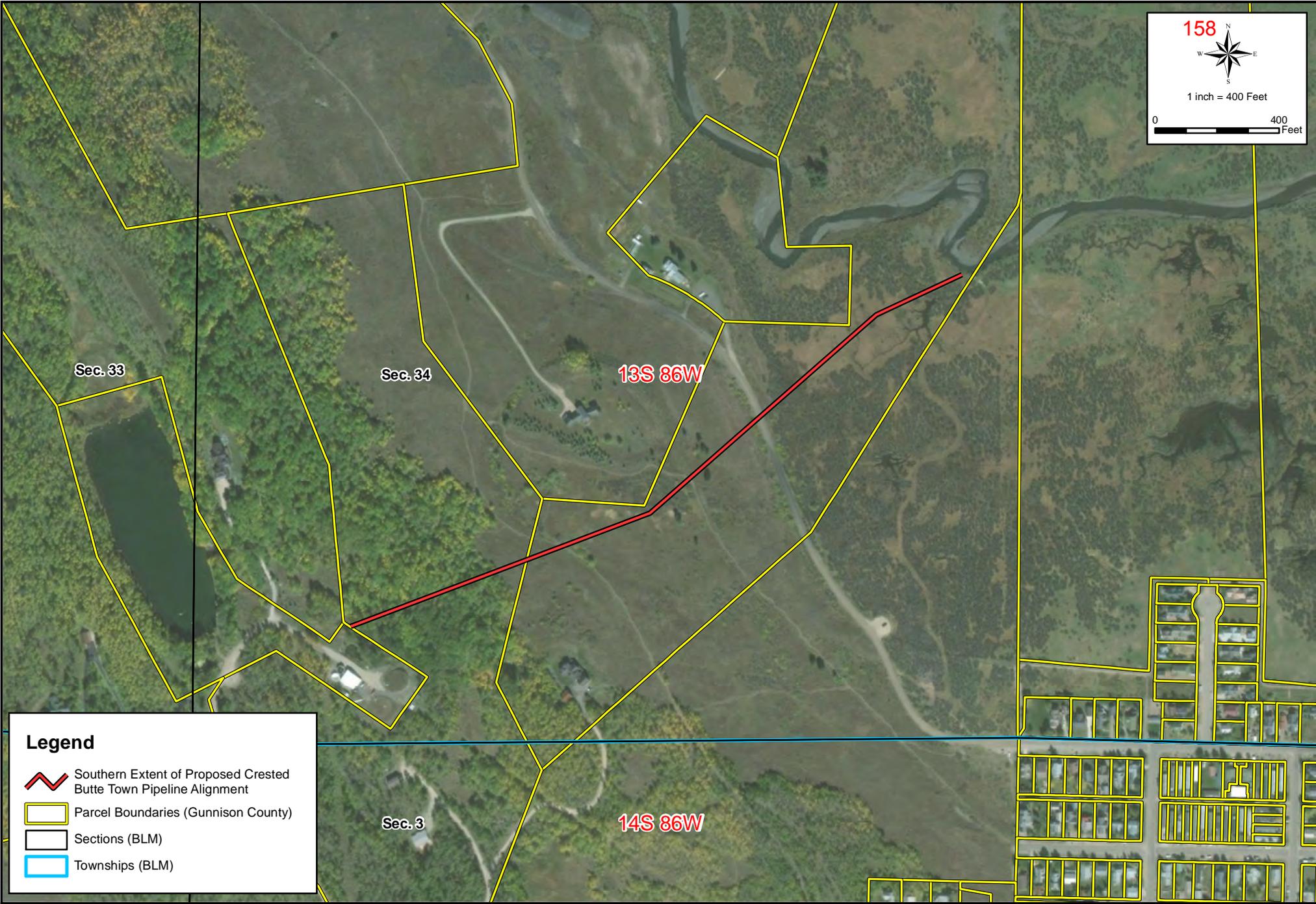
-  Building Site
-  Town of Crested Butte Water line Easement  
(see note 6 sheet no. 2 for details)
-  Road and utility easement created by this plat
-  Existing overhead electric or telephone lines
-  Found USBLD standard brass cap monument at  
section corners and quarter corners.
-  Approximate location of buried water line to  
O'Neal property
-  Easement dedication to Town of Crested Butte
-  Surface water course easement to be 10 feet wide  
each side of existing primary water course.



158

1 inch = 400 Feet

0 400 Feet



**Legend**

- Southern Extent of Proposed Crested Butte Town Pipeline Alignment
- Parcel Boundaries (Gunnison County)
- Sections (BLM)
- Townships (BLM)

Date: 5/10/2018 Document Path: P:\131-004 McCormick Ditch Crested Butte\100\Mapping\Figure 1 - Town of CB Proposed Pipeline May 2018.mxd

User Name: tdowing

GUNNISON COUNTY, CO



Wright Water Engineers, Inc.  
1666 N. Main Ave., Ste. C  
Durango, CO 81301  
(970) 259-7411 ph 259-8758 fx

**PROPOSED ALIGNMENT FOR CRESTED BUTTE TOWN PIPELINE**

PRIVILEGED AND CONFIDENTIAL INFORMATION  
TOWN OF CRESTED BUTTE

PROJECT NO.  
131-004.110

DRAFT  
FIGURE  
1



## Staff Report

**To:** Mayor Schmidt and Town Council  
**From:** Michael Yerman, Community Development Director  
**Thru:** Dara MacDonald, Town Manager  
**Subject:** McCormick Ditch Relocation Agreement  
**Date:** October 15, 2018

---

### **Background:**

The Kapushions and Town entered into an Improvement Agreement, Reception No. 397358 (Agreement) in 1986 outlining their development obligations for Blocks 1, 2, 3, 10, 11, and 12. This agreement was established prior to the adoption of the Town's subdivision code provisions and other construction standards. Throughout the history of the agreement, the Kapushions have developed property along Gothic Avenue, Butte Avenue, and Fourth Street.

Since the execution of the agreement in 1986, the Town construction specifications have been updated to include paving, gutters, and other improvements such as drainage that do not coincide with the 1986 agreement. The 1986 agreement does not cover the relocation of the McCormick Ditch or the extension of the sewer main in Teocalli Avenue. However, there is a reference in the agreement that the Town and Kapushions would enter into negotiations regarding the installation of this sewer main.

The Kapushions approached the Town to update the Agreement as it relates the extension of the sewer main in Teocalli Avenue and the relocation of the McCormick Ditch through Blocks 1, 2, 11, and 12. The Kapushions agreed to provide the Town with engineered plans for the Town's review of the infrastructure and to meet the current Town standards for the construction of Teocalli Avenue, the sewer main extension, meet current drainage standards, and pipe the McCormick Ditch. The Kapushions have proposed two phases for the construction. The first phase includes the relocation of the McCormick Ditch, the extension of the sewer main in eastern portion of Teocalli Avenue, the installation of Fifth Street, and the installation of Teocalli Avenue between 5<sup>th</sup> and 6<sup>th</sup> Streets. Phase two will complete Teocalli Avenue between 4<sup>th</sup> and 5<sup>th</sup> Streets and the remaining sewer main extension.

Town Staff has conducted a review of the engineered plans for the proposed infrastructure and has substantially determined these plans meet the Town's construction standards.

During the review of the engineered plans supplied by the Kapushions, a new Development Improvement Agreement (DIA) was drafted by the Town's legal counsel. This new DIA meets the

current standards including a proper surety for the construction work as well as a two year warranty period. In June of 2017 the Council approved the DIA via Resolution 39, Series 2017.

A Ditch relocation agreement was also prepared for the relocation of the McCormick Ditch. This agreement requires the two ownership partners in McCormick Ditch to sign off on the engineering and the relocation. The McCormick Ditch will be relocated to the Teocalli Avenue right of way and an easement to ensure proper maintenance clearances will be recorded against the private property located next to the ditch as described above. Beginning in October of 2016, the Town has circulated versions of the DIA and the Ditch Agreement to the other ditch owners.

Since this time the town has also drafted a secondary agreement with Sheep Mountain Partners to take over the maintenance of the Ditch until the point of delivery at Verzuh Ranch. There are a few remaining items on the two way ditch agreement so the attached version is a draft. The Town and Sheep Mountain are working out the remaining details and there may be changes dependent on Sheep Mountain Partners comments.

**Recommendation:**

Town staff will give the Council a formal recommendation during the meeting once the parties come to terms on the final remaining items on the agreement. The formal approval may be delayed until November 5, 2018.

## Ditch Relocation Agreement and Grant of Easement

**THIS DITCH RELOCATION AGREEMENT and GRANT OF EASEMENT** (this “**Agreement**”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the “**Effective Date**”) by and between the **TOWN OF CRESTED BUTTE**, a Colorado home rule municipality (the “Town”) and **SHEEP MOUNTAIN PARTNERS, LLC**, a Colorado limited liability company (“Sheep Mountain”) (collectively “**Ditch Holders**”); and **RUTH M. KAPUSHION FAMILY PARTNERSHIP, LLLP**, a Colorado limited liability limited partnership (“**Owner**”).

### WITNESSETH:

WHEREAS, the Owner is the fee title owner of the real property (the “**Development Property**”) described in Exhibit “A” of the Development Improvements Agreement made and entered into on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between the Town and the Owner, and recorded at Reception No. \_\_\_\_\_, Gunnison County Clerk and Recorder’s Office (the “**Development Improvements Agreement**”).

WHEREAS, the development project described in the Development Improvements Agreement (the “**Project**”) includes construction of the improvements (the “**Improvements**”) described on Exhibit “E” of the Development Improvements Agreement, at the Owner’s sole expense, in strict accordance with Town-approved plans and specifications;

WHEREAS, construction of the Improvements includes relocating and piping a segment of the McCormick Ditch that crosses the Development Property and maintenance of the same for a two-year period following completion (the “**Relocation Work**”);

WHEREAS, the McCormick Ditch, located in Gunnison County, Colorado, is adjudicated to divert and carry the following water rights out of Coal Creek:

Priority	Case No.	Appropriation Date	Adjudication Date	Amount (cfs)
164	CA 1325	6/1/1903	9/14/1906	2.25
533	CA 5590	6/1/1903	1/27/1961	6.75
558	CA 5590	4/1/1952	1/27/1961	1.0
				<i>TOTAL = 10.0</i>

WHEREAS, the Ditch Holders own all McCormick Ditch water rights, structures, easements, and physical appurtenances. Specifically, the Town owns 6.11 c.f.s., or approximately 61%, of the water decreed to be carried in the Ditch; and Sheep Mountain owns 3.89 c.f.s., or approximately 39%, of the water decreed to be carried in the Ditch;

WHEREAS, the Ditch Holders desire to protect their respective property interests in the McCormick Ditch from any and all injury and/or increased operational, maintenance, repair and replacement expenses that may result from the Relocation Work, except as provided for herein; and

WHEREAS, the Owner agrees to grant the Ditch Holders an easement on the Development Property for the relocated and piped segment of the McCormick Ditch under the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the preambles, covenants, conditions and agreements set forth in this Agreement, the parties agree as follows:

**AGREEMENT and GRANT OF EASEMENT:**

1. Preamble. The parties recognize the McCormick Ditch water rights, structures, easements, and physical appurtenances as valuable property rights that must be protected from any and all harm that may result from the Relocation Work. The parties further recognize that this Agreement establishes contract duties, rights, and remedies to protect the Ditch Holders' respective property interests in the McCormick Ditch. The Owner acknowledges and agrees that the relocated and piped segment of the McCormick Ditch must be capable of handling up to 10 cubic feet per second of flow ("c.f.s."), the decreed capacity of the McCormick Ditch, through the entirety of its length.

