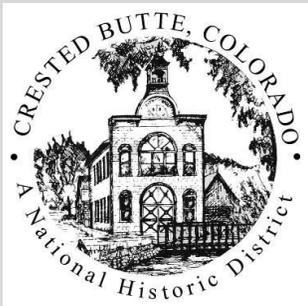


**AGENDA**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, December 2, 2019**  
**Council Chambers, Crested Butte Town Hall**



*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**

1) Dispatch Services Discussion.

**6:40** 2) Discuss Plan for Community Compass.

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

**7:02 SWEARING IN OF MALLIKA MAGNER**

**7:08 APPROVAL OF AGENDA**

**7:10 CONSENT AGENDA**

1) November 18, 2019 Regular Town Council Meeting Minutes.

2) Quarter 3 Financial Summary.

3) Fat Bike Worlds Special Event Application and Special Event Liquor Permit for Usage of the Gravel Pit Starting January 23<sup>rd</sup>, 2020 through January 26<sup>th</sup>, 2020 and Closing Elk Avenue Between 2<sup>nd</sup> Street and 3<sup>rd</sup> Street on January 24<sup>th</sup>, 2020.

4) Appointments to Boards and Committees.

5) Approval of Fall 2019 Community Grants.

*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.*

**7:12 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.*

**7:20 STAFF UPDATES**

**7:30 PUBLIC HEARING**

1) Ordinance No. 39, Series 2019 - An Ordinance of the Crested Butte Town Council Approving the Lease of a Portion of the Property at 606 Sixth Street to The Center for the Arts.

**7:40** 2) Ordinance No. 40, Series 2019 - An Ordinance of the Crested Butte Town Council Amending Chapter 4 of the Crested Butte Municipal Code to Include New Provisions Establishing a Tax On Cigarettes, Tobacco and Other Nicotine Products.

**7:50 NEW BUSINESS**

1) Ordinance No. 41, Series 2019 - An Ordinance of the Crested Butte Town Council Approving the Lease of a One-Bedroom Apartment Located at 715 Elk Ave to Stephanie White.

**7:55** 2) Ordinance No. 42, Series 2019 - An Ordinance of the Crested Butte Town Council Approving a Loan from the Colorado Water Resources and Power Development Authority; and Authorizing the Execution of a Loan Agreement and a Governmental Agency Bond to Evidence Such Loan.

**8:05** 3) Empty House Tax Discussion.

**8:40 LEGAL MATTERS**

**8:50 COUNCIL REPORTS AND COMMITTEE UPDATES**

**9:05 OTHER BUSINESS TO COME BEFORE THE COUNCIL**

**9:15 DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE**

- Monday, December 9, 2019 - 6:00PM Special Meeting
- Monday, December 16, 2019 - 5:00PM Work Session - 7:00PM Regular Council
- Monday, January 6, 2020 - 6:00PM Work Session - 7:00PM Regular Council
- Tuesday, January 21, 2020 - 6:00PM Work Session - 7:00PM Regular Council

**9:20 ADJOURNMENT**



## Staff Report

December 2, 2019

**To:** Mayor and Town Council  
**Thru:** Dara MacDonald, Town Manager  
**From:** Michael Reily, Chief Marshal  
**Subject:** Dispatch services

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### Summary:

Gunnison Regional Communications (Dispatch) provides 911 and radio dispatch services for the Crested Butte Marshal's Department and is run by the City of Gunnison. Seven Gunnison Communications users (CB Fire Protection District, Crested Butte, Gunnison, Gunnison County, Gunnison Fire Protection District, Hinsdale County, and Mt. Crested Butte) form an advisory board which provides direction to the City of Gunnison but, does not have final decision making authority over the operations and budget for Dispatch. That ultimate decision making falls to the City of Gunnison.

For a variety of reasons, the current dispatch system is outdated and not a technologically efficient operation. The systems in place have not kept up with the changes in radio technology which has caused operational safety issues in the north end of the valley.

The Marshal's Office will pay fees approaching \$71,000 in 2020. Our user fees are expected to rise another 15% annually over the next few years to \$106,000 in 2022. Gunnison Dispatch is currently looking to upgrade its system which could cost an additional 4 or 5 million dollars. If they elect to improve our technological systems, the cost would be divided among the member agencies and our fees would rise proportionally.

The north end of the Gunnison Valley is geographically separated from the rest of Gunnison County as are our radio and telephone communications. This places us in the position of being able to seek an alternative to Gunnison Dispatch. Consequently, the Crested Butte Fire Protection District, Mt Crested Butte Police and the Marshal's Office are exploring a technologically superior and less expensive Dispatch service option through WestCO Emergency Communications ("WestCO") which is operated out of Montrose. WestCO manages dispatch services for communities in Montrose County, Ouray County and Telluride among others (<http://www.wcrdc.net>). The 2020 cost estimate for WestCO's services is \$25,000-30,000.

### Previous Council Action:

The CB Town Council appointed primary and alternate representatives to the Gunnison/Hinsdale Combined Emergency Telephone Service Authority ("E-911 Board") and the Gunnison Regional Communications Boards ("Communications Board") where Crested Butte has only had an advisory role. This may change in early 2020 as the Board is exploring a change in governance to, ironically, the WestCO governance model.

**Background:**

The E-911 Board is empowered with the operation of an emergency telephone service for exchanges 641, 349, 943, 944, and a portion of 862. It also includes wireless communications within portions of Gunnison, Hinsdale and Saguache counties. The Board is authorized to collect an emergency telephone charge equal to the amount authorized by state statute. The current surcharge is \$1 per phone line (cell and landline). Funds collected are used to pay for the cost and installation of equipment, charges to service suppliers, related personnel expenses, and other costs directly related to the continued operation of the emergency telephone services. The difference between what is collected and Dispatch's operating costs is divided among the user agencies.

The Board has directed Dispatch to apply to the Public Utilities Commission to have this surcharge double which would bring in an additional \$100,000. For some reason, Gunnison has not completed this task over the last two years.

The north valley agencies have been voicing concerns regarding both operations and funding for Dispatch for a couple of years with no meaningful response from the City of Gunnison. Now that the north valley agencies have a tangible plan for acquiring service elsewhere, the City of Gunnison has begun to address some of the concerns.

**Discussion:**

The Strategic Communications Planning Group (StratComm), a subcommittee of the Gunnison Valley Communications Board (GVCB), held a meeting on Thursday, October 31, 2019 to discuss possible restructuring of the Board of Communications from an advisory board to a governance board. The meeting was attended by representatives of the City of Gunnison, Gunnison Police Department, Gunnison Regional Communications, Colorado Parks & Wildlife, Gunnison Fire Department, Gunnison Sheriff's Office, Gunnison Office of Emergency Management, Mt Crested Butte Police Department, Gunnison Valley Health EMS, National Parks Service, Hinsdale County, Gunnison County, Town of Mt. Crested Butte, Crested Butte Fire Protection District, Crested Butte Marshal's Office and Hinsdale Sheriff's Office.<sup>1</sup>

The meeting was prompted by members of the current advisory board expressing interest in having a voting say rather than an advisory say for addressing county emergency communications needs including technology, system upgrades and funding. An equal say would move the board structure from one of advisory to governance. This preliminary meeting included all stakeholders to review options.<sup>1</sup>

A governance model was reviewed as a possible framework for a restructuring. The model reviewed is one used by WestCO Emergency Communications which is the governing board of the Western Colorado Regional Dispatch Center located in Montrose, Colorado. The edited model will be reviewed by independent counsel and returned to the Gunnison Valley Communications Board for final review by January 1, 2020. Any proposed changes to the organizational structure of the GVCB will be reviewed and authorized by applicable agency elected officials. This is the first step in a possible remodeling of the Gunnison Valley Communications Board.<sup>1</sup>

The south valley and Hinsdale County partners in the GVCB have stated their concerns that if the north valley member agencies leave, there will not be sufficient funding for them to maintain Dispatch. They have expressed concerns that dispatchers from Montrose will not be able to provide the same level of service that dispatchers in Gunnison can provide. While this may be a concern for south valley agencies, in our experience, the dispatchers in Gunnison do not have

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<sup>1</sup> Excerpt from 11/1/2019 StratComm press release.

detailed local knowledge of the roads or terrain in the north valley and the advanced mapping technology utilized by WestCO would more than make up for any minor loss in local knowledge.

**Legal Implications:**

No Council action is necessary at this time as this report is simply informational.

**Financial Implications:**

The E-911 Board makes financial decisions regarding the funds collected through telephone service. The Communications Board makes recommendations regarding the budget and operations of Dispatch. The members of the Communications Board each pay a portion of the expense of operating Dispatch based upon incidents generated by that entity in the preceding year. The vast majority of the Dispatch budget is personnel expense.

Several years ago, the board voted to increase fees over a five year period to pay for additional Dispatch positions and to make some technology upgrades. The Town of Crested Butte contributed approximately \$56k in 2018, \$65k in 2019, \$71k in 2020 and \$82k in estimated fees to Gunnison Communications in 2021. By the end of the five year period the CBMO will be paying \$106,000 annually before any costs associated with foundational system upgrades are determined.

**Recommendation:**

If the north valley agencies decide it is in their financial and technological interest to switch to WestCO for their dispatch services in 2021 they will have to do so before March of 2020 so the WestCO board of directors can have time to decide if they will accept us. With the information we have at this time the north valley agencies' decision to switch to WestCO, both financially and technologically, makes sense. In the interim, we are active participants in all discussions with Gunnison Dispatch and the other user agencies and will continue that effort until we are forced to make a decision by the end of March 2020.

At this time no Council action is needed and this report is purely to make Council aware of the situation.



## Memorandum

**To:** Town Council  
**From:** Dara MacDonald, Town Manager  
**Subject:** Overview of purpose and process plan for Community Compass  
**Date:** December 2, 2019

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### **What is the Crested Butte Community Compass?**

Residents and visitors recognize that the town of Crested Butte is a special place for people due to our authentic historic character and human-scale built environment nestled against the backdrop of the rugged West Elk Mountains. It is a locale where man-made, social and natural environments intertwine to create a rarified place in which to live, work, visit, recreate, contemplate and protect. The Crested Butte Community Compass will envision and weave together these essential public values and goals into a positive, proactive set of guideposts that inform discussions and guide decisions now and in the future.

The Compass will be an extensive public engagement process that will result in a concise document capturing the unique voice of the Crested Butte Community. It will explore not only the vision and goals of the community but also the trade-offs that the community is willing to make in order to achieve its goals for the type of place we want to be. We expect the Compass will be a vision document that may include some particular examples of good or bad projects, it will not be a “to do list” that many communities create as a master plan or comprehensive plan. Rather it will be a document that describes the aspirations of the community that will inform future decision making rather than an extensive list of specific actions to pursue.

### **Collaboration with Mt. Crested Butte**

Mt. Crested Butte is also looking to update their community plan. Our staffs and Mayors have met to have an initial discussion about how we could collaborate on the efforts to update plans for both communities. While there may some overlap in the values expressed in any final documents, we expect that each community will end up with a document that reflects their individuality as well as some similarities.

Public process seems like the obvious place to collaborate. The two communities can work together to frame and plan community outreach as the information we want to gather from residents will have a lot of overlap. Discussing both towns together may lead to recognition and appreciation of the differences as well as our similarities. Opportunities for collaboration should also be a natural outgrowth of these discussions.

## **Public Process**

Staff does recognize that a large percentage of our population probably has no idea what the Town does on a daily basis. So long as the streets are plowed and the water comes on, their lives are busy enough without worrying about what their municipal government is up to. Given this, we want to do our best to reach everyone who may not know they are interested in this planning process in a way that is easy for them. While there will be a couple of big events as part of the process, we would prefer to spend much of the effort on public outreach meetings with people where they already are rather than asking them to come to us. This will mean meeting with other organizations such as the PTA, Rotary, HOAs, non-profit groups and workplace staff meetings. Maybe a happy hour discussion at Kochevars, apres at the mountain or a high school basketball game?

## **Timeline**

### **2019**

November – mid-December – Staff drafts a sketch of a plan which we utilize to flesh out key questions and how to frame questions for the community. Begin to identify positive outcomes of possible values statements and also to troubleshoot potential roadblocks, pitfalls, or unintended consequences

December – Review strategy with department heads

December – Planning for kick-off event

### **2020**

January – Council workshop(s) on the planning process and initial conversation about community focus points

Mid-February – Kick-off event

Late February/early March and early April– outreach to existing groups in the community. Council members welcome to attend

May – Summarize findings from outreach on community focus points

Late May – Council discussion on community focus points and define draft values statements

June – Community meeting and back to existing groups to do scenario planning exercises around values statements

July/August – Staff and Council work to refine values statements utilizing findings from scenario planning exercises

September – Draft plan

October – Council review of draft plan, Community meeting and outreach to existing groups in the community for feedback on draft plan

November – Finalize plan

**MINUTES**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, November 18, 2019**  
**Council Chambers, Crested Butte Town Hall**

Mayor Schmidt called the meeting to order at 7:01PM.

Council Members Present: Will Dujardin, Candice Bradley, Chris Haver, Laura Mitchell, Paul Merck, and Mona Merrill

Merck was the outgoing Council member, and Merrill was the incoming Council member. Merck left the meeting after the recognition.

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

Town Clerk Lynelle Stanford, Finance Director Rob Zillioux, and Parks and Recreation Director Janna Hansen (for part of the meeting)

**RECOGNITION OF OUTGOING COUNCIL MEMBER**

Schmidt thanked Merck for his service. Schmidt reviewed accomplishments from the past four years. He thanked Merck for his passion and dedication to the Town and presented him with a picture.

**SWEARING IN OF NEW COUNCIL MEMBERS**

Schmidt welcomed Merrill and those that were re-elected. He shared his thoughts and encouragement for the Council for the upcoming years.

Stanford administered the oath of office to Dujardin, Bradley, Mitchell, Schmidt, and Merrill. They also signed oaths of office.

**APPROVAL OF AGENDA**

Schmidt informed the Council of the request of Sue Navy to move the Appointments to Boards and Committees to the beginning of New Business. Navy would be continuing to serve on the Gunnison Valley Land Preservation Board.

Mitchell moved and Bradley seconded a motion to approve the agenda with that change. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**CONSENT AGENDA**

**1) November 4, 2019 Regular Town Council Meeting Minutes.**

## 2) Approval of 2020 Council Meeting Schedule.

## 3) Award of Fall 2019 Community Grants.

Dujardin wanted to discuss the Council meeting schedule. Merrill questioned the award of the community grants. Item numbers two and three were removed from the Consent Agenda.

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

### **PUBLIC COMMENT**

Craig Batchelor AKA Hollywood - 56 Summit Road in Mt. Crested Butte

- He was a great supporter of Crested Butte and Mt. Crested Butte.
- In 2012, he purchased a cemetery lot, and people could plant trees in their lots.
- He presented a plot sculpting in 2012 that included planting trees. It was approved.
- Since that time, the Town decided that trees could not be planted in the plots.
- He planted the trees this summer as submitted.
- The Town notified him that he had to remove the trees.
- He asked for an exception in this case.
- Schmidt said they would discuss under Other Business.