2. Approval of, and Changes to, the Improvements. Each Ditch Holder has approved the plans to construct the Relocation Work as attached as **Exhibit "A"** and incorporated by reference into this Agreement. These agreed-upon plans for the Relocation Work form a material basis of this Agreement. The Ditch Holders reserve the right to review and approve, disapprove, or approve with conditions, any material changes or other updates to the Relocation Work plans, prior to commencement of any construction work by the Owner relating to the changes. The Ditch Holders will not unreasonably withhold their approval of any changes or other updates, and will provide the Owner with their approval or reasons for denial in writing as soon as reasonably possible but in any case within five business days of receipt of the Owner's written proposal and request to make changes. However, the Ditch Holders reserve the right to require restoration, alteration, and/or remedial efforts as conditions of their approval. In the event that the Ditch Holders require assistance from an engineer and/or attorney to review any changes or other updates to the Relocation Work plans, the Owner will pay the costs of such services; provided that payment to the Town of its costs shall be addressed by separate reimbursement agreement agreed to by and between the Town and Owner. All approved changes or other updates to the Relocation Work plans will be incorporated into the meaning of the Relocation Work as used in, and for purposes of, this Agreement.

3. Timely and Proper Completion of Construction of the Relocation Work.

3.1. The Owner is not obligated to start the Relocation Work until 2 years following execution of this Agreement by all parties.

3.2. The Owner must accomplish all Relocation Work that involves turning off the McCormick Ditch at times that does not interfere with operation of the McCormick Ditch and that is outside the McCormick Ditch's historic season of use of May 1 through September 15 of

each year, unless the Ditch Holders agree otherwise in writing. Notwithstanding any other provision of this Agreement to the contrary, (a) notice to or approval by the Ditch Holders shall not be required for Relocation Work that does not involve turning off the McCormick Ditch; (b) the McCormick Ditch shall not be turned off between May 1 and September 15, except upon the prior written approval of the Ditch Holders, which may be granted or withheld by the Ditch Holders in their sole, subjective discretion; (c) between September 15 and October 31, Owner shall have the right to turn off the McCormick Ditch once for up to 7 days upon 7 days prior written notice to the Ditch Holders; and (d) between November 1 and April 30, Owner shall have the right to turn off the McCormick Ditch at any time without notice to or approval by the Ditch Holders. The Ditch Holders agree Owner shall provide, construct and operate a temporary bypass pipeline throughout the construction project contemplated hereunder which will allow for the continued flow of the McCormick Ditch during construction so long as such pipeline delivers McCormick Ditch water down-ditch of the construction site in the same manner and in the same quality as the historic Ditch; and that use of such pipeline will not be considered “turning off the McCormick Ditch” as used in this paragraph. This temporary bypass pipeline shall, among other things, serve to ensure that stormwater from the construction site will not enter the McCormick Ditch system. All stormwater from the site will be routed into the Town’s stormwater system at a point that is north and downstream of the combined irrigation/stormwater box presently located where the McCormick Ditch crosses 6th Street.

3.3. The Owner must accomplish all Relocation Work, at Owner’s sole cost and expense, in a workmanlike manner and in strict conformity with the Relocation Work components of the plans attached as **Exhibit “A”** (or any changes or other updates to the Relocation Work plans made pursuant to paragraph 2 above). The Owner must also ensure that the McCormick Ditch’s carrying capacity of 10 c.f.s., volume of water flow, velocity of water flow, quality of water, and water seepage qualities (to the extent the ditch remains an open structure) are maintained at values consistent with the values existing prior to completion of the Relocation Work, and that any measuring devices along the length of the McCormick Ditch removed as part of the Relocation Work are suitably replaced in appropriate locations as provided in the Relocation Work plans. To ensure compliance with this Agreement, the Owner will include construction of the Relocation Work in any performance and warranty sureties provided to the Town pursuant to the Development Improvements Agreement between the Town and Owner. To the extent practically feasible, the Owner will also include Sheep Mountain as a named benefitted party under any performance and warranty sureties covering construction of the Relocation Work; and will include the Ditch Holders as additional insureds on applicable property and liability insurance policies covering the Relocation Work. The Owner also hereby provides each Ditch Holder with an express construction and performance warranty for the Relocation Work extending two years following certification of completion of the Relocation Work as described in this paragraph. Upon completion of the Relocation Work, the Owner’s professional engineer will certify in writing to the Ditch Holders that construction was accomplished in a workmanlike manner and in strict conformity with the Relocation Work plans. Upon receipt of such certification, and within a two-month time period based on ability to observe the actual performance of the Relocation Work under a full flow and peak scenarios during the May 1 through October 31 season of use, the Ditch Holders will undertake a test and

inspection of the completed Relocation Work. The Ditch Holders will then provide the Owner with notice of approval of the Relocation Work, or notice of any construction items that do not substantially comply with the approved Relocation Work plans or that otherwise do not perform as required under the terms of this Agreement. Upon receipt of any notice of failure of compliance, the Owner will undertake to fully correct the items that do not substantially comply with the approved plans or the required performance of the Relocation Work. The Owner will then re-undertake and re-comply with the certification and inspection processes set forth in this paragraph as if it had completed the original construction. The Owner will likewise re-undertake and re-comply with the certification and inspection process set forth in this paragraph for any approved changes or other updates to the Relocation Work made pursuant to paragraph 2 above.

3.4. Once the Ditch Holders have certified the completed Relocation Work pursuant to paragraph 3.3 above, the Owner will hire a licensed surveyor to prepare a field survey showing the location and legal descriptions of the centerline of the new relocated and piped McCormick Ditch alignment, the width of the easement granted pursuant to paragraph 4 below, and the entire segment of McCormick Ditch that crosses the Development Property. Upon completion of the field survey, the Owner will record the survey, along with a memorandum incorporating the survey into this Agreement, with Gunnison County Clerk and Recorder's Office.

#### 4. Grant of New Easements for Realigned Ditch.

4.1 Owner hereby conveys and grants to each Ditch Holder a perpetual, non-exclusive easement, free and clear of all encumbrances, for the realigned McCormick Ditch that traverses the Development Property (the "Easement"). To the extent that any lender(s) hold liens upon the Development Property, Owner shall obtain and record executed consent(s) and lien subordination(s) by such lender(s) to all terms of this Agreement prior to the Ditch Holders' execution of the Quit Claim Deed vacating the historic ditch alignment, the form of which is attached hereto as **Attachment B**. The Easement shall be 40 feet wide and located on either side of the relocated ditch's centerline, as follows: (1) the Easement over Block 2 shall encumber the south six feet of Lots 17-32 and extend thirty-four feet north into Teocalli Avenue; (2) the Easement over Block 12 shall encumber the north six feet of Lots 6-16 and extend thirty-four feet south into Teocalli Avenue. The general location of the Easement is reflected on **Attachment A** attached hereto. Upon completion, testing, surveying, and final Ditch Holder approval and certification of the Relocation Work under the terms and conditions of this Agreement, the actual as-built location of the Easement shall be surveyed and reflected in an amended **Attachment A** that shall be appended to this Agreement by recordation in the Office of the Clerk and Recorder of Gunnison County, Colorado. This Easement is granted for purposes of transporting up to 10 c.f.s. of water carried through the McCormick Ditch, and for accessing the ditch for inspection, monitoring, cleaning, operation, maintenance, repair and replacement and reconstruction pursuant to this Agreement. The Easement will be binding upon, and will inure to the benefit of, the parties and their heirs, successors, assigns, and personal representatives, and will run with the lands benefited and burdened by this Agreement.

4.2 To the extent the Easement is located within the Town's public right of ways, the

Town likewise hereby conveys and grants to Sheep Mountain, free and clear of all encumbrances, a corresponding perpetual, non-exclusive easement for the portion of the Easement that will be located within the public rights-of-way for Teocalli Avenue, Fifth Street, and Sixth Street. The general location of the portion of the Easement that will be on Town property is reflected on **Attachment A** attached hereto. Upon completion, testing, surveying, and final Ditch Holder approval and certification of the Relocation Work under the terms and conditions of this Agreement, the actual as-built location of the Easement shall be reflected in an amended **Attachment A** that shall be appended to this Agreement by recordation in the Office of the Clerk and Recorder of Gunnison County, Colorado. The portion of the Easement that will be located upon Town property is also granted to Sheep Mountain solely for purposes of transporting up to 10 c.f.s. of water through the McCormick Ditch, and for accessing the ditch for inspection, monitoring, cleaning, operation, maintenance, repair and replacement as limited in strict accordance with the terms and conditions of this Agreement. The Easement will be binding upon, and will inure to the benefit of, the parties and their heirs, successors, assigns, and personal representatives, and will run with the lands benefited and burdened by this Agreement.

4.3 The Easement granted in this section 4 shall be non-exclusive, such that as servient landowners, the Town and the Owner shall retain the right to use and enjoy their respective properties within the Easement area, so long as such use and enjoyment does not interfere with the Ditch Holder's rights under this Agreement. In general, permanent type items or improvements (such as, but not limited to buildings, sheds, pools, fences, gates) are not allowed to be installed in the Easement area. Other type of items or improvements (such as, but not limited to, trees, bushes, brush, lawn, landscaping, gardens, sidewalks, Town utilities, or pavement) are allowed. To the extent not enumerated above, the Town shall be the final arbiter in its sole discretion as to what items or improvements are allowed to be constructed or remain in the Easement area. The Town shall have the right to require immediate removal of any unauthorized items or improvements, at the Owner's or the Owner's successors' expense, as the case may be.

5. Abandonment of Historic Easement Alignment. The existing alignment of the segment of the McCormick Ditch that crosses the Development Property is shown on the plans attached as **Exhibit "A"** of this Agreement. Upon completion, testing, surveying, and final Ditch Holder approval and certification of the Relocation Work under the terms and conditions of this Agreement, the Ditch Holders will abandon or vacate their easement for the existing historic alignment; provided however, that before such vacation occurs, Ditch Owners shall have the right to remove and retain any and all personal property or ditch improvements belonging to Ditch Owners within said existing historic alignment. After 30 days following final certification of the Relocation Work pursuant to paragraph 3.3 above, and only upon request, the Ditch Holders will deliver to the Owner a quitclaim deed in substantially the form attached as **Attachment B** vacating the existing historic McCormick Ditch alignment and conveying and granting their easement for the old alignment back to the Owner, subject to Ditch Holders' rights in the Easement to be confirmed pursuant to Section 4, above.