### **STAFF UPDATES**

- Schmidt asked MacDonald for any elaborations on her staff report.
- Mitchell attended a Mountain Express meeting. They did not want to run a late night taxi. She broke down the contribution amounts from entities. The Town’s updated contribution amount would be \$14,000, rather than \$12,000. Schmidt added the discussion to Other Business, and he would recuse himself from the discussion.
- Schmidt confirmed that Big Air on Elk had not resurfaced.

### **APPOINTMENT OF MAYOR PRO TEM**

Schmidt outlined the duties of the Mayor Pro Tem. Schmidt stated he would miss the second meeting in April.

Mitchell moved and Bradley seconded a motion to appoint Will Dujardin as Mayor Pro Tem. A roll call vote was taken with all voting, “Yes,” except Schmidt voted, “No.” **Motion passed.**

Schmidt was uncomfortable appointing Dujardin as Mayor Pro Tem. He thought it would be appropriate for a woman to serve as Mayor Pro Tem due to the female majority on the Council.

## **NEW BUSINESS**

### **1) Appointments to Boards and Committees.**

Schmidt pointed out Sue Navy's appointment to the Land Preservation Board. He was also on the Board. He asked if anyone wanted to serve as alternate. Navy explained the content of their one or two meetings a year. Merrill volunteered to be the alternate.

### **2) Sidewalk Seating and Compliance with the American Disabilities Act.**

Earley explained he looked at the seven businesses with sidewalk seating and the compliance with ADA. He said there were certain guidelines required by ADA, and he reviewed the criteria for ADA compliance. Earley included a chart in the packet with each business and compliance with each criterion. The brick pavers did not make a compliant pedestrian access route (PAR). Earley showed slides with pictures of sidewalk seating. The sidewalks themselves were ADA compliant. Earley presented solutions, including designating the first four inner feet, closest to Elk Avenue, of sidewalk as the PAR. Other solutions were removing the brick, thus increasing the width of the concrete sidewalk, and eliminating sidewalk seating completely.

Schmidt wanted to keep sidewalk seating. There was discussion on ideas for solutions, such as changing the seating layouts. Earley recommended drop in anchors and tread in posts that were not movable for any business that would newly apply for sidewalk seating. Haver said Town needed to be aware of the placement of bike racks, and they needed to watch the bricks coming up anyway. MacDonald reminded the Council of the inventory done and the restriping of parking to become compliant with ADA. Schmidt affirmed Town had to be ADA compliant. His idea was bulging out the concrete. Schmidt returned to Earley's idea of fixing anchors. Schmidt asked for cost on what they were discussing. Mitchell thought Staff had to be clear with businesses, including the threat of not getting sidewalk seating for the next season. Dujardin stated Town should get compliant and see what happened. The Council agreed Town had to meet ADA compliance. Mitchell agreed with Schmidt they could entertain a price for extending concrete. Schmidt confirmed that Staff should inform businesses that Town needed to have four feet on the concrete sidewalk for ADA compliance.

### **3) Review of Lease Policy for Town-Owned Property.**

Zillioux summarized the topic for discussion. The policy enacted in January of 2017 spoke to the fact that Town had facilities, and the primary purpose was for not-for-profit organizations. Staff wanted to confirm the policy and the term lengths in the policy. Zillioux asked if there should be residential units in buildings that were not contemplated

as residential units. There was a specific question regarding The Depot unit. He reminded the Council that the decision should be a policy decision.

Schmidt acknowledged The Depot issue. He asked Sullivan to weigh in on the employee or employment issue related to The Depot. Sullivan explained the person would need to carry liability insurance covering the work being done for the Town. CIRSA would not apply coverage if something happened. MacDonald cited an example of liability pertaining to the shoveling of the access ramp. The best practice would be to have someone live at The Depot with a residential lease, and the Town would maintain the property. Schmidt confirmed The Depot was the only residence owned by Town that was not rented to a Town employee.

Schmidt asked Stephanie White, the current resident at The Depot, if she saw the recommendations in Zillioux's staff report. White had not had a chance to process. MacDonald reported there were three commercial spaces that were rented by for-profits. White recalled history on caretakers at The Depot. Schmidt asked the Council what they thought of the second (b) recommendation from the staff report. Merrill confirmed that Town Staff would then take care of the caretaking duties. White outlined duties she performed. Mitchell was comfortable with b and with a two or three year lease. Dujardin thought b was the best solution in which they were not comfortable. The Council concurred they agreed with b. The discussion turned to the first recommendation (a), to modify the non-residential municipal property policy to clearly specify policy regarding non-employee housing, in the staff report. Zillioux said if there was more demand than supply, then there would be a lottery.

Aaron Peterson

- He asked if there was discussion of White being an employee in the caretaker role.

Bradley asked about a caretaker as an independent contractor. MacDonald did not think it made financial sense for an individual.

#### **4) Presentation of Timeline and Concepts for Affordable Housing in the Slate River Annexation.**

Yerman reported they were still working to finish up the preliminary plan application for the annexation, and they were no further than the last time. Sullivan described that he was in the prodding process. The boater access easement was still in progress. Sullivan advised that Schmidt not meet with the proponent's attorney. He recognized there were points of disagreement.

As part of the Slate River Annexation, Town would gain a 14-acre parcel divided into five parcels. Yerman reviewed uses on each parcel. The discussion tonight would focus on TP (Town Parcel) 3 and TP 5. TP 5 was reoriented to lend itself for a high-density project. The (dump) clean up allowed for potential higher densities. The two parcels would be zoned R-4 or R2a.

Yerman showed a slide depicting a map of the parcels. He spoke about Phase 1 of TP 5. He described housing that could be developed in TP 5. They explored for Space to Create on the site, and they should look into entry-level condos for ownership. Next, Yerman outlined the timeline. He described the plan for public involvement. He explained the costs associated with the parcel, including cost savings due to potential tax credits. Yerman responded to Mitchell's question on viability for affordable housing. The discussion became focused on bond and risk to the Town. Mitchell wondered if the school would come back with interest in TP 2.

Yerman listed three properties in the North Valley available for higher density projects. This site would be the most ready to go because of the location of utilities. Willa Williford reported on North Village in Mt. Crested Butte. There was discussion on funding. Yerman said Staff wanted to work collaboratively and bring one project forward for Division of Housing money. Williford did not think it was helpful to pitch three projects at once. Dujardin would rather see Town start the process. Schmidt agreed he would like to at least see the planning. Yerman reiterated it was important to focus and come together around one project. Getting out in front of the mountain would send mixed signals. North Village should be the priority.

MacDonald acknowledged they needed to be concerned about absorption. Williford identified the remaining need to be about 150 rental units. Haver said they needed to recognize mile markers for jumping to another project from North Village. Yerman saw the need to prioritize. Town could step in if North Village started to run into problems. Dujardin voiced frustration. Schmidt would like to see something planned to go forward. He suggested they revisit in three months. MacDonald reminded of discussion at the last meeting about a working group with Mt. Crested Butte that could functionally have the conversations. Mitchell questioned the timing of the VCUP. Schmidt thought they needed to proceed more rapidly. The discussion on moving forward continued. Merrill said if they were going to wait, they might as well get the information. Dujardin questioned the next steps for Town. MacDonald said they would look at the budget and defer the Community Compass for another year. Haver reiterated they needed to identify trigger points related to the North Village project. Yerman suggested that Haver and Schmidt help him to reach out to their counterparts in Mt. Crested Butte and Roland (Mason).

##### **5) Discussion of Joint RTA/Mountain Express Meeting on December 6<sup>th</sup>.**

Schmidt recognized that Mitchell and Haver were on the RTA Board. Mitchell began the discussion by asking the Council whether they would prefer CNG tanks at the Whetstone Industrial Park or working with gas stations to get a CNG pump anyone could use. There was discussion on CNG and electric.

The Council agreed they would like to see Bustang service. Schmidt recommended they consider a town circulator. Dujardin said the bigger discussion on routes had to do with combining entities. He thought they should still talk about the late night town taxi. Mitchell mentioned Chris Larsen submitted his retirement notice for next August. She

added that the buildings would be spark resistant with the plan of having cleaner busses.

**6) Ordinance No. 39, Series 2019 - An Ordinance of the Crested Butte Town Council Approving the Lease of a Portion of the Property at 606 Sixth Street to The Center for the Arts.**

Schmidt read the title of the ordinance. He suggested several changes to Yerman and MacDonald. He specified two changes to language related to discrimination and traffic control. He also suggested language about energy savings. Schmidt reviewed the lease term.

Mitchell moved and Bradley seconded a motion to set Ordinance No. 39, Series 2019 for public hearing at the December 2<sup>nd</sup> meeting with the suggested amendments. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

**7) Ordinance No. 40, Series 2019 - An Ordinance of the Crested Butte Town Council Amending Chapter 4 of the Crested Butte Municipal Code to Include New Provisions Establishing a Tax On Cigarettes, Tobacco and Other Nicotine Products.**

Schmidt read the title of the ordinance. Zillioux pointed out the exclusion for FDA approved nicotine cessation products. MacDonald said the ordinance had to be effective January 1<sup>st</sup> to collect the tax. The Council could consider other regulatory steps. MacDonald suggested the Council wait to see if the students came forward. Bradley questioned what the tax would go towards.

Mitchell moved and Dujardin seconded a motion to set Ordinance No. 40, Series 2019 to public hearing at the December 2<sup>nd</sup> Council meeting. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

**8) Appointments to Boards and Committees Continued**

Dujardin questioned whom attended CAST meetings. Secondly, he informed the Council that he accepted a board position on Crested Butte State of Mind. He asked for approval. He would prefer it to be an appointed position in the long run. Dujardin would come back to the Council in December. Schmidt answered Dujardin’s question regarding attendance at CAST.

Bradley was appointed to Tourism and Prosperity Project (TAPP). She asked to be removed from The Center for the Arts Board, and Merrill took her position. Merrill volunteered earlier in the meeting to serve as the alternate on the Gunnison Valley Land Preservation Board. Merrill would serve on the Gunnison County Sustainable Tourism & Outdoor Recreation Committee, and Haver would be the alternate. Bradley joined Mitchell on the Grant Review Committee. Magner was volunteered to serve on the Region 10 Broadband Committee. The agenda item, Appointments to Boards and Committees, was added to the Consent Agenda for the next meeting.

### 9) Approval of 2020 Meeting Schedule.

Haver and Schmidt would not be at the second meeting in April. Merrill was unsure, but she anticipated she would not be at the meeting either. The Council would consider rescheduling. Dujardin would be absent on February 3<sup>rd</sup>. March 2<sup>nd</sup> was off the table for Bradley. MacDonald confirmed they would approach each meeting individually.

### 10) Award of Fall 2019 Community Grants.

Merrill wondered about the process and the criteria for awarding the money. Mitchell outlined the decision process. MacDonald referred to the point system. Merrill wanted to review the grants more.

Merrill moved and Dujardin seconded a motion to continue the community grants discussion to the December 2<sup>nd</sup> meeting. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

Bradley recognized the work done by Mitchell. Haver seconded the thought.

### LEGAL MATTERS

Sullivan reported he was massaging the language in the boater access easement agreement, and he would return the agreement to Marcus Lock.

### COUNCIL REPORTS AND COMMITTEE UPDATES

Will Dujardin

- He missed a Mountain Express meeting due to illness.
- Mitchell reported that October ridership was up, and overall ridership was up 2% for the year.

Laura Mitchell

- Chris (Larsen) was planning on retiring in August.

Chris Haver

- The STOR meeting was cancelled.
- The Council received the minutes from the meeting on youth vaping in the packet.

Jim Schmidt

- The mayor/managers meeting report was in the packet.
- On Friday the 8<sup>th</sup>, he went to Montrose with Earley. Scott Truex, Chris Larsen, and Mayor Farmer also attended. CDOT had a list of priorities. The Little Blue Creek would be a priority for this region. The next priority would be Hwy 92, west of Hotchkiss, which would not occur at the same time as Little Blue Creek. The number one priorities of Gunnison County were the Brush Creek and Cement Creek intersections.

- The new Council orientation was last Monday.
- They had lunch with CBMR. CBMR would be opening the day before Thanksgiving on manmade snow.
- MacDonald and he went to The Chamber presentation on Tuesday night. Ticket sales were behind, but the feeling was that people were waiting until the very end.

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

- Schmidt brought forth the cemetery discussion initiated by Hollywood during Public Comment. Schmidt wanted Staff to report on it. He suggested the discussion be added to the next meeting agenda. MacDonald outlined details of Hollywood's applications and the timing related to trees. Staff would put together thoughts in a staff report. Schmidt explained the reason trees were not allowed. Hollywood would be available to attend the meeting on December 16<sup>th</sup>.
- Mitchell would like to start a conversation on banning Styrofoam at restaurants. MacDonald reported what she learned at CAST on banning Styrofoam. Avon proposed passing the ban, but the trigger for implementation would happen after the State law was changed. MacDonald had the draft ordinance from Avon that could be considered.
- Mitchell stated that BOZAR needed a raise in pay.
- The Council should look anytime the BOZAR denied an ADU.
- Magner told Dujardin she had a conversation with Nola from the Climate Action Plan Committee about a campaign at the school to get people carpooling or riding the bus.
- Magner shared in advance of the meeting that she would like to see using a facilitator for the next retreat. Mitchell agreed. Schmidt recalled the last couple of facilitators that were disasters. The Council would discuss what they would want to accomplish.
- Magner was also interested in two hour parking enforcement.
- Telluride elected a new Mayor. Schmidt brought up the idea of an exchange program. He asked whether the Council was interested. Schmidt would put in a call.
- Haver relayed that Magner voiced concern related to plows and dump trucks running on 9<sup>th</sup> Street during school travel times. Earley confirmed there were times that contractors could not haul snow to the gravel pit with the school in mind.

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

- Monday, December 2, 2019 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, December 16, 2019 - 5:00PM Work Session - 7:00PM Regular Council
- Monday, January 6, 2020 - 6:00PM Work Session - 7:00PM Regular Council

Schmidt added that the Climate Action Plan presentation would be on the 4<sup>th</sup>. The Town party would be on the 5<sup>th</sup>.

### **EXECUTIVE SESSION**

Schmidt read the reason for Executive Session: for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e) regarding the Valley Housing Fund and Verzuh Open Space.

Dujardin moved and Mitchell seconded a motion to go into Executive Session. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

The Council went into Executive Session at 11:02PM. The Council returned to open meeting at 11:40PM. Mayor Schmidt made the required announcement upon returning to open meeting.

### **ADJOURNMENT**

Mayor Schmidt adjourned the meeting at 11:41PM.

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James A. Schmidt, Mayor

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Lynelle Stanford, Town Clerk (SEAL)



## Staff Report

December 2, 2019

**To:** Mayor and Town Council  
**From:** Rob Zillioux, Finance and HR Director  
**Subject:** 3rd Quarter 2019 Financial Report

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Attached is the 3Q19 financial update for your review. Figures are generally shown as year to date September.

Town remains financially strong. Year to date we are slightly ahead of our revenue budget and slightly below our expense budget. Town Staff continue to manage spending with a close eye.

# 3Q19 Financial Summary Town of Crested Butte



# Primary Revenue Sources

Town Sales Tax	YTD Sept 2019	YTD Sept 2018	\$ Diff	% Diff
BARS/REST	\$1,127,211	\$1,096,339	\$30,872	3%
GROCERY	\$412,027	\$382,928	\$29,100	8%
RETAIL	\$895,026	\$884,637	\$10,390	1%
RETAIL:MMJ	\$95,741	\$108,457	(\$12,717)	-12%
LODGING	\$372,378	\$359,783	\$12,594	4%
CONST/HRDWR/AUTO	\$315,403	\$259,242	\$56,161	22%
SERVICE	\$158,068	\$138,479	\$19,589	14%
OTHER	\$188,323	\$194,400	(\$6,077)	-3%
<b>Total Town Sales Tax</b>	<b>\$3,564,685</b>	<b>\$3,424,265</b>	<b>\$140,420</b>	<b>4%</b>
<b>County Sales Tax</b>	<b>\$391,139</b>	<b>\$380,008</b>	<b>\$11,131</b>	<b>3%</b>
<b>STR Excise Tax</b>	<b>\$250,826</b>	<b>\$230,434</b>	<b>\$20,392</b>	<b>9%</b>
<b>RETT</b>	<b>\$1,421,960</b>	<b>\$968,534</b>	<b>\$453,426</b>	<b>47%</b>
<b>Property Tax</b>	<b>\$997,464</b>	<b>\$1,003,234</b>	<b>(\$5,770)</b>	<b>-1%</b>
<b>Total Major Sources</b>	<b>\$6,626,074</b>	<b>\$6,006,475</b>	<b>\$619,599</b>	<b>10%</b>

3Q19	
Months	% growth
July	5%
Aug	11%
Sept	0%
<b>3Q</b>	<b>5%</b>

**Notes:**

- RETT checks increasing in size as local housing inflation soars.
- On plan. Slight timing on \$5,770 likely cause for delta.
- Excluding RETT, major revenue sources up 3% in total

# General Fund Expense Summary

Department	YTD Sept	YTD Budget	Variance	
Marshals	\$729,664	\$701,617	\$28,046	Council approved 8th Marshal
Building	\$292,627	\$209,045	\$83,582	Allocation with Planning Dept
Finance/HR	\$280,971	\$297,920	-\$16,948	
General Government	\$250,860	\$253,129	-\$2,268	
Planning/GIS	\$246,186	\$286,294	-\$40,108	Allocation with Planning Dept
Recreation	\$243,134	\$276,660	-\$33,526	Coaches, instructors and temp labor
Facilities Maintenance	\$155,613	\$175,432	-\$19,820	
Dyer Shop	\$146,107	\$194,296	-\$48,189	Expenses allocated to Street Fund
Legal	\$140,026	\$152,325	-\$12,299	
Clerk	\$134,872	\$147,789	-\$12,917	
Administration	\$126,423	\$132,668	-\$6,245	
Public Works	\$122,695	\$203,416	-\$80,721	Expenses allocated to Street Fund
Council	\$49,606	\$54,014	-\$4,408	
Court	\$6,043	\$5,522	\$522	
Elections	\$40	\$0	\$40	
<b>TOTAL EXPENSES</b>	<u>\$2,924,866</u>	<u>\$3,090,127</u>	<u>-\$165,260</u>	Overall, Staff managing expenses well

# Sewer & Water Fund Summary

	YTD Sept	YTD Budget	Variance	
<b>REVENUE</b>				
SEWER CHARGES	\$558,503	\$556,142	\$2,362	
WATER CHARGES	\$497,223	\$469,929	\$27,294	
SEWER TAP FEE	\$389,418	\$290,000	\$99,418	} \$486,000 from Affordable Housing builds
WATER TAP FEE	\$303,261	\$205,000	\$98,261	
GRANT REVENUE	\$287,376	\$645,000	-\$357,624	Limiting grant revenue to manage within TABOR
SANITATION CHARGES	\$204,630	\$203,510	\$1,120	
INTEREST INCOME	\$73,603	\$7,500	\$66,103	
ATAD CONTRIBUTION-MT CB	\$48,427	\$68,000	-\$19,573	
WATER AVAILABILITY CHG	\$9,257	\$9,817	-\$561	
SEWER AVAILABILITY CHG	\$8,285	\$8,917	-\$633	
SEWER PRETREATMENT	\$7,446	\$7,897	-\$451	
INTEREST & PENALTIES	\$4,468	\$3,750	\$718	
SEPTIC STATION FEES	\$4,219	\$5,000	-\$781	
COMPOST FEES	\$2,900	\$7,500	-\$4,600	
WATER METERS	\$1,452	\$563	\$890	
DEBT PROCEEDS	\$0	\$750,000	-\$750,000	Water Plant loan will be taken 1Q20
OTHER	-\$514	\$1,500	-\$2,014	
<b>TOTAL REVENUE</b>	<b>\$2,399,953</b>	<b>\$3,240,024</b>	<b>-\$840,071</b>	
<b>TOTAL EXPENSES</b>	<b>\$2,835,704</b>	<b>\$3,218,571</b>	<b>\$382,866</b>	Timing of plant project expenses and lift station
<b>Total Suplus / (Deficit)</b>	<b>-\$435,751</b>	<b>\$21,454</b>		

# Capital Fund Expense Summary

EXPENSES	YTD Sept	YTD Budget	Variance	
OPEN SPACE TRUST	531,290	1,000,000	468,710	Council approved for Kikel parcel. Long Lake expense not yet incurred.
TOWN PARK PROJECT	409,356	450,000	450,000	Pirate Park
WAGES-FULL TIME	152,347	157,593	5,246	
WAGES-SEASONAL	89,443	98,167	8,724	
INSURANCE	79,996	24,956	(55,039)	
PARK CAPITAL EQUIPMENT	72,215	75,000	2,785	
PARK MAINT PROJECTS	59,442	50,000	(9,442)	
OTH ADA lift	37,042	0	(37,042)	Budgeted in building capital line
BUILDING MAINT.	36,686	70,000	33,314	
PARK MAINT SUPPLIES	32,469	23,559	(8,910)	
Bldg Snow Removal	21,720	0	(21,720)	
CAPITAL EQUIPMENT	19,850	100,000	80,150	Initial CAP expenses
AVALANCHE MITIGATION	15,000	15,000	0	Big Mine / bench
OPEN SPACE MAINT	13,908	16,500	2,592	
PW - Perimeter Fence	12,500	0	(12,500)	
FLOWERS & SHRUBS	10,875	10,000	(875)	
PORTABLE TOILETS	7,610	5,834	(1,776)	
WAGES - TRAILS	7,307	6,363	(944)	
BIKE PARK	6,856	0	(6,856)	
OVERTIME	6,329	4,664	(1,665)	
DOGGIE DOO PROJECT	3,878	1,750	(2,128)	
CEMETERY	3,022	7,500	4,478	
TREE PROJECT	2,543	2,500	(43)	
WEED MANAGEMENT	2,120	3,000	880	
Park Misc. Supplies	1,256	0	(1,256)	
DAMAGE LIABILITY	1,202	3,750	2,548	
BUILDING CAPITAL PROJECTS	480	211,000	210,520	OTH lift project in process now
BIKE RACKS/BENCHES	300	0	(300)	
ELK AVE HOLIDAY LIGHTS	0	4,200	4,200	
CYPRESS LAND	0	0	0	\$350k expense budgeted for 4Q19
<b>TOTAL EXPENSES</b>	<b>1,327,898</b>	<b>2,430,098</b>	<b>1,102,199</b>	

# Street & Alley Fund Summary

	YTD Sept 2019	YTD Sept Budget	VARIANCE
<b>REVENUE</b>			
PROPERTY TAX-Street	\$559,876	\$588,000	-\$28,124
PROPERTY TAX-Trans.	\$186,625	\$196,000	-\$9,375
INTEREST & PENALTIES	\$1,061	\$1,884	-\$822
HIGHWAY USERS TAX	\$29,969	\$38,455	-\$8,486
<b>TOTAL REVENUE</b>	<b>\$778,262</b>	<b>\$826,118</b>	<b>-\$47,856</b>
<b>EXPENSES</b>			
LABOR-SNOW REMOVAL	\$125,637	\$62,667	-\$62,970
LABOR-STREET MAINT	\$84,590	\$73,500	-\$11,090
REPAIR & MAINT STREETS	\$17,973	\$16,500	-\$1,473
SIDEWALK REPAIR/MAINT	\$3,385	\$10,000	\$6,615
PARKING LOTS	\$1,099	\$2,000	\$901
ENGINEERING	\$2,950	\$16,000	\$13,050
PAVING PROJECT	\$53,644	\$100,000	\$46,356
Striping	\$11,058	\$12,000	\$942
STORM WATER PROJECT	\$0	\$10,000	\$10,000
R&M VEHICLES	\$10,732	\$15,000	\$4,268
SNOW REMOVAL-SUPPLIES	\$22,144	\$26,667	\$4,523
Snow Removal - Trucking	\$131,875	\$0	-\$131,875
STREET SIGNS	\$1,720	\$3,500	\$1,780
STREET LIGHTS	\$2,312	\$2,500	\$188
ROUNDBOUT / SCHOOL	\$24,770	\$0	-\$24,770
ENTRANCE ENGINEERING			
TREASURER FEES	\$22,428	\$33,026	\$10,598
CAPITAL EQUIPMENT	\$12,129	\$205,000	\$192,871
OTHER EXPENSES	\$26	\$100,000	\$99,974
<b>TOTAL EXPENSES</b>	<b>\$582,064</b>	<b>\$780,343</b>	<b>\$198,278</b>
<b>Net Suplus / (Deficit)</b>	<b>\$196,198</b>	<b>\$45,775</b>	

**Notes:**

- Property tax collections slightly behind budget. Timing issue and should level out by the end of 2019.
- Winter of 2018-2019 had the highest cost for snow removal in recent past. 4,492 truck loads hauled from Town, including 900 off Elk. This amount surpasses the snowmagedden winter of 2016-2017, with 3,604 loads. Winter of 2017-2018 was only 350. Total expense incurred of \$280k
- Timing. Budget assumed replacing larger snow blower and Bobcat during March. The blower purchase was made in November. The Bobcat will not be purchased this year. CBCS Intersection Project budgeted in "Other Expenses."

# Affordable Housing Fund Summary

	YTD Sept	YTD Budget	Variance	
<b>REVENUE</b>				
PARADISE UNIT SALE	\$1,689,120	\$845,000	\$844,120	Timing. Hit full year budget early.
RETT CONTRIBUTION	\$392,891	\$412,500	-\$19,609	Will likely catch up the full year budget.
Excise Tax	\$251,367	\$200,000	\$51,367	STR tax revenue growing at 9% YTD
PARADISE PARK SALES	\$68,640	\$0	\$68,640	AF lot sales
HOUSING PMT IN LIEU	\$37,004	\$45,000	-\$7,996	Difficult to project year to year
<b>TOTAL REVENUE</b>	<u>\$2,452,036</u>	<u>\$1,535,916</u>	<u>\$916,119</u>	
<b>EXPENSES</b>				
PARADISE PARK DUPLEX BUILD	\$1,043,033	\$1,037,500	-\$5,533	
AFFORDABLE HOUSING TAPS	\$486,000	\$528,000	\$42,000	
TOWN RENTAL BUILD	\$420,000	\$413,333	-\$6,667	
Block 76 PROJECT BUILD	\$275,559	\$0	-\$275,559	Misc expenses associated with PP buildout
HOUSING AUTHORITY	\$44,061	\$58,000	\$13,939	
HOUSING MAINTENANCE	\$21,817	\$24,750	\$2,933	
UTILITIES	\$7,997	\$1,500	-\$6,497	
<b>TOTAL EXPENSES</b>	<u>\$2,299,465</u>	<u>\$2,076,208</u>	<u>-\$223,257</u>	
<b>Total Suplus / (Deficit)</b>	<u>\$152,570</u>	<u>-\$540,292</u>		

# Debt Schedule

	Year	Term	Interest Rate	Principal	Current Balance	2019 Payments	Maturity Date
Water Tank	2012	20 years	2%	\$400,000	\$272,960	\$24,788	2032
Wastewater Treatment Plant	2017	20 years	2%	\$2,500,000	\$2,332,247	\$154,926	2037
Wastewater Treatment Plant clarifier	2011	20 years	2%	\$1,900,000	\$1,204,580	\$90,766	2030
Sub-Total as of May 2019				\$4,800,000	\$3,809,787	\$270,480	
<i>Approved 2020 WTP Loan</i>	2020	20 years	2.5%	\$2,025,000	\$2,025,000	\$129,899	2040
<b>Total</b>				<b>\$6,825,000</b>	<b>\$5,834,787</b>	<b>\$400,379</b>	

## Notes:

- Mt Emmons \$2.11m – ballot measure approved debt
- 2020 Water Treatment Plan project \$2,025,000. Loan approved by CWR&PDA, but Town will not take out until 1Q20. 2019 Project will be funded through Enterprise Fund reserves and cash flow.
- Water / Sewer Rates not raised for 2019. However, will be raised for 2020 so as to cash flow increased debt.

# Cash Position

	Closing Balance			Interest Rate			Implied Full Year Interest		
	25-Nov-19	Dec-18	Dec-17	May-19	Dec-18	Dec-17	2019	2018	2017
Bank of the West	\$13,950,079	\$15,063,135	\$18,987,209	1.75%	0.22%	0.22%	\$244,126	\$33,139	\$41,772
Crested Butte Bank	\$0	\$0	\$165,143			0.50%	\$0	\$0	\$826
Community Banks of Colorado	\$165,143	\$165,143	\$0	1.60%	1.60%		\$2,642	\$2,642	\$0
ColoTrust	\$7,928,579	\$5,801,494	\$738,434	2.56%	2.59%	1.51%	\$202,972	\$150,259	\$11,150
<b>Total</b>	<b>\$22,043,801</b>	<b>\$21,029,772</b>	<b>\$19,890,786</b>				<b>\$451,759</b>	<b>\$186,040</b>	<b>\$53,748</b>

Notes:

- Approach is to protect taxpayer / Town funds, while maximizing returns in secure investments
- May continue to invest more with ColoTrust while maintaining sufficient operating funds in Bank of the West
- We are now receiving meaningful interest income with Bank of the West
- Annual interest income increase of +/- \$340,000 as compared to 2017
- Cash position is not the same as Reserves. For example, our \$3.8mm debt balance in the Enterprise Fund nets against cash position to calculate Reserves.