6. Operation, Maintenance, Repair, and Replacement.

The Owner shall be solely responsible for maintenance, repair or replacement of the portion of the McCormick Ditch that crosses the Development Property, including the “by-pass” line to be installed during construction per Section 3.2, prior to, during, and after completion of the Relocation Work for a period of two years pursuant to the two-year warranty period provided for in section 3.3 above. After the two-year warranty period expires, the Town shall thereafter be solely responsible for all operation, maintenance, repair and replacement (“OMRR”) of the portion of the McCormick Ditch that crosses the Development Property pursuant to a separate agreement entitled “McCormick Ditch Agreement” being entered into by the Town and Sheep Mountain contemporaneously with this Agreement. The Owner or the Town, as applicable, will perform all OMRR of the portion of the ditch that crosses the Development Property in a manner to ensure that the McCormick Ditch’s carrying capacity of 10 c.f.s., volume of water flow, velocity of water flow, quality of water, and water seepage qualities (to the extent the ditch remains an open structure) are maintained, and otherwise in a manner that allows the McCormick Ditch to operate efficiently and effectively, and with maximum value to the Ditch Holders; and in a manner that prevents or mitigates any damages to down-gradient property and to the ditch’s structures, laterals, and appurtenances.

7. Indemnification.

7.1. During construction and throughout the two-year warranty period provided for in section 3.3. above, the Owner shall indemnify and hold harmless the Ditch Holders from any and all liability, including court costs and attorneys’ fees, resulting from untimely or improper performance of the Relocation Work of the segment of the McCormick Ditch that crosses the Development Property. During the same two year time period, Owner further agrees to indemnify and hold harmless the Ditch Holders from any and all liability resulting from flooding, erosion, sedimentation, blockage, failure to deliver water in historic amounts, or other malfunction of the segment of the McCormick Ditch that crosses the Development Property. This indemnification is construed broadly and covers all fees, costs, judgments, and damages incurred by any Ditch Holder, regardless of whether or not such fees, costs, judgments, or damages stem from an action that is filed or threatened.

7.2. The Ditch Holders will promptly notify the Owner in writing upon the filing of any action, claim, or lawsuit for which any Ditch Owners seeks indemnification pursuant to paragraph 7.1 above. The notice will include a statement describing the liability and related events for which the Ditch Owner seeks indemnification.

8. Lien Waivers. The Owner expressly waives in advance its rights and the rights of its contractors and subcontractors to any and all liens arising out of performance of the Relocation Work. It will obtain lien waivers, in a form reasonably acceptable to the Ditch Holders, from any and all laborers or materialmen that will be performing any of the Relocation Work.

9. Attorney Fees. In the event that one or more of the parties to this Agreement deems it necessary to take legal action to enforce or defend any part of this Agreement, the prevailing

party will recover its reasonably incurred attorneys' fees and costs.

10. Sheep Mountain's Fees and Costs. As part of the consideration for this Agreement, Owner agrees to reimburse Sheep Mountain a fixed sum of \$32,809.50.

11. Notice. All notices required under this Agreement must be in writing, and must be hand-delivered or sent by facsimile transmission or regular mail to the addresses of the parties listed in this paragraph. All facsimile transmissions are considered effective upon transmission receipt. All notices by mail are considered effective 72 hours after deposit in the U.S. mail if inscribed with the proper address. Any party may give notice of a change in its address pursuant to the terms of this paragraph.

Town:	Town of Crested Butte Attn: Town Manager P.O. Box 39 507 Maroon Avenue Crested Butte, CO 81224
<i>with copy to:</i>	Town of Crested Butte Attn: Town Water Attorney Scott Miller, Esq. 0197 Prospector Road, Suite 2104A Aspen, Colorado 81611
Sheep Mountain:	Sheep Mountain Partners, LLC 900 69TH St. Boulder, CO 80303-3104
<i>with copy to:</i>	Mark Hamilton, Esq. Holland & Hart, LLP 600 E. Main St., Suite 104 Aspen, CO 81611
Kapushion:	Ruth M. Kapushion Family Partnership LLLP P.O. Box 343 429 Gothic Avenue Crested Butte, CO 81224
<i>with copy to:</i>	Rob Pierce, Esq. Dufford, Waldeck, Milburn & Krohn, L.L.P. 744 Horizon Court, Suite 300 Grand Junction, CO 81506

12. Binding Agreement. This Agreement inures to the benefit of, and is binding upon, the heirs, executors, administrators, successors, and assigns of all parties. The easement granted in paragraph 5 runs with the Development Property for the benefit of the Ditch Owners, and is binding on all parties to this Agreement and their heirs, successors, and assigns having any right, title or interest in all or any part of the lands benefited and burdened by this Agreement.
13. Entire Agreement of the Parties. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, offers, acceptances, and understandings of the parties with respect to the stated subject matter. All prior and contemporaneous conversations, negotiations, possible alleged agreements, representations, covenants, and warranties concerning the stated subject matter are now merged into this Agreement.
14. Recordation. Upon execution, the Owner will record this Agreement at the Gunnison County Clerk and Recorder's Office.
15. Counterparts. This Agreement may be executed in counterpart copies, which taken together constitute the agreement between the parties.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the day and year first written above.

**TOWN OF CRESTED BUTTE,**  
a Colorado home rule municipality

By: \_\_\_\_\_  
James A. Schmidt, Mayor

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

ATTEST:

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

(SEAL)

STATE OF COLORADO            )  
  ) ss.  
COUNTY OF GUNNISON        )

Subscribed and sworn to me before this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by James A. Schmidt, Mayor of the Town of Crested Butte, a Colorado home rule municipality.

Witness my hand and official seal.  
My commission expires:

\_\_\_\_\_  
Notary Public

**SHEEP MOUNTAIN PARTNERS, LLC**  
a Colorado limited liability company

By: \_\_\_\_\_  
Ryan Martens, Manager

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

STATE OF COLORADO            )  
  ) ss.  
COUNTY OF GUNNISON        )

Subscribed and sworn to me before this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by Ryan Martens as Manager of Sheep Mountain Partners, LLC, a Colorado limited liability company.

Witness my hand and official seal.  
My commission expires:

\_\_\_\_\_  
Notary Public



**ATTACHMENT A**

**Ditch Easement Location**

## ATTACHMENT B

### Quitclaim Deed

**THIS QUIT CLAIM DEED** was made the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the **TOWN OF CRESTED BUTTE**, a Colorado home rule municipality; **SHEEP MOUNTAIN PARTNERS, LLC**, a Colorado limited liability company; (collectively "**Grantors**"); and **RUTH M. KAPUSHION FAMILY PARTNERSHIP, LLLP**, a Colorado limited liability limited partnership ("**Grantee**").

**WITNESSETH**, Grantors, for and in consideration of the sum of TEN DOLLARS and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, have remised, released, granted, sold, conveyed, and QUITCLAIMED unto the Grantee, its successors and assigns forever, all right, title, interest, claim, and demand that the Grantors have in and to the real and personal property, together with all improvements, if any, situate, lying and being in the County of Gunnison, State of Colorado, described as follows:

- The historic McCormick Ditch easement and ditch structure located on Grantee's property described in Exhibit "A" of the Development Improvements Agreement made and entered into on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between the Town of Crested Butte and the Grantee, and recorded at Reception No. \_\_\_\_\_, Gunnison County Clerk and Recorder's Office ("**Development Improvements Agreement**"). Grantee's property is also described as Lots 17-27, Block 1; Lots 6-16, Block 12; Lots 1-13, Block 11; Lots 30-32, Block 11; and Lots 17-32, Block 2.

It is the intent of the parties that Grantors, by this Deed, hereby vacate, release, and abandon the historic McCormick Ditch alignment and ditch structure that is no longer utilized as a result of the relocation and piping of the segment of the McCormick Ditch that crosses Grantee's property. The new McCormick Ditch easement and alignment is described on Exhibit "A" of the Ditch Relocation Agreement and Grant of Easement dated \_\_\_\_\_ and recorded in the Gunnison County records on \_\_\_\_\_ 2018 at Reception No. \_\_\_\_\_, and is incorporated into this Deed by reference. Grantors specifically release, convey, and QUITCLAIM to Grantee all their right, title, interest, claim, and demand to the historic alignment, subject to and reserving all of Grantors' rights in the new ditch easement and alignment described in sections 4.1 and 4.2 of said Ditch Relocation Agreement and Grant of Easement.

**TOGETHER** with all and singular hereditaments and appurtenances thereto belonging, or in anyways appertaining, and the revision and revisions, remainder and remainders, rents, issues, and profits thereof; and all the estate, right, title, interest, claim, and demand whatsoever of Grantors, either in law or in equity, of, in and to the above bargained property, with the hereditaments and appurtenances;

**TO HAVE AND TO HOLD** the said premises above bargained and described with the



**SHEEP MOUNTAIN PARTNERS, LLC**  
a Colorado limited liability company

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

STATE OF COLORADO            )  
  ) ss.  
COUNTY OF GUNNISON        )

Subscribed and sworn to me before this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by  
\_\_\_\_\_, as \_\_\_\_\_ of Sheep Mountain Partners, LLC, a Colorado  
limited liability company.

Witness my hand and official seal.  
My commission expires:

\_\_\_\_\_  
Notary Public

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## McCORMICK DITCH AGREEMENT

This AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018, by and between: the TOWN OF CRESTED BUTTE, a Colorado home rule municipal corporation (the “Town”), whose address is 507 Maroon Avenue, Crested Butte, Colorado; and SHEEP MOUNTAIN PARTNERS, LLC, a Colorado limited liability (“Sheep Mountain”), whose address is \_\_\_\_\_.

### RECITALS

- A. The parties to this Agreement are co-owners of certain water rights and related ditch structures and easements for a ditch known as the McCormick Ditch, located within Gunnison County, Colorado, in the Coal Creek drainage.
- B. The parties each use water diverted through the McCormick Ditch to irrigate parts of their respective properties. The decreed water rights for the McCormick Ditch (“McCormick Ditch Water Rights”) are described as follows:

Name	Priority Number	Decreed Amounts	Adjudication Dates	Appropriation Dates	Court Decrees
McCormick Ditch	164	2.25 c.f.s.	09/14/1906	06/01/1903	C.A. 1325
McCormick Ditch	533	6.75 c.f.s.	01/27/1961	06/11/1903	C.A. 5590
McCormick Ditch Hazel Ditch	558	1.0 c.f.s.	01/27/1961	04/01/1952	C.A. 5590

- C. The McCormick Ditch diverts water from Coal Creek, which is tributary to the Slate River, which is tributary to the Gunnison River. From this diversion point, the ditch runs in a generally easterly direction through the Town where the Town first takes water from the ditch at several locations to irrigate various public park facilities, before crossing Sheep Mountain’s property; and thereafter, through the McCormick Ranch property. *See* map attached as **Exhibit A**.
- D. The parties desire to enter into an agreement that confirms their respective rights and obligations with regard to: (1) ownership of the McCormick Ditch Water Rights; (2) use of the ditch structure and associated easements; (3) future delivery of water to each party; and (4) responsibility for future operation, maintenance, repair and replacement of the ditch and associated structures.