## Staff Report

December 2, 2019

**To:** Mayor and Town Council  
**Thru:** Dara MacDonald, Town Manager  
**From:** Lynelle Stanford, Town Clerk  
**Subject:** **Fat Bike World Championships Special Event Application and Special Event Liquor Permit**  
**Date:** November 13, 2019

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### Summary:

Dave Ochs and Lauren Koelliker submitted a special event application and special event liquor permit for the Fat Bike World Championships on behalf of the Crested Butte Mountain Bike Association (CBMBA).

Set up for the event would begin on Thursday, January 23<sup>rd</sup> at the Gravel Pit, the location of the main race, headquarters, and vendor village. CBMBA applied for a special event liquor permit at the Gravel Pit for January 24<sup>th</sup> and January 25<sup>th</sup>. The liquor licensed premises must be located 500 feet away from the school's property line. The premises would be contained with a fenced boundary, and it would have one entry/exit. Security volunteers would be stationed at the entry/exit to ensure no alcohol enters or exits the premises. Wristbands would be used to identify participants over the age of 21.

On Friday, January 24<sup>th</sup>, there would be event registration, the vendor village, and bike demos at the Gravel Pit from 8AM to 3PM. Elk Avenue would be closed between 2<sup>nd</sup> Street and 3<sup>rd</sup> Street on Friday, January 24<sup>th</sup>, from 3PM to 10PM for a Fat Bike Polo Tournament. The tournament is not dependent on the road conditions or weather, so the organizers have not requested special services for snow removal. However, the organizers requested that the snow banks be retained to establish the boundaries for polo. The event organizers arranged to use the infrastructure at the Brick Oven, where the event would be staged. On Saturday, January 25<sup>th</sup>, the Fat Bike World Championships race would take place at the Gravel Pit. There would be an awards ceremony and music, with the event concluding at 9PM. Clean up and take down would be completed at the Gravel Pit on Sunday, January 26<sup>th</sup>.

### Recommendation:

Approve the Fat Bike World Championships special event application and special event liquor permit.

**Recommended Motion:**

Motion to approve the Fat Bike World Championships special event application and special event liquor permit as part of the Consent Agenda.



## TOWN OF CRESTED BUTTE SPECIAL EVENT APPLICATION

### 1. EVENT INFORMATION:

Name of Event: Fat Bike World Championships

Date(s) of Event: January 24-26, 2020

Location(s) of Event: CB gravel pit and Elk Avenue between 2nd and 3rd St.

Map Attached Showing Location of Event *Attach map showing location of event*

Diagram Attached Detailing Event *Attach 8 1/2" X 11" diagram detailing the event showing tents, vendors, security, toilets, tables, signage, fencing, booths, ingress and egress, stage, etc.;*

Event Schedule and Description of Event Attached

Name of Organization Holding the Event ("Permittee"): Crested Butte Mountain Bike Association

*Note: The permittee of an event must be the same "Entity Name" as the named insured on the insurance certificate and the Secretary of State Good Standing Certificate.*

Event Time(s) (start time of scheduled event to end time of scheduled event each day):

Date	<u>1/24/20</u>	Time: From	<u>9am</u>	To	<u>10pm</u>
Date	<u>1/25/20</u>	Time: From	<u>11am</u>	To	<u>9pm</u>
Date	<u>1/26/20</u>	Time: From	<u>10am</u>	To	<u>2pm</u>
Date	_____	Time: From	_____	To	_____

Total Time (including setup, scheduled event, breakdown, and clean up):

Date	<u>1/23/2020</u>	Time: From	<u>9am (tent setup)</u>	To	<u>6pm</u>
Date	<u>1/24/2020</u>	Time: From	<u>8am</u>	To	<u>10pm</u>
Date	<u>1/25/2020</u>	Time: From	<u>8am</u>	To	<u>10pm</u>
Date	<u>1/26/2020</u>	Time: From	<u>9am (tent breakdown)</u>	To	<u>1pm</u>

Expected Numbers: Participants: 200 Spectators: 100

Name of Event Organizer: Dave Ochs

Phone: 970-349-7324 Cell Phone: \_\_\_\_\_

E-Mail: development@cbmba.org Fax Number: \_\_\_\_\_

Name of Assistant or Co-Organizer (if applicable): Lauren Koelliker

Phone: \_\_\_\_\_ Cell Phone: 303-898-3947 E-Mail: development@cbmba.org

Mailing Address of Organization Holding the Event: PO Box 782 Crested Butte, CO 81224

Email Address of Organization: development@cbmba.org Phone Number: 970-349-7324

2. INSURANCE, LIQUOR PERMITS, SECURITY PLANS:

(a) Do You Intend to Sell or Serve Alcohol?  Yes  No

If Yes, a Special Event Liquor License is Required. You must Submit a Separate Application for a Special Event Liquor License to the Town Clerk at least 30 days prior to the event to ensure adequate time to comply with state regulations.

Special Event Liquor License Application is Attached with Appropriate Fees and Diagram

Describe Plan for Security and Include with Diagram: (All major impact events, as well as events that receive a special event liquor license, are required to have a security plan):

We will have a contained/fenced 80x200' boundary with 1 entry/exit. Security volunteers will be stationed at the entry/exit to ensure no alcohol enters or exits the premises. Participants over 21 will have a provided wristband, and beer servers will check IDs to ensure no alcohol is served to minors.

(b) Proof of General Commercial Liability Insurance Naming the Town of Crested Butte as Additional Insured, with Coverage of No Less than \$1,000,000 is Required for All Special Events. If your event is in the Big Mine Ice Arena with over 299 people, you will also need to add the Crested Butte Fire Protection District as Additional Insured. Events Selling Alcohol also Require Liquor Liability Insurance on the Insurance Certificate. (Note: Your application cannot be approved until we receive Proof of Insurance) Contact the Clerk's Office if you would like to receive an insurance quote through the Town's Insurance Provider.

Is Proof of Insurance Attached?  Yes  No

3. ROAD CLOSURES, PARKING/HANDICAPPED PARKING, BUS SERVICE:

Will Your Event Require Any Road Closures?  Yes  No

If Yes, Explain in Detail Streets Closures and Times of Closures:

Streets: Elk Ave., between 2nd and 3rd St. Date Fri. Jan 24, 2020 Time: From 3:00pm To 10:00pm

Streets: \_\_\_\_\_ Date \_\_\_\_\_ Time: From \_\_\_\_\_ To \_\_\_\_\_

Streets: \_\_\_\_\_ Date \_\_\_\_\_ Time: From \_\_\_\_\_ To \_\_\_\_\_

Streets: \_\_\_\_\_ Date \_\_\_\_\_ Time: From \_\_\_\_\_ To \_\_\_\_\_

Streets: \_\_\_\_\_ Date \_\_\_\_\_ Time: From \_\_\_\_\_ To \_\_\_\_\_

Streets: \_\_\_\_\_ Date \_\_\_\_\_ Time: From \_\_\_\_\_ To \_\_\_\_\_

Will Your Event Impact Mt. Express Bus Service and/or Routes?  Yes  No

If Yes, Explain Impact (include times): Buses will need to detour around Elk Avenue between 2nd and 4th St. Proposed maps show bus route, ok'd by Chris Larson at Mountain Express.

\_\_\_\_\_

Will Your Event Affect Any Handicapped Parking Spaces?  Yes  No

If yes, you must work with the Marshal's Department to create temporary handicapped parking spaces for the duration of your event.

Describe Plan for Parking: Most participants either live in CB or will be renting homes and hotel rooms that already provide parking for vehicles. The most convenient option for attending the event is by biking, riding the bus, or walking. If someone must drive to the event, we will be working with CB Community School to utilize their parking lot.

Is Your Event Requesting Any Additional Services from the Town of Crested Butte (such as barricades, utility irrigation locates, traffic control, snow removal, electrical power, trash removal, additional police etc.)?  Yes  No

If Yes, explain request for services in detail (attach additional page if necessary):

Friday, Jan 24: We would appreciate town barricades at the road closures on Elk Ave.  
Saturday, Jan 25th: We would appreciate partnering with the Town for recycling and trash cans at the Gravel Pit venue.  
No snow removal for either event is required.

Does Your Event Include a Parade?  Yes  No

If Yes, you must read and sign the following: I understand that if items are to be distributed during the parade (i.e. candy, beads, brochures, etc.), individuals will do so exclusively by foot from along-side the vehicles/floats to minimize the likelihood of spectators running up to the vehicles/floats. I understand and agree that items will not be thrown from any vehicle/float.

\_\_\_\_\_  
Signature of Event Coordinator

4. AMPLIFIED SOUND AND NOTIFICATION:

Will There Be Amplified Sound at This Event?  Yes  No

If Yes, Describe: We will have a PA for MC and music

Note: If there will be amplified sound during your event, the rules and requirements of Crested Butte Municipal Code Section 10-9-50 must be followed. Residents and Businesses within 250' of the proposed event must receive written notification (7) days prior to the start of the event.

Describe Plan for Notifying Businesses and Residents Impacted by Your Event: \_\_\_\_\_

No later than Friday, Jan. 17th, CBMBA will give written notice to all businesses and residences within 250' of the event regarding amplified sound.

5. TRASH, RECYCLING, PORTABLE TOILETS AND RESTROOMS:

How much trash do you anticipate generating at the event? 3-4 cans of garbage. We will be using Sustainable CB to minimize waste associated with this event.

What recyclable products will be generated at the event? 2 cans of recycling. This will mainly consist of aluminum cans and some plastic cups.

**Describe Your DETAILED Plan for Trash, Recycling and Clean-Up. (All events are required to have a plan for handling recycling and garbage during the event and the removal of recycling and garbage after the event.) Please note that any plan should emphasize increased recycling and decreased waste production. If you feel that your event will require assistance from Waste Management, please contact them directly at (970) 641-1986. Note: Any event application without a detailed recycling and refuse plan will not be accepted as a complete application:**

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Friday 1/24/20: We will be utilizing the infrastructure at the Brick Oven Pizzeria where we are staging the event. We will use reusable glasses/cups from the kitchen, and cans that will be recycled at the Brick Oven.

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Saturday 1/25/20: With help from the Town with trash and recycling cans, we will coordinate with the CB Community School to arrange pickup.

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As part of event breakdown for each day, a cleanup crew will do a final sweep of each venue to ensure all trash/recycling has been disposed of properly.

**Describe Plan for Portable Toilets and/or Restrooms. (Include Number of Portable Toilets and Plan to Restore Bathrooms to Original State following your event): (Required: 1 Portable Toilet to Every 40 Attendees)**

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We will provide one ADA porta-potty and two regular porta-potties from Gunnison Construction and Septic for the Gravel Pit venue. For our Friday night event on Elk Ave., we will be using the facilities at Brick Oven Pizzeria.

---

## 6. SALES TAX:

*Have you paid sales tax from your event last year?  Yes  No (paid by Chamber of Commerce)  
If No, you must pay delinquent sales tax before your special event application will be considered.*

**Will You Be Selling Products (food, drink, or merchandise) At Your Event?  Yes  No**

**If Yes, You must Collect Sales Tax and Attach a Completed Town of Crested Butte Sales Tax License Application with a List of Vendors to the Clerk's Office.**

- Town of Crested Butte Sales Tax Application is Attached.
- List of Vendors with your Crested Butte Sales Tax Application.

## 7. BANNER PERMITS:

**Do you plan to apply for a banner permit to erect a banner at the Pitsker Outfield Fence?  Yes  No**  
**If Yes, you must apply for a banner permit separately through the Front Desk at Town Hall.**

**Are you requesting Town Manager approval for a 1-day banner at the event location for the hours of the event?  Yes  No**

**Town Manager Approval: \_\_\_\_\_**

**Please review your application and make sure all questions are answered. Read, sign, and date the following prior to submitting your application.**

**8. PLEASE REVIEW, SIGN, AND DATE:**

In consideration for being permitted by the Town to engage in the permitted event, the Permittee, its heirs, successors, executors, assigns, transferees, employees, officers, directors, members, managers, representatives, contractors, subcontractors, agents, assigns, guests and invitees (collectively, the "Releasor/Indemnitor") hereby acknowledge and agree to the following: (i) Releasor/Indemnitor assume all risk of injury, loss or damage to Releasor/Indemnitor, any of them, arising out of or in any way related to the permitted event, whether or not caused by the act or omission, negligence or other fault of the Town, or by any other cause; (ii) Releasor/Indemnitor waive and release the Town from any and all claims, demands and actions for injury, loss or damage arising out of or in any way related to the permitted event, whether or not caused by the act or omission, negligence or other fault of the Town, or by any other cause; (iii) Releasor/Indemnitor agree to defend, indemnify and hold harmless the Town from and against any and all liability, claims, damages and demands, including any third party claim asserted against the Town, on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever, arising out of or in any way related to the permitted use, whether or not caused by the act or omission, negligence or other fault of the Town, or by any other cause. For purposes hereof, the term "Town" shall include, individually and collectively, its officers, employees, agents, insurers, insurance pools, contractors and subcontractors. By signing this Special Event Application, the Permittee acknowledges and agrees that this assumption of risk, waiver and indemnity extends to all acts, omissions, negligence or other fault of the Town and that said assumption of risk, waiver and indemnity is intended to be as broad and inclusive as is permitted by the laws of the State of Colorado. If any portion hereof is held invalid, it is further agreed that the balance shall, notwithstanding such invalidity, continue in full legal force and effect.

The undersigned Permittee certifies that all the statements and answers to the above questions are true without any reservations or evasions. The undersigned also understands that the Town of Crested Butte reserves the right to require payment for additional services for major impact events.

David Ochs / [Signature]  
Print Name Clearly / Signature of Applicant (Permittee)

9/18/19  
Date

## Event Schedule and Description of Event

The Fat Bike World Championships is an annual event in its fifth year in Crested Butte that celebrates the sport of fat biking and draws in participants of all ages and abilities. From professional racers to first-time participants to kids, there is a diversity of competitors each year. In past years, FBW has drawn participants from all over the world, including England, Hawaii, Iceland, and Central America. The Crested Butte Mountain Bike Association recently purchased the event from the CB/Mt. CB Chamber of Commerce, and this will be our first year hosting Fat Bike Worlds. We are excited to create our race headquarters and vendor area this year at the gravel pit behind the Community School. We will partner with CB Nordic to utilize the iconic Town Ranch trails for the main race on Saturday. New this year, we will be adding a Fat Bike Polo Tournament on Elk Avenue on Friday night to provide an event in line with Crested Butte's cycling culture, followed by a party at the Brick Oven Pizzeria.

The schedule for the 2020 Fat Bike World Championships weekend is as follows:

### Pre-event setup (Thursday, Jan. 23)

- Gravel Pit: venue setup (large tent)

### Day 1 of event (Friday, Jan. 24)

- Gravel Pit: 8am-3pm
  - o Event registration
  - o Vendor Village
  - o Free bike demos provided by Borealis and Specialized Bicycles
- Elk Avenue between 2<sup>nd</sup> and 3<sup>rd</sup> St. and Brick Oven Pizzeria: 4pm-10pm
  - o Fat Bike Polo Tournament
  - o Opening party at Brick Oven Pizzeria

### Day 2 of event (Saturday, Jan. 25)

- Gravel Pit: 8am- 9pm
  - o Fat Bike World Championships race
  - o Awards ceremony
  - o Music

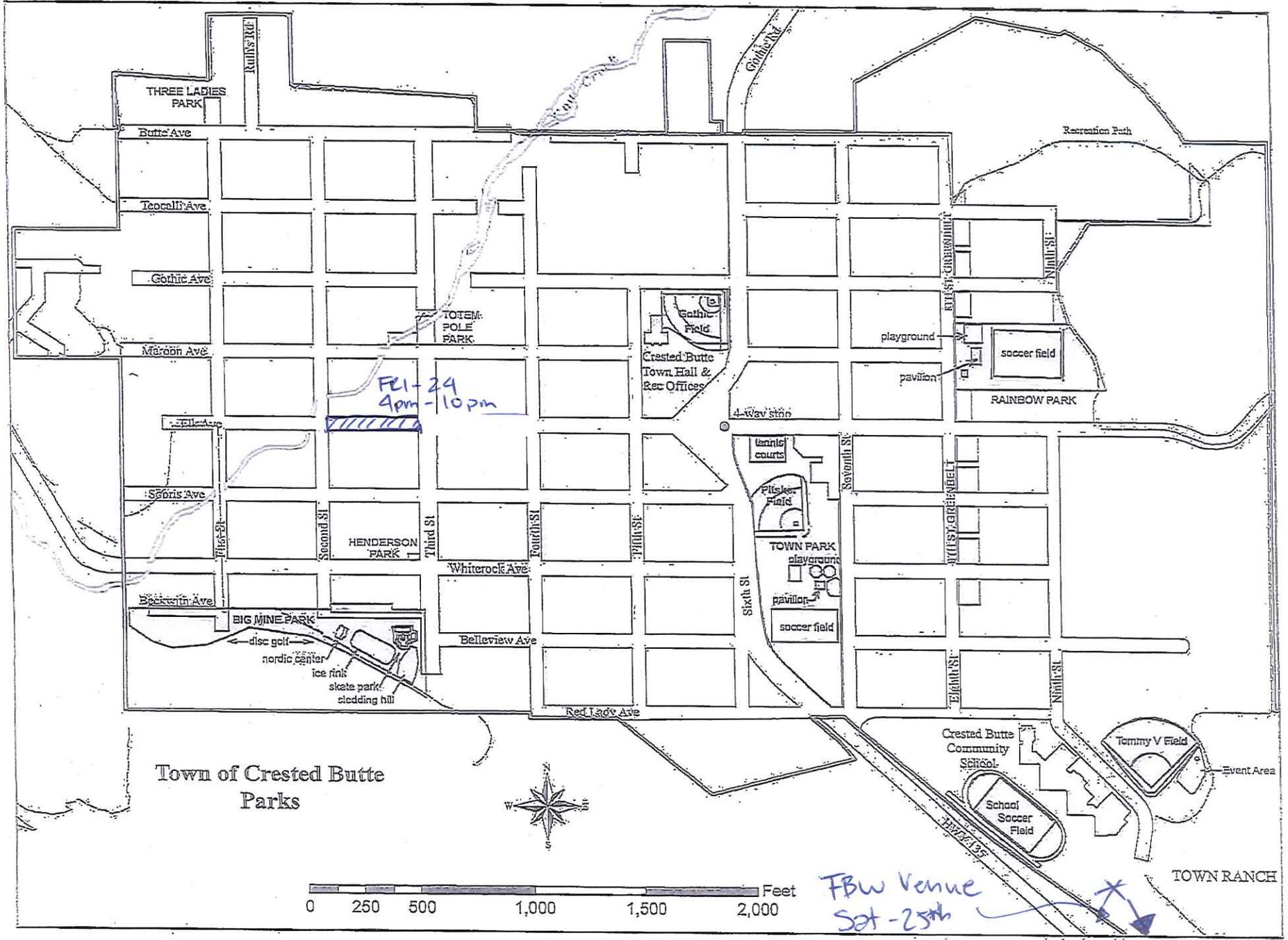
### Day 3 of event (Sunday, Jan. 26)

- Groomed fat bike trails: 10am-2pm
  - o Sponsored fun ride

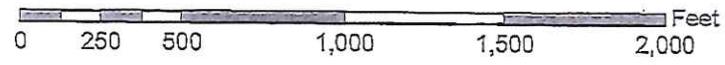
### Post-event cleanup (Sunday, Jan. 26)

- Gravel Pit: venue cleanup and tent take-down

FAT BIKE WORLDS - 2020 (see other maps for details)

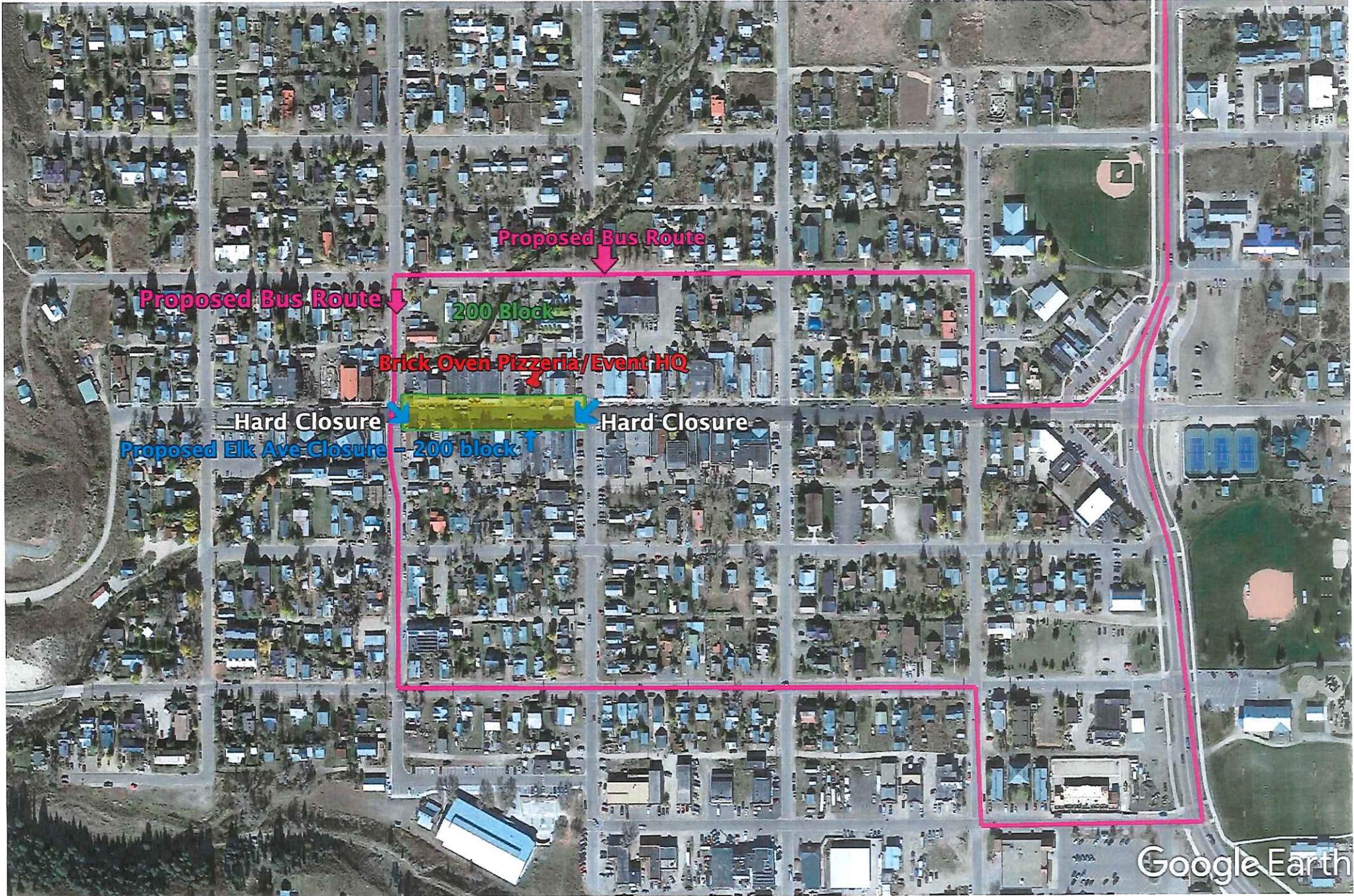


Town of Crested Butte Parks



FBw Venue  
 Sat-25th  
 9am-5pm

FRI., JAN 24 - FAT BIKE RACE - 200<sup>35</sup> Block  
(ZOOM OUT)



Proposed Bus Route

Proposed Bus Route

200 Block

Brick Oven Pizzeria/Event HQ

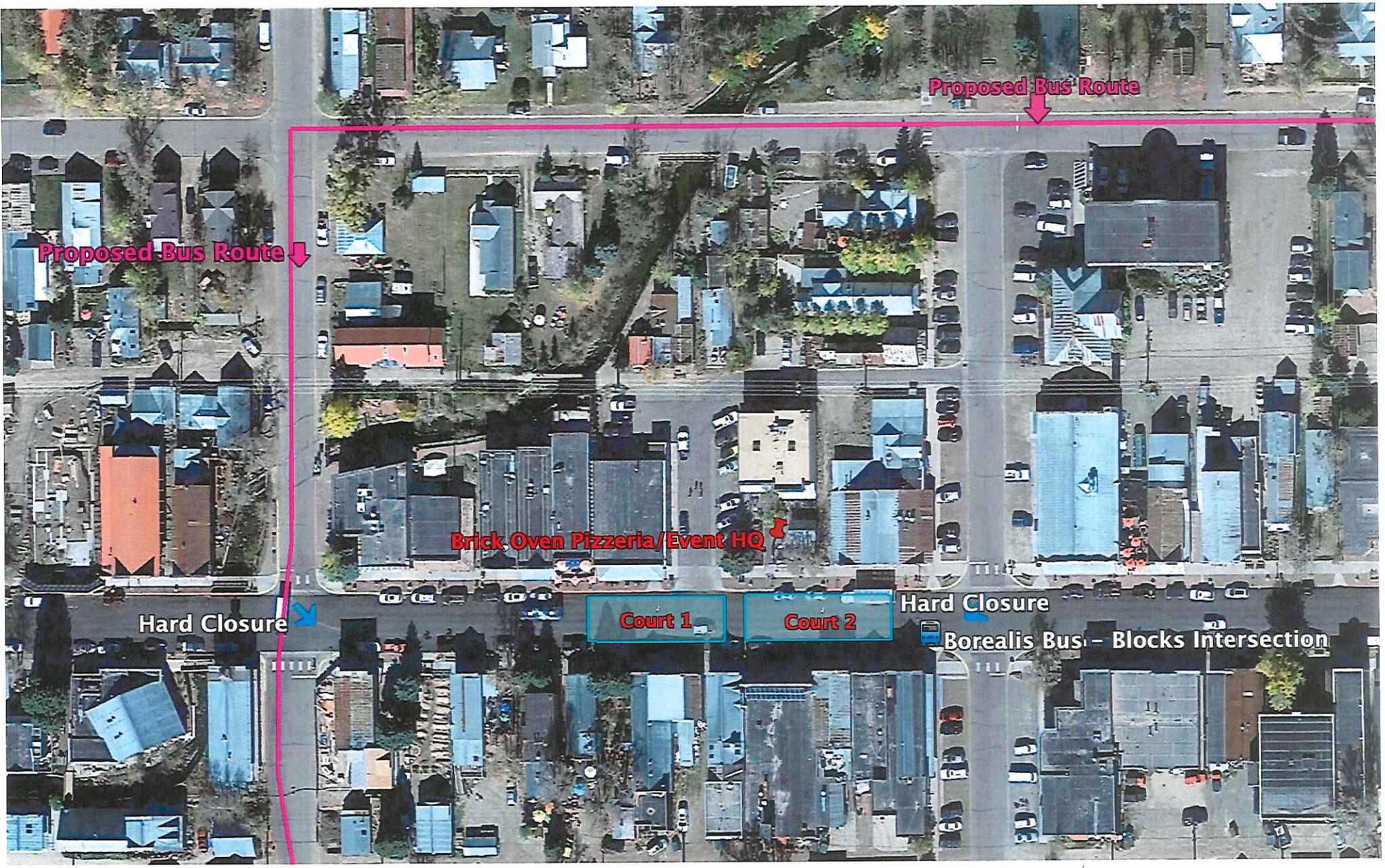
Hard Closure

Hard Closure

Proposed Elk Ave Closure - 200 block

Google Earth

Fri. JAN 24 - FAT BIKE POLO - Zoo Block  
36  
(Zoom in)



Proposed Bus Route

Proposed Bus Route

Brick Oven Pizzeria/Event HQ

Court 1

Court 2

Hard Closure

Hard Closure

Borealis Bus - Blocks Intersection

FBW Race Headquarters at Gravel Pit  
-Saturday, Jan. 25, 2020



Gravel Pit to Remain Open/Emergency Access

Tents/Vendors

FBW Venue - Gravel Pit - Liquor Boundary

Timing

Trash/Recycling

Entry/Security (2)