WHEREFORE, in consideration of the mutual promises set forth in this Agreement, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties further agree as follows:

1. **Ownership.** The parties hereby acknowledge, agree and confirm that their current respective ownership interests in each of the various water rights priorities decreed for diversion through the McCormick Ditch are as follows:

Priority	Total Decreed	Town	Sheep Mountain
164	2.25 c.f.s.	1.28 c.f.s. <sup>1</sup>	0.97 c.f.s.
533	6.75 c.f.s.	3.83 c.f.s.	2.92 c.f.s.
558	1.0 c.f.s.	1.0 c.f.s.	0 c.f.s.
TOTALS:	10.0 c.f.s.	6.11 c.f.s. (61%)	3.89 c.f.s. (39%)

To the extent that any prior conveyances or other documents of record are inconsistent with the proportions and amounts set forth above, the parties intend that this Agreement shall operate as a reciprocal quit claim deed that serves to quit claim and convey, and to quiet title as between the parties, to these rights in the amounts set forth herein.

2. **Division of Water.** Water available for diversion in priority at the headgate of the McCormick Ditch shall be allocated to the parties in the relative proportions set forth above in Paragraph 1, provided that when one or more of the junior priorities for the McCormick Ditch Water Rights are out-of-priority or water is not physically available to satisfy all priorities, then water available to the more senior priorities shall be divided pro rata according to the parties' relative ownership interests in the priority or priorities that remain legally and physically available for diversion. Furthermore, to the extent that the Town elects to receive delivery of any of its interests in the McCormick Ditch Water Rights at any alternate point(s) of diversion, the Town's share of water at the McCormick Ditch headgate shall be reduced by the amount(s) taken at such alternative point(s) of diversion, and the Town shall be responsible for all measurement and accounting that may be required by the Division of Water Resources and/or the terms of any final decrees in Case Nos. 16CW3085 and 16CW3086, Water Division No. 4, for purposes of ensuring proper measurement and/or accounting of the amounts of water legally and physically available to the McCormick Ditch Water Rights and the proper division water between the parties pursuant to the terms of this Agreement. Upon request, the Town shall provide

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<sup>1</sup> The Division 4 Water Court changed 0.5 cfs of the total 2.25 cfs decreed to Priority 164 to include municipal and domestic uses in Case No. W-578. The Town's 1.28 cfs ownership interest in Priority 1.64 includes the full changed 0.5 cfs. The Court added an alternate point of diversion at the Crested Butte Water Ditch (aka municipal intake) for 0.14 cfs of the Town's changed 0.5 cfs in Case No. 02CW63. The Town's remaining 1.14 cfs ownership interest in Priority 1.64 (1.28 cfs minus 0.14 cfs) is the subject of the requested changes of water right pending Case Nos. 16CW3085 and 16CW3086.

Sheep Mountain with copies of all measurement and accounting data maintained by the Town concerning the McCormick Ditch Water Rights.

3. **Town Maintenance, Delivery and Measurement Obligations**. The Town shall be solely responsible for all operation, maintenance, repair and replacement of all portions of the McCormick Ditch system from its point of diversion on Coal Creek to the Point of Delivery shown on **Exhibit A** (the “Town Section”), including the installation, maintenance, repair and replacement of a measuring device near the headgate to measure total ditch diversions. As further provided for herein, the parties agree that a second measuring device shall be installed near the Point of Delivery below the Town’s last turnout, to measure deliveries to Sheep Mountain. The Town agrees to provide delivery to Sheep Mountain, at the Point of Delivery, Sheep Mountain’s portion of the water legally and physically available to the McCormick Ditch Water Rights, unless the Town is undergoing ditch maintenance, repair or replacement, after notice and consultation with Sheep Mountain concerning the timing of such activities; or unless circumstances out of the Town’s control or an “act of God” prevents such delivery. Sheep Mountain in turn agrees to receive from the Town, at the Point of Delivery, its portion of the water legally and physically available to the McCormick Ditch Water Rights. Prior to opening of the ditch each spring, the Town and Sheep Mountain shall confer regarding the anticipated schedule and scope of the Town’s operation, maintenance, repair and replacement activities during the forthcoming irrigation season.

Sheep Mountain may install a measuring device of its choosing at the Point of Delivery at its sole cost and expense (“Point of Delivery measuring device”). To the extent any portion of the Point of Delivery measuring device is located on non-Sheep Mountain property, Sheep Mountain shall confer with the Town regarding the location and design of such measuring device, and shall secure approval of its plans for the portions of the measuring device located on non-Sheep Mountain property prior to installation. The Town shall not unreasonably withhold its approval of such plans. Sheep Mountain shall be responsible at its expense for monitoring, operation, maintenance, replacement, and repair of the Point of Delivery measuring device and the parties shall have reciprocal easement rights to access any portions of the measuring device located on the other’s property.

The Town currently delivers a portion of its McCormick Ditch water rights to the pond located on the Rainbow Park municipal property for irrigation purposes. There is an outlet channel on the pond’s eastern edge that overflows onto Sheep Mountain’s property. Rainbow Park, the pond, and the outlet channel are all located upstream of the Point of Delivery. Nothing in this Agreement shall affect the Town’s ability to continue to operate the Rainbow Park pond and outlet channel as it has historically.

4. **Sheep Mountain Maintenance Obligation.** Sheep Mountain shall be solely responsible for all operation, maintenance, repair and replacement of all portions of the McCormick Ditch system below the Point of Delivery, including all portions of the main ditch, lateral ditch, and irrigation system or systems utilized by Sheep Mountain to irrigate its property (the “Sheep Mountain Section”). Sheep Mountain shall operate, maintain, repair and replace the Sheep Mountain Section as necessary to always allow for and receive water delivered by the Town, including “tail” water. Sheep Mountain shall be ready to receive water at the Point of Delivery from April 1 through October 31 of each year, unless snow or other natural conditions render this reasonably impractical or unless the parties agree otherwise.
5. **Easement Rights.** The parties recognize and agree that they shall jointly share and co-own all historic/prescriptive and/or deeded easement rights that exist with regard to the Town Section of the McCormick Ditch. The parties intend that, except as otherwise limited by a deeded easement and/or this Agreement, the scope of such easements shall be whatever is reasonably necessary to operate, maintain, repair and replace the ditch. Sheep Mountain agrees not to exercise its easement rights other than for inspection purposes by foot for so long as the Town continues to fulfill its maintenance, repair, replacement and delivery obligations pursuant to this Agreement. Should, however, the Town fail to perform its maintenance, repair, replacement and delivery obligations hereunder, Sheep Mountain shall notify the Town in writing (email or otherwise), by actual telephone conversation, or in person in an emergency situation; or in writing (email or otherwise) in a non-emergency situation, of the particular nature of the failure. If the Town fails to take timely steps to commence remedy of the alleged failed maintenance, repair, replacement or delivery within seventy two (72) hours (and proceeding with good faith diligence thereafter) in an emergency situation; and within ten (10) business days (and proceeding with good faith diligence thereafter) in a non-emergency situation after receiving such notice, Sheep Mountain may exercise its easement rights to cure such operation, maintenance, repair or replacement failure, and recover costs of the same from the Town. For purposes of this Agreement, “emergency situation” is defined as a material failure in the delivery of Sheep Mountain’s portion of the water legally and physically available to the McCormick Ditch Water Rights to the Point of Delivery for more than forty eight (48) consecutive hours during the historic irrigation season of May 1 through September 30 such that Sheep Mountain is suffering damages by not being able to irrigate its property.
6. **Vacation of Lateral Ditch Easements on Sheep Mountain Property.** The Town now owns the portion of the McCormick Ditch Water rights that were historically utilized to irrigate the property labeled as “McCormick Ranch” on **Exhibit A**. In partial consideration for this Agreement, the Town hereby agrees to no longer irrigate the McCormick Ranch lands in the future; and Town hereby agrees to quit-claim, convey and vacate to Sheep Mountain, by appropriate instrument, any and all related easement rights

(including any and all existing lateral ditches, culverts, pipelines, or other delivery systems) upon and across the Sheep Mountain property. This vacation of easements does apply to the Town's right to discharge outlet water from the pond at Rainbow Park, or "tail" water, as provided for in this Agreement. If required by a party, the State or Division Engineer and/or the Water Court in the Town's pending water court Case No. 16CW3086, Sheep Mountain will cooperate with the Town, at no expense or liability to Sheep Mountain, to allow the Town access to Sheep Mountain's eastern property line for the Town to take any reasonable steps necessary to effectuate, implement or demonstrate the "dry-up" of the McCormick Ranch, including but not limited to potentially cutting a small borrow ditch along the property line to restrict the flow of McCormick Ditch water onto the McCormick Ranch. Any physical alterations or improvements to the Sheep Mountain property pursuant to this paragraph shall first require written approval by Sheep Mountain, which approval shall not be unreasonable withheld.

7. **Stormwater/Pollution.** The parties agree that the purpose of the McCormick Ditch is for the conveyance of water diverted from Coal Creek to the parties for irrigation purposes. No party shall grant themselves or any other party or nonparty a right to use the ditch as a stormwater drain or to convey waters other than those decreed for diversion through the McCormick Ditch. No ponds shall be installed on the main channel of the McCormick Ditch. No party shall deliberately introduce or authorize the introduction of pollutants to the ditch.
8. **Elimination of Existing Stormwater System Interconnection.** Notwithstanding the foregoing Paragraph 7, the parties recognize and acknowledge that the Town's existing stormwater collection system that runs along the west side of 6th Street is presently interconnected to the McCormick Ditch at two locations where the storm water system intersects the ditch at the intersection of 6th Street and Teocalli.

The parties anticipate disconnecting the above described stormwater interconnections as part of the public improvements to be required by a new hotel development proposed near the 6<sup>th</sup> Street location in the near future. In the event the new development proceeds, the third party developer will need to enter into a ditch modification and relocation agreement with the Town and Sheep Mountain regarding the McCormick Ditch. As part of any such future ditch agreement, the parties agree to require the developer to cause such stormwater interconnections to be permanently disconnected at the developer's cost within such ditch agreement.

8. **Engineering Services.** Either party, at its sole discretion and expense, may elect to employ a qualified water rights engineer or hydrologist for the purpose of calibrating the measuring devices described above in Paragraph 3 to ensure that the parties receive their proportionate shares of water. The party seeking to perform the calibration shall notify the other party of its intent, and shall invite the other party to participate in the

calibration, each party to be responsible for its own expense.