Tent/Stage/Awards

Trash/Recycling

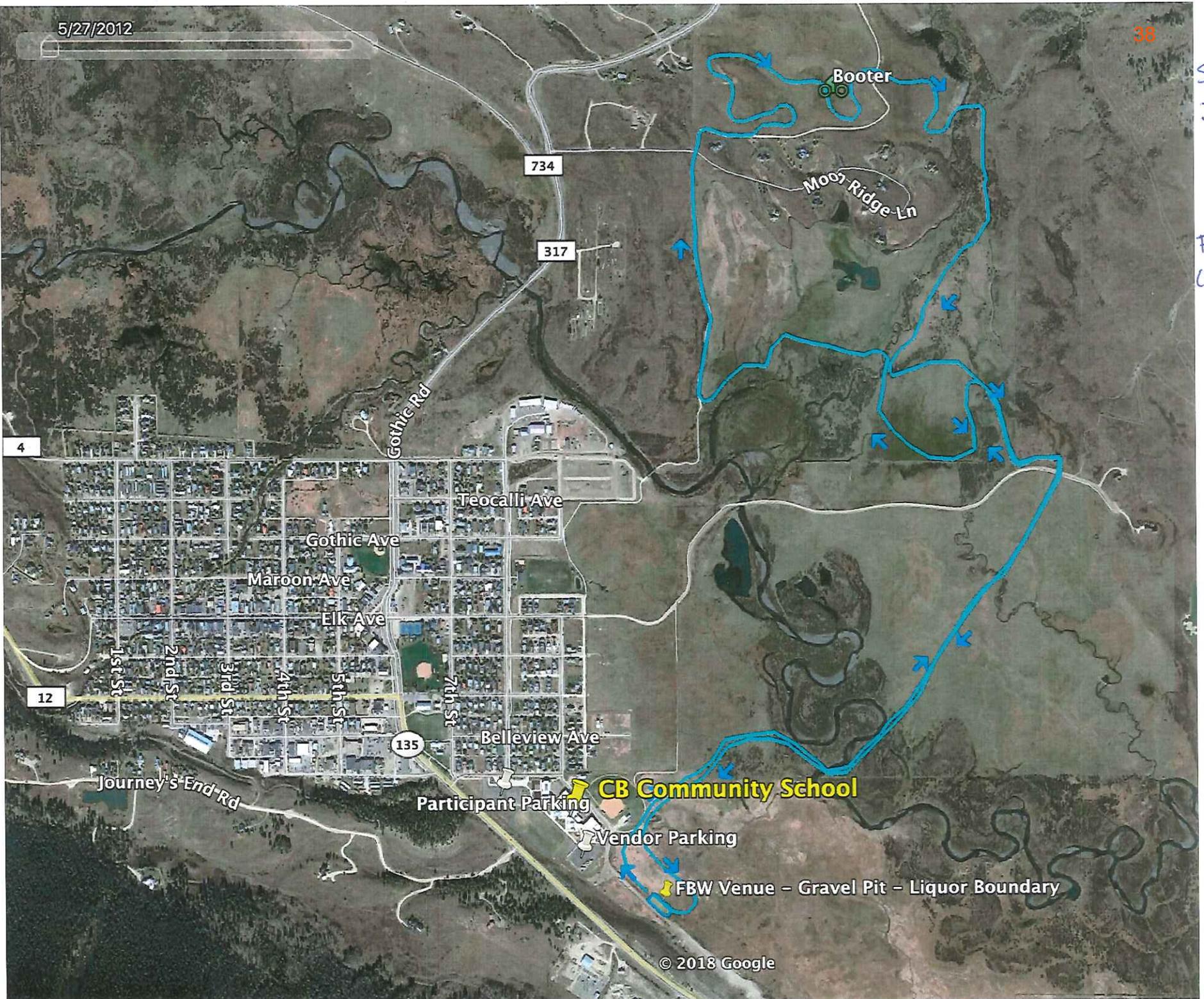
Bathrooms

5/27/2012

38

SAT.  
JAN  
25

FEW  
LOWSE



①

SAT, JAN 25

FBW PARKING 39



DR 8439 (06/28/06)  
 COLORADO DEPARTMENT OF REVENUE  
 LIQUOR ENFORCEMENT DIVISION  
 1375 SHERMAN STREET  
 DENVER CO 80261  
 (303) 205-2300

## APPLICATION FOR A SPECIAL EVENTS PERMIT

Department Use Only

IN ORDER TO QUALIFY FOR A SPECIAL EVENTS PERMIT, YOU MUST BE NONPROFIT AND ONE OF THE FOLLOWING (See back for details.)

<input type="checkbox"/> SOCIAL	<input checked="" type="checkbox"/> ATHLETIC	<input type="checkbox"/> PHILANTHROPIC INSTITUTION
<input type="checkbox"/> FRATERNAL	<input type="checkbox"/> CHARTERED BRANCH, LODGE OR CHAPTER	<input type="checkbox"/> POLITICAL CANDIDATE
<input type="checkbox"/> PATRIOTIC	<input type="checkbox"/> OF A NATIONAL ORGANIZATION OR SOCIETY	<input type="checkbox"/> MUNICIPALITY OWNING ARTS FACILITIES
<input type="checkbox"/> POLITICAL	<input type="checkbox"/> RELIGIOUS INSTITUTION	

<b>LIAB TYPE OF SPECIAL EVENT APPLICANT IS APPLYING FOR:</b>	<b>DO NOT WRITE IN THIS SPACE</b>
2110 <input checked="" type="checkbox"/> MALT, VINOUS AND SPIRITUOUS LIQUOR \$25.00 PER DAY	LIQUOR PERMIT NUMBER
2170 <input type="checkbox"/> FERMENTED MALT BEVERAGE (3.2 Beer) \$10.00 PER DAY	

1. NAME OF APPLICANT ORGANIZATION OR POLITICAL CANDIDATE Crested Butte Mountain Bike Association	State Sales Tax Number (Required) 39277220-0001
---	--

2. MAILING ADDRESS OF ORGANIZATION OR POLITICAL CANDIDATE (Include street, city/town and ZIP) PO Box 782 Crested Butte, CO 81224	3. ADDRESS OF PLACE TO HAVE SPECIAL EVENT (include street, city/town and ZIP) -Crested Butte Gravel Pit 1005 9th St. Crested Butte CO 81224
--	---

NAME	DATE OF BIRTH	HOME ADDRESS (Street, City, State, ZIP)	PHONE NUMBER
4. PRES./SEC'Y OF ORG. or POLITICAL CANDIDATE Steve Thompson	4/7/72	727 Red Lady Ave, PO Box 2078, Crested Butte, CO 81224	303-570-2192
5. EVENT MANAGER Lauren Koelliker	4/22/86	505 Horseshoe Dr, PO Box 4011 Crested Butte, CO 81224	303-898-3947

6. HAS APPLICANT ORGANIZATION OR POLITICAL CANDIDATE BEEN ISSUED A SPECIAL EVENT PERMIT THIS CALENDAR YEAR? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES HOW MANY DAYS? _____	7. IS PREMISES NOW LICENSED UNDER STATE LIQUOR OR BEER CODE? <input checked="" type="checkbox"/> NO YES TO WHOM? <u>Gravel Pit</u>
---	---

8. DOES THE APPLICANT HAVE POSSESSION OR WRITTEN PERMISSION FOR THE USE OF THE PREMISES TO BE LICENSED?  Yes  No

LIST BELOW THE EXACT DATE(S) FOR WHICH APPLICATION IS BEING MADE FOR PERMIT

Date	Hours	From	To	a.m.	p.m.	Date	Hours	From	To	a.m.	p.m.	Date	Hours	From	To	a.m.	p.m.
1/24/20	8		8			1/25/20	8		10								

**OATH OF APPLICANT**

*I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.*

SIGNATURE 	TITLE President of the CBMBA Board	DATE 10/9/2019
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**REPORT AND APPROVAL OF LOCAL LICENSING AUTHORITY (CITY OR COUNTY)**

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the provisions of Title 12, Article 48, C.F.S., as amended.

**THEREFORE, THIS APPLICATION IS APPROVED.**

LOCAL LICENSING AUTHORITY (CITY OR COUNTY) <input type="checkbox"/> CITY <input type="checkbox"/> COUNTY	TELEPHONE NUMBER OF CITY/COUNTY CLERK
SIGNATURE	TITLE
	DATE

**DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY**

LIABILITY INFORMATION			
License Account Number	Liability Date	State	TOTAL
		-750 (999)	\$

## SPECIAL EVENT: FAT BIKE WORLDS: (JANUARY 24-26, 2019)

DEPARTMENT APPROVALS *(For Official Use Only)*

Note: Please clearly state in your comment area what requested services your department will/will not provide for the event.

**MARSHALS:**

## Conditions/Restrictions/Comments:

OK per CBMO. Pre event meeting required.

Michael Reilly

10/31/19

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Signature

Date

**PUBLIC WORKS:**

## Conditions/Restrictions/Comments:

Public Works Staff can accommodate these requests; however, it should be noted the burden that this type of event potentially puts on staff if a significant weather cycle is occurring around the time frame of the event.

I would request that we have a pre-event meeting in the week prior to this event.

Shea D Earley

10/22/2019

---

Signature

Date

**PARKS AND RECREATION:**

## Conditions/Restrictions/Comments:

Parks and Rec does not provide trash or recycling for special events. Please work with Waste Management.

Janna Hansen

11/8/19

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Signature

Date

DEPARTMENT APPROVALS *(For Official Use Only)*

Note: Please clearly state in your comment area what requested services your department will/will not provide for the event.

**TOWN CLERK:**

Conditions/Restrictions/Comments:

Lynelle Stanford

11-13-2019

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Signature

Date

**TOWN MANAGER:**

Conditions/Restrictions/Comments:

Application  
One Day Banner

Dara T. MacDonald

11.26.19

---

Signature

Date

**CRESTED BUTTE FIRE PROTECTION DISTRICT:**

Conditions/Restrictions/Comments:

OK with event-Pre event meeting required

Approved  
Robert Weisbaum  
11/22/2019

Ric Ems

11-13-2019

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Signature

Date

DEPARTMENT APPROVALS *(For Official Use Only)*

Note: Please clearly state in your comment area what requested services your department will/will not provide for the event.

**MT. EXPRESS BUS SERVICE:**

Conditions/Restrictions/Comments:

Buses will reroute onto Maroon Ave. during the Polo event using 4th St. and 2nd St. Request the town widen Maroon Ave. to accomodate the buses.

Chris Larsen

10/17/19

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Signature

Date



## Staff Report

December 2, 2019

**To:** Mayor and Town Council  
**Thru:** Dara MacDonald, Town Manager  
**From:** Lynelle Stanford, Town Clerk  
**Subject:** Council Member Appointments to Boards and Committees  
**Date:** November 25, 2019

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### **Summary:**

Included in the packet are lists of boards and committees. One list contains background information, meeting schedules, and contact information for organizations. The other list is meant to be an at-a-glance reference.

At the last regular Council meeting, the Council made updates to the appointments. If anyone on the Council would like to further discuss, he or she should remove the item from the Consent Agenda.

### **Recommendation:**

A Council member should make a motion to approve as part of the Consent Agenda, or a Council member should remove the item from Consent Agenda for further discussion.

**BOARDS, COMMITTEES AND TEMPORARY COMMITTEE APPOINTMENTS**  
**Revised November 2019**

**Rural Transportation Authority Board (RTA)**

1. Chris Haver
2. Laura Mitchell

**Mountain Express Board**

1. Laura Mitchell
2. Will Dujardin

**Tourism and Prosperity Project (TAPP)**

1. Candice Bradley

**Crested Butte/Mt. Crested Butte Chamber of Commerce**

1. Mallika Magner
2. Will Dujardin (Alternate)

**Gunnison Valley Regional Housing Authority (GVRHA)**

1. Jim Schmidt
2. Chris Haver
3. Michael Yerman (Staff Liaison)

**Valley Housing Fund**

1. Mallika Magner

**The Center for the Arts**

1. Mona Merrill

**Gunnison Valley Land Preservation Board**

1. Sue Navy
2. Jim Schmidt
3. Mona Merrill (Alternate)

**West Elk Loop Scenic Byway Committee**

1. Laura Mitchell

**Colorado Association of Ski Towns**

1. Jim Schmidt (Typically the Mayor)
2. Dara MacDonald

**Region 10**

1. Jim Schmidt

**Upper Gunnison River Water Conservancy District**

1. Will Dujardin

**Water Quality/Quantity Committee**

1. Will Dujardin

**Gunnison County Sustainable Tourism & Outdoor Recreation Committee**

1. Mona Merrill
2. Chris Haver (Alternate)

**Downtown Crested Butte Lodging Association**

1. Chris Haver

**Cemetery Committee**

1. Jim Schmidt

**One Valley Leadership Council (Formerly Community Builders Taskforce)**

1. Chris Haver
2. Will Dujardin
3. Dara MacDonald

**One Valley Leadership Council - Climate Action Subcommittee**

1. Dara MacDonald
2. Will Dujardin

**CDOT Region 3**

1. Jim Schmidt

**Public Art Commission**

1. Candice Bradley

**Grant Review Committee**

1. Laura Mitchell
2. Candice Bradley

**Proclamation Committee**

1. Jim Schmidt
2. Mallika Magner

**Colorado Communities for Climate Action**

1. Jim Schmidt – Steering Committee
2. Will Dujardin – Steering Committee
3. Mel Yemma – Policy Committee

**CML Policy Committee**

1. Dara MacDonald

**Region 10 Broadband Subcommittee**

1. Dara MacDonald
2. Mallika Magner

## Boards and Committees List Revised November 2019

### **Rural Transportation Authority Board (RTA)**

The mission of the Gunnison Valley Rural Transportation Authority is to provide and improve air transportation to and from the Gunnison-Crested Butte Regional Airport on a year round basis, and to develop a long term and energy efficient public ground transportation system within Gunnison County.

- Bylaws mandate two elected officials from each municipality serve on the board. Council members are voting members of the Board.

#### **Current Members:**

1. Chris Haver
2. Laura Mitchell

**Meeting Schedule:** Meetings start at 8 a.m. The location alternates between the Gunnison County Courthouse and the Crested Butte Town Hall.

**Director:** Scott Truex

**Phone:** 970-275-0111

**E-mail:** [struex@gunnisonvalleyrta.org](mailto:struex@gunnisonvalleyrta.org)

**Website:** [Gunnisonvalleyrta.org](http://Gunnisonvalleyrta.org)

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### **Mountain Express Board**

Mission Statement - To provide safe, free and courteous public ground transportation services for residents of and visitors to Mt. Crested Butte, Crested Butte, and surrounding north valley communities and to provide a safe, fair, and honest working environment for Mountain Express employees.

- Bylaws state that two board members are nominated by the Town of Crested Butte, two board members nominated by the Town of Mt. Crested Butte, and one member nominated by a majority vote of the Board. Council members are voting members of the Board.

#### **Current Members:**

1. Laura Mitchell
2. Will Dujardin

**Meeting Schedule:** Meets the 3<sup>rd</sup> Thursday of every month, at 9 a.m., alternating between Mt. Crested Butte Town Hall and Crested Butte Town Hall.

**Director:** Chris Larsen

**Phone:** 970-275-5175

**E-Mail:** [Clarsen@crestedbutte-co.gov](mailto:Clarsen@crestedbutte-co.gov)

**Website:** [www.mtexp.org](http://www.mtexp.org)

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### **Tourism and Prosperity Project (TAPP)**

The Gunnison-Crested Butte Tourism Association was officially formed in September 2002 in anticipation and support of the November 2002 ballot initiatives to create a Local Marketing District for Gunnison County and to serve as the marketing arm of the Gunnison Valley Rural Transportation Authority, also on the ballot at that time.

Mission: Pending

- One Council member.

#### **Current Member:**

1. Candice Bradley

**Meeting Schedule:** Every second Thursday, once a month at 7:30 a.m., alternating between the Crested Butte/Mt. Crested Butte Chamber of Commerce and the Gunnison County Courthouse. Please RSVP for meetings, and they will provide food.