9. **Non-Liability.** Sheep Mountain shall have no liability with regard to operation and maintenance of the Town Section of the ditch, and the Town shall have no liability with regard to the Sheep Mountain Section of the ditch.
10. **Ditch Relocation Agreement.** This Agreement is being entered into contemporaneously with that certain Ditch Relocation Agreement and Grant of Easement being entered into by the parties and Kapushion Family Partnership, LLLP (the “Ditch Relocation Agreement”). The Town hereby agrees to cooperate with Sheep Mountain in exercising its rights and responsibilities pursuant to the Ditch Relocation Agreement in order to reasonably ensure that the ditch relocation and piping project, and resulting grants of easements, contemplated thereby are accomplished to the mutual benefit of the Town and Sheep Mountain as the two co-owners of the McCormick Ditch Water Rights. Nothing in this Agreement shall prohibit the Town from further relocating, altering, or modifying the Town Section of the McCormick Ditch so long as such relocation, alteration, or modification does not adversely impact the Town’s obligation to deliver Sheep Mountain’s portion of the water legally and physically available to the McCormick Ditch Water Rights to the Point of Delivery. The Town shall confer with, and provide plans to, Sheep Mountain in advance of any such future relocation, alteration, or modification work.
11. **Town Insurance.** The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA) and as such participates in the CIRSA Property/Casualty Pool (“CIRSA Coverage”). Copies of CIRSA’s policies and manual are kept by the Town and available to Sheep Mountain for inspection during normal business hours. Throughout the term of this Agreement, the Town agrees to maintain, at its own cost and expense, CIRSA Coverage applicable to the premises and operations of the Town, which the parties agree shall include the Town’s obligations hereunder with regard to construction, operation, maintenance, repair and replacement of the Town Section of the ditch pursuant to this Agreement. Additionally, Sheep Mountain and its principals shall be added as additional insureds on the Town’s CIRSA Coverage. The Town shall also procure and keep in force at its own expense Workers Compensation insurance to the extent required by applicable Federal and State law. Certificates of Insurance evidencing the required coverage and provisions herein shall be available to Sheep Mountain upon request. In the event that Sheep Mountain maintains any insurance coverage with regard to the Town Section of the ditch, the Town’s coverage shall be primary.
12. **Sheep Mountain Insurance.** Pursuant to this Agreement, the Town shall no longer have any rights or obligations with regard to delivery of water from the McCormick Ditch across the Sheep Mountain property, except as provided for herein regarding the right to deliver “tail” water. As such, Sheep Mountain shall procure its own property and liability

insurance coverages with regard to the Sheep Mountain property and the Sheep Mountain Section of the ditch, and the Town shall have no liability or obligations in this regard.

13. **Successors and Assigns; Amendments.** The parties intend that the covenants, conditions and restrictions contained in this Agreement shall be appurtenant to and run with title to the McCormick Ditch Water Rights and shall be binding upon, and inure to the benefit of, the parties, their heirs, successors and/or assigns. A fully executed copy of this Agreement will be recorded in the real property records of Gunnison County, Colorado. This Agreement may only be amended by a written document signed by all parties or their successors-in-interest and recorded in the real property records of Gunnison County, Colorado.
14. **Colorado Law.** This Agreement shall be interpreted according to the laws of the State of Colorado.
15. **Notices; Right to Cure.** Except as provided for in paragraph 5, any notices pursuant to this Agreement shall be delivered to the parties via U.S. Mail at the addresses listed at the top of the first page of this Agreement or to such other address as may be specified to all other parties in writing or in any deed transferring an interest in the McCormick Ditch Water Rights. Also excepting in emergency conditions as defined in paragraph 5, any notice concerning any alleged failure to perform maintenance or repair obligations shall be provided at least ten (10) business days before the notifying party exercises its enforcement rights hereunder.
16. **Dispute Resolution.** Any dispute regarding the terms of this Agreement shall be submitted to the Gunnison County District Court or the District Court in and for Water Division No. 4, State of Colorado, which Courts shall award reasonable attorneys' fees and expenses, including expert witness fees, to the prevailing party or parties in any such action.
17. **Water Court Stipulations.** In partial consideration of and subject to the terms and conditions set forth in this Agreement, Sheep Mountain hereby agrees to stipulate to entry of rulings of the referee and final decrees in Case Nos. 16CW3085 and 16CW3086, Water Division No. 4, without further conditions, provided that such rulings and decrees shall be consistent with this Agreement, including but not limited to, Paragraph 6 above and the Town's agreement to no longer irrigate the McCormick Ranch lands in the future. Sheep Mountain's legal counsel shall continue to be provided with copies of all future proposed or final rulings of the referee or decrees in said proceedings. Sheep Mountain hereby agrees to not oppose or appeal entry of such final decrees and/or any future diligence proceedings involving the conditional water rights awarded in such decrees.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective the

day and year first written above.

THE TOWN OF CRESTED BUTTE, COLORADO  
a Colorado home rule municipal corporation

By: \_\_\_\_\_, Mayor

ATTEST:

\_\_\_\_\_  
Town Clerk

STATE OF COLORADO    )  
  ) ss:  
COUNTY OF GUNNISON    )

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 2018, by  
\_\_\_\_\_ as Mayor, and \_\_\_\_\_ as Town Clerk, of the Town of  
Crested Butte, Colorado.

WITNESS my hand and official seal.  
My commission expires:

\_\_\_\_\_  
Notary Public

SHEEP MOUNTAIN PARTNERS, LLC  
a Colorado limited liability company

\_\_\_\_\_  
By: Ryan Martens, Manager

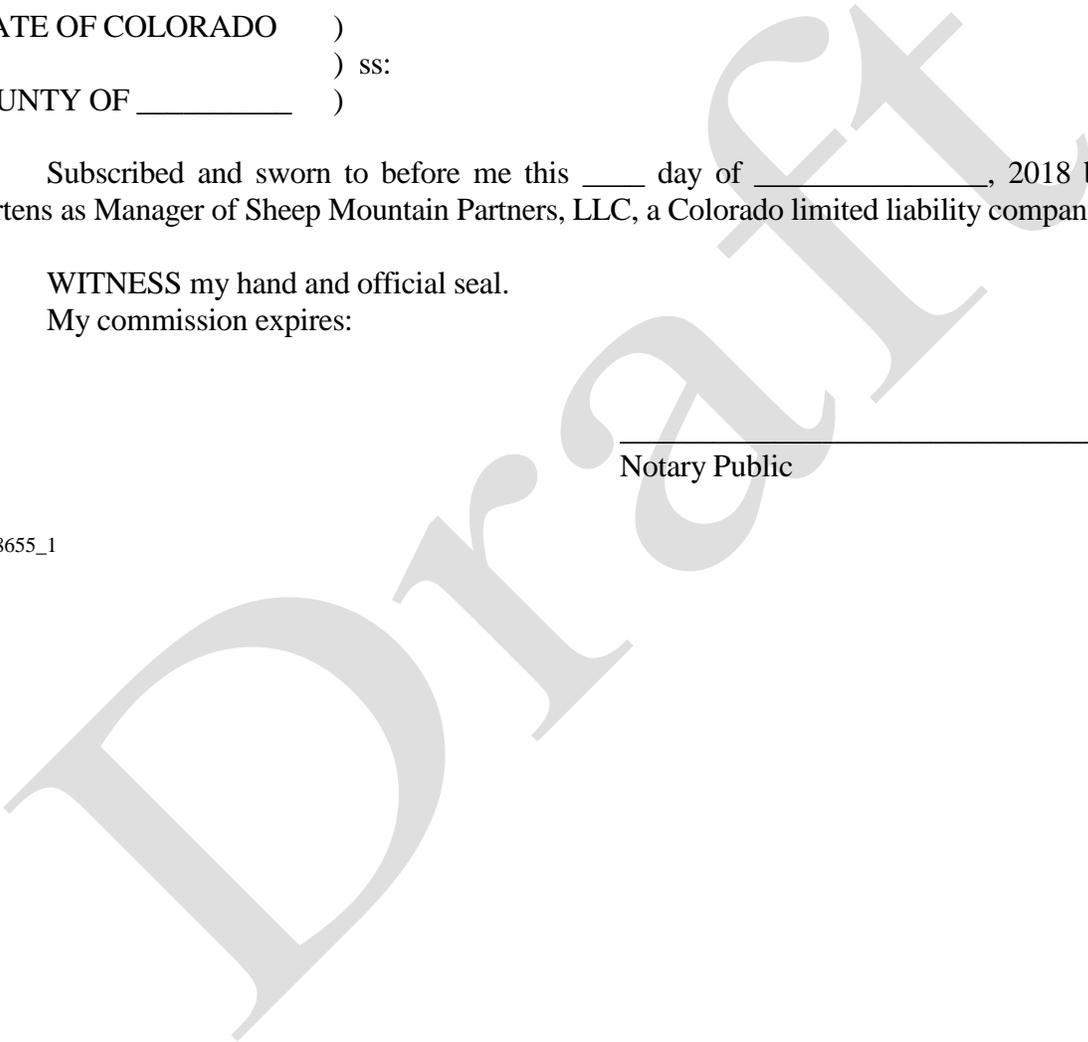
STATE OF COLORADO    )  
                                  ) ss:  
COUNTY OF \_\_\_\_\_ )

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 2018 by Ryan Martens as Manager of Sheep Mountain Partners, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.  
My commission expires:

\_\_\_\_\_  
Notary Public

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## ARTICLE 4 - Code of Conduct

## Sec. 2-4-10. - Purpose.

The purpose of this Article is to protect the public health, safety and welfare and the integrity of Town government by defining and prescribing certain conflicts of interest that may arise between the Town and Town Councilmembers, employees or appointees to a Town board, commission, task force or similar body. The Town Council intends to prohibit the appearance and perception of impropriety as well as actual conflicts of interest. This Article also intends to protect the integrity of Town government by providing standards of conduct and guidelines for public officials and public employees to follow when such officials' or employees' private interests as citizens conflict with their public duties; to foster public trust by defining standards of honest government and prohibiting the use of public office for private gain; to specify rules to avoid any appearance of impropriety that may result from the dealings of a public official or public employee with the Town; and to provide a mechanism to enforce the Town's code of conduct.

(Ord. 10 §1, 2009)

## Sec. 2-4-20. - Definitions.

As used in this Article, the following words shall have the definitions ascribed to them, unless otherwise provided:

*Affiliate or affiliated with* means an employee, partner, agent, stockholder, joint venturer, corporate member, director, manager or officer of any business organization, or counsel, consultant, representative or a person who shares office space with such organization.

*Appear on behalf of* means to act as a witness, advocate, expert or otherwise support the position of another person.

*Business or undertaking* means any corporation, limited liability company, partnership, sole proprietorship, trust or foundation or other individual or organization carrying on a business or personal undertaking, whether or not operated for profit.

*Contract* means any arrangement or agreement pursuant to which any real or personal property, service or other thing of value is to be furnished, transferred, leased or bailed for a valuable consideration.

*Employment* means providing personal services as an employee or an independent contractor, with or without consideration.

*Gift* means any payment, entertainment, subscription, forbearance, service or any other thing of value, rendering or deposit of money, which is transferred to a donor directly or in trust for his or her benefit.

*Official action* means any legislative, administrative or quasi-judicial act of any public official or employee and any vote, decision, recommendation, approval, disapproval or other action, including inaction (as applicable under the circumstances), which involves the use of discretionary authority.

*Public employee or employee* means any person holding any paid position of employment with the Town and whose primary income is derived from Town employment.

*Public official or official* means any person holding a position with the Town by election and any person holding a position as an appointee of the Town Council or the Town Manager, serving on any Town board, commission, task force or similar body.

*Relative* means any person related to a public official or an employee by blood, marriage or adoption, through the second degree of consanguinity, including, without limitation, the following: spouse, parents, parents-in-law, children, children-in-law, brothers, sisters, brothers-in-law, sisters-

in-law, grandparents, grandchildren, aunts, uncles, cousins, nephews and nieces. A separation between spouses shall not be deemed to terminate relationships described above which exist only because of marriage.

*Substantial interest* means a situation where there exists the reasonable possibility of: (i) a pecuniary gain by the Town Councilmember, appointee to a Town board, commission, task force or similar body, or a relative thereof, or a Town employee from the outcome of any official action; or (ii) the business or undertaking for which the Town Councilmember, appointee to a Town board, commission, task force or similar body or a Town employee is an affiliate, or his or her relative is an affiliate, standing to economically benefit from the outcome of any official action where, considering all of the surrounding circumstances, a reasonably prudent person observing the situation would expect a marked tendency to make or influence a decision other than an objective decision.

*Transaction* means any contract; any sale or lease of any interest in land, material, supplies or services; or any granting of a development right, license, permit or application. A *transaction* does not include any official action which is legislative in nature and which is of general applicability in which the subject Town official or employee shares the same personal or financial interests as the entire membership of a common class of citizens or residents of the Town, or owners of property in the Town.

(Ord. 10 §1, 2009)

Sec. 2-4-30. - Conflicts of interest prohibited.

- (a) Town Councilmember and board, commission or task force member conflicts of interest. No Town Councilmember or board, commission or task force member shall appear before the Town Council or any Town board, commission, task force or similar body where such individual has a conflict of interest as identified in Section 2-4-40 below.
- (b) Town employee conflicts of interest. No Town employee shall appear on behalf of or be employed by a business or undertaking or other person concerning any transaction with the Town, or before the Town Council or any Town board, commission, task force or similar body where such individual has a conflict of interest as identified in Section 2-4-40. An employee may appear before such a body on his or her own behalf or on behalf of such employee's relative. Nothing in this Article shall be deemed to prohibit the Town Manager from establishing additional policies and regulations to prevent conflicts of interest between Town employees and the Town, provided that such policies are no less stringent than the requirements contained in this Article.
- (c) Town Councilmembers and Municipal Court. No Town Councilmember shall appear on behalf of or be employed by another person, or be affiliated with a business or undertaking appearing on behalf of or employed by another person, concerning any matter before the Municipal Court; however, a Councilmember or a member of such a business or undertaking may appear on his or her own behalf or on behalf of such person's relative in Municipal Court.
- (d) Town employees and Municipal Court. No Town employee shall appear on behalf of or be employed by another person, or be affiliated with a business or undertaking that appears on behalf of or is employed by another person, concerning any matter before the Municipal Court; however, an employee may appear before the Municipal Court on his or her own behalf, and an employee other than a Municipal Judge may appear on behalf of such employee's relative. This authority is intended to allow employees to assist relatives in matters before the Municipal Court to the extent permitted by law.
- (e) Board, commission or task force member and Municipal Court. An appointee to a Town board, commission, task force or similar body may appear before the Municipal Court and may be affiliated with a business or undertaking appearing before the Municipal Court.

(Ord. 10 §1, 2009)

Sec. 2-4-40. - Identifying conflicts of interest.

A Town Councilmember, an appointee to a Town board, commission, task force or similar body or a Town employee shall have a conflict of interest and shall follow the procedure prescribed by Subsection 2-4-60(a) below if such member, appointee or employee:

- (1) Has a substantial interest in any transaction with the Town;
- (2) Has a substantial interest as an affiliate of a business or undertaking with a substantial interest in any transaction with the Town;
- (3) Has a substantial interest as an affiliate of a business or undertaking appearing on behalf of or employed by a person with a substantial interest in any transaction with the Town;
- (4) Is an affiliate of a business or undertaking that has taken an official position on any transaction with the Town (unless the individual or such individual's relative has no substantial interest in the outcome of the official action, in which case such individual shall simply identify on the record his or her position);
- (5) Is an affiliate of a business or undertaking that is or could be substantially affected by a transaction with the Town (unless the individual or such individual's relative has no substantial interest in the outcome of the official action, in which case such individual shall simply identify on the record his or her position); or
- (6) Is required to receive official notice of a quasi-judicial action from the Town.

(Ord. 10 §1, 2009)

Sec. 2-4-50. - Consent to sue.

No Town Councilmember or appointee to any Town board, commission, task force or similar body shall be a party to or, by himself or herself or as an affiliate of a business or undertaking, appear on behalf of a party in any civil suit in which the Town is an adverse party, unless the member or appointee first obtains the consent of the Town Council.

(Ord. 10 §1, 2009)

Sec. 2-4-60. - Disclosure and recusal.

- (a) Disclosure required. No person described in Subsection 2-4-30(a) or (b) or Section 2-4-40 above shall fail to give written notice of the interest described in such section to the Town Council or the Town board, commission, task force or similar body of which the person is a member and the Town Manager, as soon as reasonably possible after the interest has arisen. Notwithstanding the foregoing, no written notice is required if such person discloses the interest described in Subsection 2-4-30(a) or (b) or Section 2-4-40 above on the record of a public meeting of the Town Council or the Town board, commission, task force or similar body of which the person is a member. The interested Councilmember, employee or appointee shall thereafter refrain from attempting to influence the decisions of the other members of the governing body and:
  - (1) Refrain from voting upon or otherwise taking official action in such transaction;
  - (2) Physically absent himself or herself from the room in which a matter related to such transaction is being considered; and
  - (3) Not discuss any matter related to such transaction with any other member of the Town Council, board, commission, task force or similar body of which the person is a member.
- (b) Recusal by Town Council, board, commission, task force or similar body. The Town Council and any Town board, commission, task force or similar body may order recusal of one (1) of its members if

that member has an obligation to do so under Subsection 2-4-30(a) or (b) or Section 2-4-40 above and has failed to do so. Such an order is valid if reached after majority vote of the members of the body, not including the member whose recusal is sought, based on competent evidence.

(Ord. 10 §1, 2009)

Sec. 2-4-70. - Use of public office or confidential information.

No Town Councilmember, employee or appointee to a Town board, commission, task force or similar body shall use his or her public office or position, or disclose or use confidential information obtained as a result of holding his or her public office or position, to obtain financial gain, whether for personal gain, gain for his or her relative, gain of any property or entity in which the official or employee has a substantial interest, or gain for any person or for any entity with whom the official or employee is negotiating for or has any arrangement concerning prospective employment. However, a Town Councilmember, employee or appointee to a Town board, commission or task force may provide services to the Town for compensation, provided that the services are provided pursuant to an administrative policy established for the purpose of the fair distribution of Town contracts and employment.

(Prior code 2-3-4; Ord. 4 §1, 2004)

Sec. 2-4-80. - Duty to maintain confidential information.

- (a) No Town Councilmember or appointee to a Town board, commission, task force or similar body shall disclose confidential information without the permission of the Town Council or similar body, when the confidentiality privilege lawfully belongs to the body as a whole. The sanction for a member of the Town Council, board, commission, task force or similar body shall be censure of the body, reached by a majority vote of the body, not including the member charged with disclosing such confidential information.
- (b) No Town employee shall disclose confidential information, obtained as a result of holding his or her public office or position, unless the employee has first received approval by the Town Manager or the Town Attorney.

(Prior code 2-3-5; Ord. 4 §1, 2004; Ord. 4 §1, 2009)

Sec. 2-4-90. - Gifts to officials and employees.

- (a) Gifts prohibited. No Town Councilmember, appointee to a Town board, commission, task force or similar body, Town employee or relative of such employee or official shall accept anything of value, including without limitation a gift, favor or promise of future employment if:
  - (1) The official or employee is in a position to take official action with regard to the donor; or
  - (2) The Town has an existing, ongoing or pending contract, business or regulatory relationship with the donor.
- (b) Exceptions and items not considered gifts. The following shall not be considered gifts for purposes of this Section, and it shall not be a violation of this Article for a person to accept the same:
  - (1) Campaign contributions as permitted by law.
  - (2) An unsolicited, occasional nonpecuniary gift of a maximum amount of fifty dollars (\$50.00) or less in value. The maximum amount will be adjusted on January 1, 2005, and annually thereafter to reflect changes in the United States Bureau of Labor Statistics Consumer Price Index for the Denver-Boulder Consolidated Metropolitan Statistical Area for All Urban Consumers, All Goods, or its successor index.

- (3) A gift from a relative.
- (4) An award, publicly presented, in recognition of public service.
- (5) Reasonable expenses paid by other governments or governmentally related organizations for attendance at a convention, fact-finding mission or trip, or other meeting, if the person is scheduled to deliver a speech, make a presentation, participate in a panel or represent the Town.
- (6) Items which are similarly available to all employees of the Town or to the general public on the same terms and conditions.

(Prior code 2-3-6; Ord. 4 §1, 2004)

Sec. 2-4-100. - Prior and subsequent employment.

- (a) Prior employment. No person shall be disqualified from service with the Town as an official or employee solely because of his or her prior employment. Officials and employees shall not take official action with respect to their former employers for a period of six (6) months from the date of termination of the prior employment.
- (b) Disclosure by Town Councilmembers. Members of the Town Council shall report to the Town Manager any change in their employment status that could give rise to a conflict of interest under this Article.
- (c) Activities that occur after termination of employment or office. No former official or employee shall seek or obtain employment concerning matters upon which he or she took official action during his or her service with the Town for six (6) months following termination of office or employment. This provision may be waived by the Town Council or the Town Manager.
- (d) Appearance and participation after termination. No former official or employee shall appear before, or participate in, a Town board, commission, task force or similar body on which he or she was a member or served directly as an employee concerning any matter or on which he or she took official action during his or her service with the Town for twelve (12) months following termination of office or employment. This prohibition may be waived by the Town Council by appointment or vote, or by an order of a body having jurisdiction thereover.
- (e) Participation in litigation after termination: No former official shall engage in any action or litigation in which the Town is involved on behalf of any other person or entity, if the action or litigation involves a matter upon which the person took official action during his or her service with the Town for twelve (12) months following termination of service with the Town.