**Director:** John Norton

**Phone:** 970-379-5498

**E-Mail:** john@nortonglobal.com

**Website:** [www.gunnisoncrestedbutte.com](http://www.gunnisoncrestedbutte.com)

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### **Crested Butte/Mt. Crested Butte Chamber of Commerce**

The Chamber provides information for visitors to the community, as well as residents, and business owners (both current and prospective).

As the leading business organization in the community, the Chamber seeks to:

- Promote the Community
- Create a Strong Local Economy
- Provide Networking Opportunities
- Represent the Interests of Business with Government
- Provide Value and Benefit to our Members

- One council member and one alternate. Nonvoting member.

#### **Current Members:**

1. Mallika Magner
2. Will Dujardin (alternate)

**Meeting Schedule:** Meets the 3<sup>rd</sup> Tuesday of every month at 8:00 a.m. at the Visitors Center in Crested Butte.

**Director:** Ashley Upchurch

**E-Mail:** director@cbchamber.com

**Phone:** 970-349-6438

**Website:** www.cbchamber.com

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### **Gunnison Valley Regional Housing Authority (GVRHA)**

The mission of the GVRHA is to assist in providing suitable housing and an acceptable environment for the elderly, the handicapped, and the disadvantaged; and to encourage private investment in housing to help meet the housing needs of all citizens.

Rental Assistance Programs: Section 8 Rental Assistance; Mountain View Senior Apartments.  
Homebuyer Programs: Homebuyer Counselor; Mutual Self-Help Build (Owner/Builder Program).

- The Council appoints two members and one alternate. One of the regular appointees must be a Town councilmember, the other two appointees do not need to be on the Town Council. Board members are voting members of the Board. The Board serves in an advisory capacity to the Board of County Commissioners.

#### **Current Members:**

1. Jim Schmidt
2. Chris Haver
3. Michael Yerman (Staff Liaison)

**Meeting Schedule:** The 2<sup>nd</sup> Wednesday of every month. Alternating between Crested Butte (at the Chamber of Commerce) and Gunnison (at the Housing Authority Offices).

**Director:** Jennifer Kermode

**Phone:** 970-641-7901

**E-Mail:** jkermode@gvrha.org

**Website:** www.gunnisoncounty.org

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### **Valley Housing Fund**

Mission: The Valley Housing Fund cooperatively creates and supports affordable, energy efficient housing using renewable and locally available resources as much as possible. The Fund will contribute to more sustainable, resilient and healthy communities within the Gunnison Valley.

#### **Current Members:**

1. Mallika Magner

**Meeting Schedule:** The 2<sup>nd</sup> or 3<sup>rd</sup> Thursday of every month usually at 4 p.m. prior to Gunnison County Housing Authority Advisory Board meetings.

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### **The Center for the Arts**

Mission - The Center for the Arts, a home for arts and culture, offers engaging opportunities and educational experiences to enrich and expand the life of our community.

- One council member; Non-voting member.

**Current Member:**

1. Mona Merrill

**Director:** Jenny Bernie

**Phone:** 970-349-7487 x 707

**E-Mail:** jenny@crestedbuttearts.org

**Website:** www.crestedbuttearts.org

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**Gunnison Valley Land Preservation Board**

Meets on an as-needed basis, usually a few times a year, generally at 6 p.m., alternating between Blackstock Building and Crested Butte Town Hall.

- Two members and one alternate are appointed by the Town of Crested Butte

**Current Members:**

1. Sue Navy
2. Jim Schmidt
3. Mona Merrill (alternate)

**Meeting Schedule:** Meets on an as-needed basis, usually a few times a year, typically Monday evening at 6 p.m.

**Contact person:** Mike Pelletier

**Phone:** 970-641-7645

**E-Mail:** mpelletier@gunnisoncounty.org

**Website:** [www.gunnisoncounty.org](http://www.gunnisoncounty.org)

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**West Elk Loop Scenic Byway Committee**

The Colorado Scenic and Historic Byways program is a statewide partnership intended to provide recreational, educational, and economic benefits to Coloradans and visitors. This system of outstanding touring routes in Colorado affords the traveler interpretation and identification of key points of interest and services while providing for the protection of significant resources.

Scenic and Historic Byways are nominated by local partnership groups and designated by the Colorado Scenic and Historic Byways Commission for their exceptional scenic, historic, cultural, recreational, and natural features.

- One council member, one alternate.

**Current Member:**

1. Laura Mitchell

**Meeting Schedule:** Quarterly 10 a.m. to approximately 2 p.m. Meeting locations vary and are rotated among different towns along the byway.

**Contact Person:** John Hoffman

**Phone:**

**E-Mail:** [jhof@rof.net](mailto:jhof@rof.net)

**Website:**

### **Colorado Association of Ski Towns**

The Colorado Association of Ski Towns is an organization of 25 municipalities whose economies are largely dependent upon tourism. Members include the mayors and managers of the resort towns. The Association was formed in part to recognize that resort communities face unique challenges in providing municipal services to residents and visitors. Member municipalities share the benefits of our diverse knowledge, experience and leadership through meetings, conferences, surveys and other informational venues, as decided by the members.

CAST members use the power of the coalition to seek support for legislation that will benefit and sustain the mountain communities. We support actions that keep our communities livable, protect our pristine environment, and promote community-based land use, mass transit, affordable housing, and sustainable tourism. Our goal is to foster growth that will ensure an exceptional quality of life for citizens and a positive experience for visitors.

- One council member (typically the mayor) and the Town Manager

#### **Current Members:**

1. Jim Schmidt
2. Dara MacDonald
3. If Mayor cannot attend an alternate will be sought on an as-needed basis.

**Contact person:** Margaret Bowes, Executive Director

**Phone:** 970-485-2737

**E-Mail:** [mbowes@coskitowns.com](mailto:mbowes@coskitowns.com)

**Website:** [www.coloradoskitowns.org](http://www.coloradoskitowns.org)

### **Region 10**

Region 10 League for Economic Assistance and Planning serves as the economic, community and senior programs leader for six, western Colorado counties. The Region 10 staff, together with its membership, assists local governments, businesses and residents in facilitating and implementing programs that will benefit our economy, community and quality of life.

One council member

#### **Current Member:**

1. Jim Schmidt

**Meeting Schedule:** 4<sup>th</sup> Thursday of February, May, and August and the third Thursday of November. All meetings are at Noon in the Enterprise Center, 300 N Cascade Avenue in Montrose.

**Contact person:** Michelle Haynes, Executive Director

**Phone:** 970-249-2436 ext. 202

**E-Mail:** [mhaynes@region10.net](mailto:mhaynes@region10.net)

**Website:** [www.region10.net](http://www.region10.net)

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### **Upper Gunnison River Water Conservancy District**

UGRWCD's mission is to be an active leader in all issues affecting the water resources of the Upper Gunnison River Basin.

An elected official could attend meetings, but it is not a voting position.

**Current Member:**

1. Will Dujardin

**Meeting Schedule:** The 4<sup>th</sup> Monday of the month, at 5:30 p.m., at 210 West Spencer.

Next meeting will be January 29, 2018

**Contact person:** Frank Kugel

**Phone:** 970-641-6065

**E-mail:** [fkugel@ugrwcd.org](mailto:fkugel@ugrwcd.org)

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### **Water Quality/Quantity Committee**

The Water Quality/ Quantity Committee (QQ) comprises municipalities, counties, water and sanitation districts, and conservancy districts in the headwaters region of Colorado located in Grand, Summit, Eagle, Pitkin, Park and Gunnison counties. The Colorado River Water Conservation District is also a QQ member. The Board is made up of elected and appointed officials from member jurisdictions. QQ's purpose is to facilitate and augment the efforts of member jurisdictions to protect and enhance the region's water quality while encouraging its responsible use for the good of Colorado citizens and the environment. QQ's contract team provides members with legislative monitoring, water quality information, litigation and rulemaking support, trans-mountain diversion oversight, and related technical assistance to further intergovernmental cooperation, and increase political clout with state and federal agencies.

**Current Member:**

1. Will Dujardin

**Meeting Schedule:** Quarterly as determined by members' schedules.

**Contact Person:** Torrie Jarvis

**Phone:** 970-596-5039

**E-mail:** [qqwater@nwccog.org](mailto:qqwater@nwccog.org)

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### **Gunnison County Sustainable Tourism & Outdoor Recreation Committee**

The Gunnison Valley contains stunning vistas, varied recreational opportunities. These landscapes and recreation amenities contribute significantly to the Valley's tourism economy and high quality of life. Public lands provide the backbone of our tourism industry and residents highly value their access to public lands which is why many of our residents call Gunnison County home.

A collaborative and action-oriented approach is required to manage tourism and outdoor recreation. The Sustainable Tourism and Outdoor Recreation (STOR) Committee is intended and structured to be a wide-ranging group that acts thoughtfully, efficiently and proactively to address negative impacts and develops unique approaches to create a sustainable tourism economy and outdoor recreation experience while preserving the natural resources of our County. It will be important for each and every Committee member to come to the table with open minds, keeping in mind the greater good and a 2 supportive, collaborative approach. It will take all members to address the complex challenges that we face.

#### **Current Member:**

1. Mona Merrill
2. Chris Haver (alternate)

**Meeting Schedule:** Second Thursday of each month.

**Contact Person:** Cathie Pagano

**Phone:** 970-641-7985

**E-mail:** cpagano@gunnisoncounty.org

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### **Downtown Crested Butte Lodging Association**

1. Chris Haver

### **Cemetery Committee**

1. Jim Schmidt

### **One Valley Leadership Council (Formerly Community Builders Taskforce)**

1. Chris Haver
2. Will Dujardin
3. Dara MacDonald

### **One Valley Leadership Council - Climate Action Subcommittee**

1. Dara MacDonald
2. Will Dujardin

### **CDOT Region 3**

1. Jim Schmidt

### **Public Art Commission**

1. Candice Bradley

**Grant Review Committee**

1. Laura Mitchell
2. Candice Bradley

**Proclamation Committee**

1. Jim Schmidt
2. Mallika Magner

**Colorado Communities for Climate Action**

1. Jim Schmidt – Steering Committee
2. Will Dujardin – Steering Committee
3. Mel Yemma – Policy Committee

**CML Policy Committee**

1. Dara MacDonald

**Region 10 Broadband Subcommittee**

1. Dara MacDonald
2. Mallika Magner



## Staff Report

December 2, 2019

**To:** Mayor and Town Council  
**From:** Rob Zillioux, Finance & HR Director  
**Subject:** Fall 2019 Community Grant Cycle

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Councilmember Laura Mitchel and I reviewed, evaluated and made recommendations on fall community grant requests.

The total 2020 budget for Community Grants is \$55,000. Of this, 50% or \$27,500, was awarded during this fall cycle. That leaves \$27,500 for the spring awards.

Requests were evaluated through the lens of previously approved Council guiding principles for grants:

### Guiding Principles

- We believe that creative and sustainable solutions come from people who work collaboratively to address common community needs and aspirations
- We give high priority to investments that create positive, substantive impact and long-term benefit to the Community
- We recognize and respect the need for advancing equity, diversity, creativity, and inclusion within our program
- Consideration is also given to the Town Council's stated 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 total list of fall requests and recommended awards follows:

**Town of Crested Butte  
Community Grant Evaluation Matrix**

Fall 2019

Fall 2019 Request Summary					
Requesting Organization	Project Name	Amount of Request	Total Project Cost	Portion of Total Project Cost	Recommended Award
GCSAPP	Education, messaging, CBYC	10,000	28,000	36%	\$5,000
Adaptive Sports	Accessibility Improvement - Town CB	5,000	6,050	83%	\$1,400
CB Arts Festival	Community Entertainment Stage	\$5,000	\$13,600	37%	\$500
CB Mountain Theater	Youtheatre Summer Camps	5,000	5,000	100%	\$1,500
CB Nordic	Customer Experience Improvements	\$2,394	\$2,394	100%	\$0
CBMBA	Fat Bike Worlds	5,000	42,000	12%	\$0
CBMBA	Winter Trails Grooming	4,000	19,575	20%	\$0
Center for Mental Health	Support for sliding fee scale services	\$3,000	\$415,000	1%	\$3,000
Center for the Arts	Alpenglow	4,000	67,950	6%	\$4,000
Chamber of Commerce	Mardi Gras	500	2,750	18%	\$0
Coal Creek Watershed Coalition	Water Quality Monitoring	5,000	12,900	39%	\$5,000
Gunnison County Food Pantry	Community Awareness	\$600	\$3,000	20%	\$600
Silent Tracks	Data Collection Initiative	2,500	7,256	34%	\$2,000
Sustainable CB	Zero Waste Toolkit	\$2,000	\$2,000	100%	\$2,000
Titans Booster Club	CBCS Scorers Table	\$2,854	\$3,284	87%	\$0
Vinotok	2019 Vinotok	\$5,144	\$5,144	100%	\$2,500
West Elk Soccer Association	Facilities Rental Assistance	\$3,000	\$12,200	25%	\$0
	<b>Totals</b>	<b>\$64,992</b>	<b>\$648,103</b>	<b>10%</b>	<b>\$27,500</b>

	Fall Awards	Spring Awards
<b>Total 2020 Budget</b>	<b>50%</b>	<b>50%</b>
\$55,000	\$27,500	\$27,500
Council Committee Recommendation		<b>\$27,500</b>
Surplus (Deficit)		<b>\$0</b>

The scoring criteria, which Town Council previously adopted, is attached for reference.

**Staff Recommendation:** A Council member make a motion followed by a second to approve the grant awards as part of the consent agenda.

## Town of Crested Butte

### Community Grant Evaluation Criteria

#### EVALUATION CRITERIA:

Each community funding request will be assigned a score of 0, 3 or 5 according to the following definitions. Requestors should provide sufficient explanations to aid evaluators in ranking requests using these criteria.

1. **Funding Priorities and Objective** – How strongly does a request align with one or more of the outlined priorities? Those being: Health and Welfare, Environment, Education and Heritage, Arts and Entertainment, Sports.
  - 0 pt – Not closely aligned
  - 3 pts – Project is aligned and provides benefit to many citizens
  - 5 pts – Project is tightly aligned and provides benefit to a large portion of the community
  
2. **Applicant Qualifications** – How clearly are qualifications met?
  - 0 pts – One or more qualifications are not met, e.g. the organization is not a 501(c) non-profit
  - 3 pts – Qualifications are met
  - 5 pts – Qualifications are strongly met, e.g. clear and measurable benefits to the Community
  
3. **Future Dependence on the Town** – Is this a one-time project or an on-going activity or program?
  - 0 pts – This is a program for which funds need to be raised annually
  - 3 pts – This is a new or continuing program but other sources of funding are secure and the Town will not likely be asked for annual support
  - 5 pts – This is a one-time project (or event)
  
4. **Town Council values** – Is the request aligned with Town Council Values?
  - 0 pt – No clear alignment
  - 3 pts – Alignment with one or more values
  - 5 pts – Clear alignment with several values
  
5. **Strength of the Application itself** – How well organized and articulated is the proposal?
  - 0 pt – No clear budget, poor planning, no community involvement, etc
  - 3 pts – Generally organized and clear
  - 5 pts – Very clear, organized, with Community involvement and measurable outcome.