(Prior code 2-3-7; Ord. 4 §1, 2004)

Sec. 2-4-110. - Employment of relatives.

No official or employee shall appoint, hire or advocate the appointment or hiring by the Town of any person who is his or her relative. In the event that an employee is concerned that the employee's decision to appoint, hire or advocate the appointment or hiring by the Town of a person who is the employee's relative may cause an appearance of violating this Section, the employee may request that the Town Manager make such decision on the employee's behalf.

(Prior code 2-3-8; Ord. 4 §1, 2004)

Sec. 2-4-120. - Voting on annual budget resolution.

Nothing in this Article shall prohibit a Town Councilmember from voting on the resolution adopting the annual fiscal year budget, regardless of whether or not such Town Councilmember may otherwise have a conflict of interest with respect to a line item contained in that budget, such Town Councilmember's right to vote on the resolution adopting the annual fiscal year budget being expressly permitted hereunder.

(Ord. 10 §1, 2009)

Sec. 2-4-130. - Enforcement.

- (a) Violations prohibited. No person shall violate the requirements of this Article.
- (b) Complaints. A complaint alleging a violation of this Article may be initiated by any of the following:
  - (1) Complaints initiated by Town Manager: The Town Manager may initiate an investigation of any Town employee, other than an employee directly reporting to the Town Council, if facts are alleged to the Town Manager in any form that, if true, would constitute a violation of the provisions of this Article.
  - (2) Complaints initiated by citizen: A citizen of the Town may initiate an investigation of any Town Councilmember, employee or appointee to a Town board, commission, task force or similar body by filing a sworn statement with the Town Clerk setting forth facts which, if true, would constitute a violation of a provision of this Article.
  - (3) Complaints initiated by Town Council: The Town Council may initiate an investigation of any of its employees, and of any Town Councilmember or appointee to a Town board, commission, task force or similar body, if facts are alleged to the Town Council that, if true, would constitute a violation of the provisions of this Article.
- (c) Investigation of complaint. The Town Manager (for Town employees) or the Town Council (for all others) may appoint the Town Attorney or a special counsel to conduct an investigation regarding a violation of this Article. The Town Attorney may request that the Town Council or the Town Manager appoint special counsel to investigate and prosecute any case that may cause the Town Attorney to have a conflict of interest may cause an appearance of impropriety under the provisions of this Article or may violate any rule regarding professional responsibility.
- (d) Response to all complaints required. A public official or body, or appointee thereof, conducting an investigation pursuant to Subsection (b) above shall prepare written findings of fact and conclusions of law in response to all complaints that shall be made available to the public upon completion of the investigation. The response may include a finding that the complaint has no merit, is frivolous, is groundless or is brought for purposes of harassment.
- (e) Limitations. No action may be taken on any complaint that is filed later than twelve (12) months after a violation of this Article is alleged to have occurred.

(Prior code 2-3-10; Ord. 4 §1, 2004; Ord. 4 §1, 2009)

Sec. 2-4-140. - Sanctions and remedies for violation.

- (a) Contracts voidable. If a contract or sale is consummated contrary to the provisions of Section 2-4-40 above, the Town Council may void the contract or sale.
- (b) Removal by Town Council. The Town Council may remove any member of a Town board, commission, task force or similar body that it finds has willfully violated any provision of this Article, or the Town Manager; or the Town Council may direct the Town Manager to remove any employees that it finds has willfully violated any provision of this Article.

- (c) Sanction recommendations. If the party conducting an investigation pursuant to Section 2-4-130 finds that a Town Councilmember, an appointee to a Town board, commission, task force or similar body, or an employee has violated any provision of this Article, the investigator shall provide its findings and recommendations to the Town Manager or Town Council, as appropriate, who or which in turn may take any of the following actions:
- (1) In the case of a Town Councilmember, a motion of censure;
  - (2) In the case of a Town employee, a motion of censure or a recommendation that the employee's appointing authority consider disciplining or discharging the employee; or
  - (3) Removal as provided in Subsection (b) above.

As an alternative or in addition to the sanctions imposed herein, the Town Council may resolve that any person or entity causing, inducing or soliciting a public official or public employee to violate this Article may not be awarded any Town contract, grant, loan or any other thing of value for a period of twelve (12) months or that any such contract, grant, loan or thing of value maybe terminated, repaid or forfeited.

- (d) Civil remedies. Any person affected by a Town transaction may commence a civil action in the District Court in and for the County of Gunnison for equitable relief to enforce the provisions of this Article upon a showing of willful violation of any provision of this Article. Before filing such an action, the person shall present the claim to the Town Attorney to investigate in accordance with Subsection 2-4-130(c) above. The Town Attorney or appointed special counsel shall have sixty (60) days to act thereon. No civil action in district court pursuant to this Subsection may be commenced later than twelve (12) months after a violation of this Article is alleged to have occurred.
- (e) Defense: It shall be a defense to any charge of a violation of this Article if the Town councilmember, employee or appointee to a Town board, commission, task force or similar body obtained an advisory opinion pursuant to Section 2-4-150 below and was acting in accordance with the advice provided thereby.

(Prior code 2-3-11; Ord. 4 §1, 2004; Ord. 4 §1, 2009)

Sec. 2-4-150. - Advisory opinions and outside counsel appointment.

- (a) Advisory opinions. Any Town Councilmember, employee or appointee to a Town board, commission, task force or similar body may request advisory opinion from the Town Attorney whenever a question arises as to the applicability of this Article to a particular situation.
- (b) Appointment of outside counsel. If a significant controversy arises under this Article, the Town Attorney may appoint a neutral outside counsel to assist in resolving the issue.

(Prior code 2-3-12; Ord. 4 §1, 2004; Ord. 4 §1, 2009)

Sec. 2-4-160. - Exemptions.

Nothing in this Article shall be deemed to apply to a Town employee or appointee to a Town board, commission, task force or similar body who appears before any such body to urge action on a policy or issue of a general civic nature.

(Prior code 2-3-13; Ord. 4 §1, 2004)

## **Gunnison County Substance Abuse Prevention Project Communities that Care Community Assessment Report**

**Purpose:** The purpose of the Gunnison County Substance Abuse Prevention Project (GCSAPP) is to provide youth and family engagement, education, healthy activities and multi-systems implementation services to youth and their families so they can stay connected with their family and community, make healthy choices, resiliently respond to stress in healthy ways and delay the use of alcohol, tobacco and other drugs.

**Mission:** The mission of GCSAPP is to utilize evidence-based strategies and community mobilization to reduce substance use by youth in Gunnison so youth can become healthy, stable and productively involved in their communities.

**GCSAPP’s unified definition of prevention:** “Prevention is a process that promotes healthy youth, parents and communities. The GCSAPP coalition uses education, policy and programming informed by community data, needs and culture to promote protective factors and reduce risk factors”.

**Community Assessment Report Overview:** In order to identify risk and protective factors we looked at:

- Healthy Kids Colorado Survey – longitudinal 8 years, comparative – national, state and HSR 10
- CTC supplemental questions for 2016
- Colorado Behavioral Risk Factor Surveillance System (BRFSS) Data
- Gunnison County Community Survey – GCSAPP
- Community Health Needs Assessment 2016

These surveys provide measures of the predictors of health and behavior problems (risk and protective factors) as well as health and behavior problems themselves.

**Protective factors**, also known as “assets,” are conditions that buffer children and youth from exposure to risk by either reducing the impact of the risks or changing the way that young people respond to risks. Protective factors can be individual, family, or environmental. Protective factors are any characteristics, conditions or behaviors that reduce the effects of stressful life events

**Risk factors** are conditions that increase the likelihood of a young person becoming involved in drug use, delinquency, school dropout and/or violence. Risk factors can also be individual, family, or environmental.

## What is the data telling us?

Our Risk Factor –

**Community – Availability of drugs**  
**Community/Family – favorable attitudes towards substance use**  
**Extreme Economic Deprivation – Toxic Stress- Mental Health/Coping**  
**Strategies, Violence – suicide**

Heavy Alcohol use (5+ drinks) – most associated with problematic substance behaviors, high violence potential, and health concerns – not statistically significant for our community, but statistically significant compared to national, state and HSR. Associated areas to address – community norms favorable towards alcohol use, favorable parental attitudes and involvement in the problem behavior, and mental health.

Percentage of youth reporting ease of availability of a substance is trending up with prescription drugs – not clear on what specific kind, but national and state trends indicating opiates. Associated areas to address – community norms favorable to drug use, perceived availability of drugs.

Declining Mental Health – Although we are below average for national, state, and HSR for youth reporting feeling sad or hopeless, the data indicates an upward trend. That information coupled with our high adult sad/hopeless rate, community loss to suicide, and high.

Our Protective Factors –

**Community opportunities for prosocial involvement**  
**Family attachment**  
**School opportunities and rewards for prosocial involvement.**

Health and behavioral outcomes – 95% of youth report feeling safe at school; 81% have an adult to go to for help with a serious problem, 63% talked to parents about substance dangers. 79.5% participation in extracurricular activities.

**November 5, 2018****Work Session**

Snow Plan

Budget

**Consent Agenda**

Award of Bid for Old Town Hall Elevator

**Proclamation for a Citizen****Old Business**

Discussion on The Corner at Brush Creek

**New Business**

Discussion on Electric Scooters, Balls, and Skateboards

Annual Report by the Chair of the Weed Advisory Board on Weed Management in the Town of Crested Butte

John Stock Update on Duplexes

Block 76 Project Contract

School Master Plan and Intersection Discussion

Ordinance for Criteria for Demolition

Ordinance – Selling Land to the School District

Purchase Contract with the School District

McCormick Ditch Agreement

McCormick Ditch Relocation Agreement

**November 19, 2018****Work Session**

Mike McBride – GCEA

Budget

**December 3, 2018****Work Session**

Kari Commerford – GCSAPP – Community Risk and Protective Factors

**Future Items**

- Quarterly Financial Reports
- Funding Agreement with the Chamber of Commerce – December
- Year-End – Retreat Update
- Year-End – Project Update
- Heights Open Space Plat Note and Covenants
- RLA for Dillon Wall
- John Norton with Tourism Association – December 17
- ARTumn Discussion

**GUNNISON COUNCIL AGENDA  
MEETING IS HELD AT CITY HALL  
201 W. VIRGINIA AVENUE GUNNISON, CO  
IN THE 2<sup>ND</sup> FLOOR COUNCIL CHAMBERS**

**Approximate meeting time: 3 hours**

**October 9, 2018**

**REGULAR SESSION**

**5:30 P.M.**

*City of Gunnison Councilmembers gather for a light meal at 5:00 P.M. in Council Chambers. No City Council activity takes place.*

Presiding Officer Call Regular Session to Order: (silent roll call by City Clerk):

**I. Public Hearing – 5:30 P.M.**

*Please see the e-packet for the Public Hearing format.*

**A. Public Hearing to receive input on a Retail Marijuana Cultivation Establishment License Application from ALK Holdings LLC dba OhmGro, 800 West Rio Grande Avenue, Gunnison, CO 81230**

Staff contact: City Clerk Erica Boucher

Estimated time: 10 minutes

*Public Hearings are the formal opportunity for the City Council to listen to the public regarding the issue at hand. Citizens giving input must identify themselves. Anonymous testimony will not be considered. In a quasi-judicial public hearing, the Council is acting in much the same capacity as a judge. Most land use applications including marijuana/liquor applications are types of quasi-judicial actions. The Council must limit its decision consideration to matters which are placed in evidence and are part of the public record at the hearing. Legislative administrative public hearings include those that are a formal opportunity for Council to listen to the public regarding the issue at hand, i.e. increases in utility rates or the annual city budget.*

**II. Citizen Input: (estimated time 3 minutes)**

*At this agenda time, non-agenda scheduled citizens may present issues of City concern to Council on topics on are not to be considered later in the meeting. Per Colorado, Open Meetings Law, no Council discussion or action will take place until a later date; unless an emergency situation is deemed to exist by the City Attorney. Each speaker has a time limit of 3 minutes to facilitate efficiency in the conduct of the meeting and to allow an equal opportunity for everyone wishing to speak.*

**III. Council Action Items:**

**A. Approval of the September 25, 2018 Regular Session meeting minutes**

Background: per City Charter, the City Clerk produces minutes of the Council actions for all regular and special session meetings. Minutes are approved or amended at the follow regular session meetings and become permanent city record. If a city councilor was not present at the meeting, they must abstain in the vote and action on approval of the minutes.

Staff contact: City Clerk Erica Boucher

**Action Requested of Council:** To approve the September 25, 2018 Regular Session meeting minutes.

Estimated time: 1 minute

**B. Action on Retail Marijuana Cultivation Establishment License Application from ALK Holdings LLC dba OhmGro, 800 West Rio Grande Avenue, Gunnison, CO 81230**

Background: On June 23, 2015, City Council passed Ordinance No. 5, Series 2015, establishing the regulations and process for approving medical and retail marijuana establishments in Gunnison. The State Marijuana Enforcement Division (MED) has approved a Conditional Retail Marijuana Products Manufacturing License for the above-sited application. City Staff has reviewed and processed all local requirements for ALK Holdings LLC and they have received departmental approval.

Staff Contact: City Clerk Erica Boucher

**Action Requested of Council:** A motion to approve or deny the Retail Marijuana Cultivation Establishment License Application from ALK Holdings LLC dba OhmGro, 800 West Rio Grande Avenue, Gunnison, Colorado 81230, based on the Staff findings and decisions with the stated conditions.

Estimated time: 10 minutes

**C. Update on the *Land Development Code* Diagnosis**

Background: Based on the City Council's Strategic Plan, priority of Livable and Affordable Housing, Alex Joyce of Cascadia Partners was secured to analyze the *Land Development Code* (LDC) and other City policies to identify housing barriers. Mr. Joyce will be present to update Council on the report and recommendations for modifications to the LDC and other City policies.

Staff Contact: Interim Community Development Director Andie Ruggera

**Action Requested of Council:** To provide Cascadia Partners and staff with feedback on the report and recommendations for modifications to the LDC and other City policies.

Estimated time: 20 minutes

**D. Ohio Avenue Safe Walk Project/Resolution No. 9, Series 2018; Re: A Resolution of the City Council of the City of Gunnison, Colorado, Supporting the Grant Application for a Planning Grant from the State Board of the Great Outdoors Colorado Trust Fund for the Ohio Avenue Safe Walk Project**

Background: Based on the City Council's Strategic Plan regarding Economic Prosperity and implementation of the *Gunnison Vibrancy Initiative*, a conceptual design has been completed for Ohio Avenue by Altitude Land Consultants based on public input that was garnered from multiple public meetings, walking audits, and design charettes.

Staff contact: Public Works Director David Gardner

**Actions Requested of Council:** 1) A motion to approve Resolution No. 9, Series 2018; 2) A motion to approve the conceptual design of the Ohio Avenue Safe Walk Project and to engage in the design, preparation of bid documents, and enter the construction phase of the project in an amount not to exceed \$50,000.

Estimated time: 30 minutes

**E. License Agreement-Jeffery and Thalia Oster at 409 North Colorado Street, Gunnison, Colorado**

Background: A building permit was issued for an Accessory Dwelling Unit at 409 North Colorado Street based off the site plan submittal indicating the structure was located on private property. A survey was performed indicating the unit

encroaches onto the north/south alley right-property owner for the existing structure and for a dormer extension of the roof to make the space more livable. A City electrical line is located within the alley and the minimum eight-foot clearance from the line to the structure is maintained.

Staff contact: Interim Community Development Director Andie Ruggera

**Action Requested of Council:** To approve a revocable License Agreement for a vertical dormer extension of an existing Accessory Dwelling Unit that encroaches into the Block 79, First Addition to Gunnison, City alley right-of-way.

Estimated time: 15 minutes

**F. Community Center Roof**

Background: The seam over the gym box roof has leaked every year since 2005. The City had contracted a roofer in the fall of 2017 to foam insulate the roof and then seal it with a top coat. The prospective contract offered a 10-year “no leak warranty.” The City was waiting on a specific recommendation from SGM, who was performing our facility maintenance assessment in the fall of 2017, with direction on how best to proceed. SGM’s report with the roof recommendation did not come through until mid-October 2017. Their best repair recommendation called for a total roof replacement at a potential cost in the hundreds of thousands of dollars. SGM’s opinion on the foam was nebulous and non-committal.

Staff contact: Parks and Rec Director Dan Ampietro

**Action Requested of Council:** A motion authorizing the City Manager to negotiate and sign a contract with Challenger Roofing in an amount to be specified at the October 9, 2018, Council meeting.

Estimated time: 10 minutes

**G. Second Reading of Ordinance No. 9, Series 2018; Re: An Ordinance of the City Council of the City of Gunnison, Colorado, Amending Chapter 2.20, Purchasing Policy and Procedure, of the City of Gunnison**

Background: The purpose of this item is to simplify and amend the City Code to include performance and payment bonds for City projects exceeding \$50,000 to be in compliance with state statutes.

Staff contact: Finance Director Ben Cowan

**Action Requested of Council:** To introduce, read by title only, motion, second and vote to pass and adopt Ordinance No. 9, Series 2018 on second and final reading.

Estimated time: 5 minutes

**IV. Reports:**

City Attorney Report

City Manager Strategic Projects Update and Report

City Councilors with City-related meeting reports; discussion items for future Council meetings

**V. Meeting Adjournment**

The City Council Meetings agenda is subject to change. The City Manager and City Attorney reports may include administrative items not listed. Regular Meetings and Special Meetings are recorded and action can be taken. Minutes are posted at City Hall and on the City website at Sessions are recorded; however, minutes are not produced. For further information, contact the City Clerk’s office at 970.641.8140. **TO COMPLY**

**WITH ADA REGULATIONS, PEOPLE WITH SPECIAL NEEDS ARE REQUESTED TO CONTACT THE CITY CLERK 24 HOURS BEFORE ALL MEETINGS AT 970.641.8140.**

**GUNNISON COUNTY BOARD OF COMMISSIONERS  
WORK SESSION AGENDA**

200

**DATE:** Thursday, October 11, 2018  
**PLACE:** Somerset Community Center 3764 HW# 133 Somerset, CO 81623  
Marble Community Church, Fellowship Hall 121 West State Street Marble, CO 81623

**GUNNISON COUNTY BOARD OF COUNTY COMMISSIONERS WORK SESSION:**

- 1:00 pm • Travel to Somerset
- 3:00 • Work Session in Somerset with Somerset Residents:
  - Discussion; Somerset Town Clean-up
  - Update; Water/Wastewater Improvement Plans
  - Update; Ragged Mountain Fire Protection District
- 4:00 • Travel to Marble & Dinner
- 6:00 • Work Session in Marble with Marble Town Council & Residents of the Upper Crystal River Valley:
  - Discussion; Gunnison Public Lands Initiative
  - Discussion; Managing off Highway Vehicle Use
- 7:30 • Adjourn
- Return to Gunnison

Please Note: Packet materials for the above discussions will be available on the Gunnison County website at <http://www.gunnisoncounty.org/meetings> no later than 6:00 pm on the Friday prior to the meeting.

**GUNNISON COUNTY BOARD OF COMMISSIONERS**  
**SPECIAL MEETING NOTICE**

201

**DATE:** Monday, October 15, 2018  
**PLACE:** Board of County Commissioners' Meeting Room at the Gunnison County Courthouse  
200 E. Virginia Avenue  
Gunnison, CO 81230

- 1:00 pm
- 2019 Gunnison County Budget; Presentation of Staff-Proposed Budget
  - Adjourn

**AGENDA**

**Call to Order**

**Roll Call**

**Approval of the October 2, 2018 Regular Town Council Meeting Minutes**

**Reports**

Town Manager's Report  
Department Head Reports  
Town Council Reports

Gunnison Crested Butte Tourism Association – Admissions Tax Report Follow Up – Daniel Kreykes and Laurel Runcie

Forest Service Update, Gunnison Ranger District, Matt McCombs District Ranger

**CORRESPONDENCE -**

**OLD BUSINESS -**

**NEW BUSINESS -**

Discussion - Gunnison Valley Housing Plan - Jennifer Kermode and Willa Williford

Discussion and Possible Consideration of the Five-Year Plan – Karl Trujillo

Discussion and Possible Consideration of Providing Funding to the Gunnison Valley Food Pantry – Cassidy Tawse

Discussion and Possible Consideration of Appointing One (1) Member to the Town Council to Fill a Vacant Seat to Expire April 2020.

Discussion and Possible Consideration of Appointment a New Mayor Pro Tem.

Discussion and Possible Consideration of Appointments of Councilors to Boards and Commissions Held by Ken Lodovico:

- Mountain Express
- RTA
- Admissions Tax Committee
- Finance Committee
- Community Builders Task Force

**REGULAR TOWN COUNCIL MEETING  
MT CRESTED BUTTE, COLORADO**

203  
October 16, 2018  
6:00 PM  
COUNCIL CHAMBERS

**OTHER BUSINESS –**

**PUBLIC COMMENT** – *Citizens may make comments on items not scheduled on the agenda. Those commenting should state their name and physical address for the record. Comments are limited to five minutes.*

**ADJOURN**

**WORK SESSION – Brush Creek Workforce Housing**

**If you require any special accommodations in order to attend this meeting, please call the Town Hall at 349-6632 at least 48 hours in advance. Public comment on these agenda items is encouraged.**