## Memorandum

**To:** Town Council  
**From:** Dara MacDonald, Town Manager  
**Subject:** Manager's Report  
**Date:** December 2, 2019

### Town Manager

- 1) Council Retreat – After each election the Town Council should plan a retreat to discuss big picture ideas as well as how they want to function effectively as a body. Given that the community is about to embark on a large discussion about values and goals, Council's time at a retreat this winter may best be spent on developing your working relationships and skills around interacting effectively with the public. If this is amenable to the Council, I will begin planning for a facilitated ½ day retreat in January or February.
- 2) December 16<sup>th</sup> Worksession - Please be reminded the work session on December 16<sup>th</sup> will start at 5PM for the presentation from Sam Light with CIRSA. We are expecting some Council members from Mt. Crested Butte and the City of Gunnison to join as well.

### Public Works

- 1) Old Town Hall elevator project – The entry way and bathrooms will be open on November 27<sup>th</sup>. Unfortunately, there was an issue with the new elevator which required replacing a component. So, the replacement component should be installed on December 2<sup>nd</sup>.
- 2) Slate River project update – Lift station installation is complete and online! The area surrounding the lift station was buttoned up for the winter. A small amount of grade work will be required in the spring to finish the alley.
- 3) Pedestrian Bridge update – The bridge is open to pedestrian traffic. We are still waiting on the fabrication of two panels which have the Town's logo. These panels are anticipated to be installed the latter half of December.
- 4) Snow Removal – Streets and Alley staff are prepared for snow removal operations!

### Marshals

- 1) No updates

### Parks & Rec

- 1) The Parks Crew has begun flooding the Big Mine Ice Arena and anticipate a mid-December opening.

### Community Development

- 1) Staff met with representatives of the Town of Mt. Crested Butte and north village project to discuss the timing of their project in relation to the Town's affordable housing projects. It has been confirmed that Mt. Crested Butte is actively working on the north village project. Mt. Crested Butte has agreed to form a regional subcommittee group including the two Towns, the County, and the north village development team to discuss housing timelines, plan a public open house, and to discuss potential funding with State representatives. This subcommittee will be working over the coming weeks to plan an open house to help educate the public on housing efforts in the north end of the valley and to get input for how to move forward. After this open house, the Town of Mt. Crested Butte will be undergoing an extensive development review process per their land use code.
- 2) Reminder that the Public Presentation of the Climate Action Plan will be on Wednesday December 4<sup>th</sup> at 6pm at the Center Arts.
- 3) The Center for the Arts received their Temporary Certificate of Occupancy on November 21<sup>st</sup>. This means all life safety items have been addressed and the building is safe for occupancy. The Town will be working with the Center over the following month to complete any additional interior items by the end of the year. There are a few exterior items that will need to be addressed in the spring prior to the final Certificate of Occupancy being granted.

### Town Clerk

- 1) The special event application for Alley Loop has been submitted. Staff will meet with the organizers, and the event will be on a future agenda for the Council's consideration.
- 2) Snow cat permits were issued to both the Crested Butte Nordic Council and Irwin Backcountry Guides LLC.
- 3) The Avalanche Center will be selling Christmas trees in the lot adjacent to Ace Hardware on December 13 through December 15 and possibly the following weekend if necessary.

### Finance

- 1) No updates

### Intergovernmental

The next meeting will be hosted by Mt. Crested Butte on Feb 12, 2020.

### Upcoming Meetings or Events

Wednesday, Dec 4<sup>th</sup>, 6:00 – 8:00, public meeting for Climate Action Plan, Center for the Arts

Monday, January 13<sup>th</sup> 6:00 – 8:00, Gunnison Country Climate Conference Keynote speaker, Center for the Arts

Friday, January 17<sup>th</sup> 8:30 -4:30, Gunnison Country Climate Conference, Western CO Univ. Ballroom

Wednesday, Feb 12<sup>th</sup> 6:00 – 8:00, Intergovernmental dinner, Mountaineer Square

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



## Staff Report

December 2, 2019

**To:** Mayor and Town Council

**From:** Dara MacDonald, Town Manager

**Subject:** Ordinance 2019-39, An ordinance of the Crested Butte Town Council approving the lease of a portion of the property at 606 6<sup>th</sup> Street to The Center for the Arts

**Summary:** The Center for the Arts (“Center”) has been a long-term tenant of the Town. Their most recent lease was executed in 2010 with a fifty-year term. The Center is nearing completion on Phase 1 of their expansion project and a new lease is required to address the new building and associated responsibilities.

**Previous Council Action:** In May of 2017, with Ordinances 2017-13 and 2017-14, the Council approved an Amendment to the 2010 Lease and Tenant Improvement Agreement providing for the Center to proceed with construction of certain improvements known as Phase 1 at the property. Amendment to the 2010 Lease requires that “Upon completion of construction of Phase 1 pursuant to the Tenant Improvements Agreement, the Town and the Center shall enter into a new lease (the “New Lease”) addressing the Center’s going forward tenancy of the Premises following construction. The New Lease shall include, without limitation, (a) facility management terms addressing the Center’s ongoing maintenance and management responsibilities of the Premises; (b) funding terms addressing the Center’s financing and fiscal responsibilities for the ongoing maintenance and operation of the Premises”

On November 18<sup>th</sup> the Council reviewed the draft lease and requested some changes be made to the document for consideration on December 2<sup>nd</sup> at second reading of the ordinance.

**Background and Discussion:** On November 18<sup>th</sup> the Council requested three changes to the lease. The highlighted text has been added to the lease in response to Council comments and direction.

1. Section 7 - Use of Premises and Character of Occupancy.

- a) The Center shall use the Premises only as a public non-profit center for such artistic, cultural, scientific and educational activities as are permitted by its articles of incorporation, bylaws, and applicable laws. The Center shall have control over the day-to-day management of the Premises, and shall allow use of the Premises by such groups and entities as it sees fit, provided that such character of use does not further any discrimination or preference **that violates Section 10-11-10 of the Town Code, or**

that is based upon race, color, sex, creed, age, ancestry, physical or mental disability, marital status, gender, gender identification, sexual orientation, sexual identification, religion, ethnicity, national origin, family responsibility or political affiliation.

2. Section 7 – Use of Premises and Character of Occupancy.

- c) As required in the BOZAR approvals of the structure and site plan, the Center shall make every effort to mitigate the impacts of parking and traffic related to the Center's activities on an ongoing basis. This shall include the implementation of shuttle/valet parking to and from parking areas noted or future sites that may become available, the coordination of transit access to the site, and the devotion of Center personnel to traffic control when events exceed 275 people within the interior spaces on the Premises. The Center shall coordinate with other Town and RE1J school events in scheduling Center events, and place limitations on concurrent Center events, capping total Center occupancy at 400 people.

3. Section 10 – Utilities. The Center shall be responsible for arranging and paying for all utilities used on the Premises, including but not limited to electricity, gas, water, sewer, trash collection and telecommunications services. The Center will also be responsible for annual testing of the backflow prevention device providing domestic water service to the Premises. The Town shall be responsible for annual testing of the backflow prevention device for park irrigation on grounds adjacent to the Center's facilities. The Center agrees that it will make its best efforts to conserve energy, use renewable energy sources, and implement best management practices to minimize the use of natural gas and electricity in its daily activities on the Premises and in the Buildings on the Premises. After hours lighting shall be the minimal amount necessary to provide for safety and security.

These changes have been incorporated into the Lease attached to the ordinance for approval.

**Legal Implications:** The Lease has been reviewed by the Town Attorney.

**Recommendation:** Staff recommends the Town enter into a lease with Center.

**Proposed Motion:** Motion and a second to approve Ordinance No. 39, Series 2019.

**ORDINANCE NO. 39****SERIES 2019****AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL APPROVING THE LEASE OF A PORTION OF THE PROPERTY AT 606 SIXTH STREET TO THE CENTER FOR THE ARTS**

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

WHEREAS, the Town is the owner of Lots One through Sixteen (1-16), Block 50, Town of Crested Butte, County of Gunnison, and State of Colorado, together with certain buildings and improvements located there on, also known as 606 6<sup>th</sup> Street; and

WHEREAS, on December 23, 2010, the Town entered into a fifty-year lease ("2010 Lease") with The Center for the Arts ("the **Center**"), a Colorado non-profit corporation, for a portion of the property known as 606 6<sup>th</sup> Street ("Property"); and

WHEREAS, on May 19, 2017, the Town entered into an Amendment to the 2010 Lease and a Tenant Improvements Agreement providing for the Center to proceed with construction of certain improvements on the Property; and

WHEREAS, the Amendment to the 2010 Lease requires that "Upon completion of construction of Phase 1 pursuant to the Tenant Improvements Agreement, the Town and the Center shall enter into a new lease (the "New Lease") addressing the Center's going forward tenancy of the Premises following construction. The New Lease shall include, without limitation, (a) facility management terms addressing the Center's ongoing maintenance and management responsibilities of the Premises; (b) funding terms addressing the Center's financing and fiscal responsibilities for the ongoing maintenance and operation of the Premises"; and

WHEREAS, construction of Phase 1 improvements is nearing completion; and

WHEREAS, the Town Council and Center wish to enter into a long-term Lease Agreement attached hereto as Exhibit A; and

WHEREAS the Town Council finds hereby that approving this Lease Agreement is in the best interest of the Town.

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

1. **Findings**. The foregoing recitals are hereby fully incorporated herein as findings.

2. **Authorization of Town Manager**. Based on the foregoing, the Town Council hereby authorizes the Mayor to execute a lease in substantially the same form as attached hereto as **Exhibit "A"**.

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS \_\_\_ DAY OF \_\_\_\_\_, 2019.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN PUBLIC HEARING THIS \_\_\_\_\_ DAY OF \_\_\_\_, 2019.

TOWN OF CRESTED BUTTE, COLORADO

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

ATTEST

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

(SEAL)

**EXHIBIT "A"**

**Business Lease Agreement**

[attach form lease agreement here]

## LEASE AGREEMENT

THIS LEASE AGREEMENT (“Lease”), made and entered into this \_\_\_ day of \_\_\_\_\_, 2019, is by and between the Town of Crested Butte, Colorado, a Colorado home-rule municipal corporation, 507 Maroon Street, P.O. Box 39, Crested Butte, Colorado 81224 (hereinafter referred to as “Town”), and The Center for the Arts, a Colorado non-profit corporation, 606 6<sup>th</sup> Street, P.O. Box 1819, Crested Butte, Colorado 81224 (hereafter referred to as “Center”). The Town and the Center are referred to collectively herein as the “Parties.”

### RECITALS

WHEREAS, the Town is the owner of certain real property, located at 606 6<sup>th</sup> Street, Crested Butte Colorado 81224. Town of Crested Butte, County of Gunnison, State of Colorado, and the improvements located thereon, which improvements are further depicted on the attached Exhibit A (collectively the “Premises”);

WHEREAS, the Center incorporated in 1986 for the purposes of enriching and expanding community participation in the arts in the Town and in Gunnison County, and the Center is currently operating as a non-profit corporation under Section 501(c)(3) of the Internal Revenue Code and the laws of the state of Colorado;

WHEREAS, the Town and the Center are currently parties to a lease dated December 23, 2010, and the Town and the Center desire to replace their 2010 lease with this Lease;

WHEREAS, the Center wishes to continue using the Premises for artistic, educational, scientific and cultural activities; and

WHEREAS, the Town, by and through its Town Council finds that such use of the Premises will benefit and promote the general welfare of the Town of Crested Butte and its citizens.

### AGREEMENT

IN CONSIDERATION of the foregoing recitals and the mutual covenants, conditions, and promises set forth herein, the Town and Center agree as follows:

1. Lease of Premises. The Town hereby leases the Premises to the Center. The Premises comprise the real property, buildings and other improvements that are the subject of this Lease, which improvements are further depicted on the attached Exhibit A.
2. Lease Term, Renewal, Rent, and Review. The initial term of this Lease shall commence on the date set forth above and continue for a period of thirty (30) years thereafter. This Lease shall thereafter be renewed automatically for three succeeding terms of ten (10) years unless either party gives written notice to the other at least one year prior to the expiration of any term of

its intention not to renew. The initial and renewal terms of this Lease are referred to collectively herein as the Terms.

During the initial thirty year term and any renewal term, the Town, every five years, shall have the right to review the Center's management of the Premises to ensure that the public interest and community needs are being addressed in a reasonable manner. The Town may review the following aspects of the Center's operations during the term of the lease:

- a) The extent to which the members of the Center's Board of Directors represent different interests and constituencies in the East River Valley;
- b) The Board's management of the Center's financial affairs with particular reference to the need to minimize operating deficits. In regards hereto, the Town shall have access to the Center's financial records through its ex officio member;
- c) Whether the amount of Center use allocated to the Town under paragraph 6, below, is sufficient to meet the needs of the Town;
- d) The extent to which the Board is responding to a fair cross-section of community needs; and
- e) The extent to which the Center's use of the Premises conflicts with or complements the use of adjacent or nearby Town property.

If the Town determines that the Center's management of the Premises is deficient in one or more of the areas listed above, the Town shall, on or before any fifth anniversary of this Lease, so notify the Center in writing. Within three months of the notice, the Parties shall confer to identify mutually agreed to steps to remedy the deficiencies. If the Parties cannot agree, they will select a neutral third party mediator who would seek an acceptable voluntary solution to the dispute. If the dispute cannot be resolved through the efforts of the mediator, then the Parties may pursue any available legal or administrative recourse.

3. Rent. The Center shall pay to the Town, as rent for the Premises, the sum of one dollar (\$1.00) for each year during the Terms hereof. Such payments shall commence on the date this Lease is executed by the Parties and be paid thereafter on the anniversary of such date.

4. Maintenance and Repairs of Buildings. The Center shall be responsible for all maintenance and repairs of all of the Buildings on the Premises unless otherwise set forth in this Lease, provided, however, that once exterior accessed bathrooms are completed on the east side of the Premises, the Town shall be responsible for all maintenance, repair, stocking and cleaning of these bathrooms.

5. Center Responsibilities for Grounds Maintenance, Snow Removal, and Landscaping. The Center is responsible for the following tasks:

- a) Maintenance of the grounds included in the Premises, except for snow removal and landscaping performed by the Town as set forth in Section 6 and elsewhere in this Lease.

- b) Maintenance and repairs of improvements constructed by the Center within the CDOT right of way between the Town's property and 6th Street.
- c) Hand shoveling of snow and ice removal necessary for Center operations on the Premises, and for the hauling of snow from snow storage areas shown on Exhibit B.
- d) Removal of any ice dams or ice build-up, particularly on areas where walkways or drives abut areas with snowmelt systems.
- e) Plantings, courtyard areas, and other outdoor spaces within the Center's area of responsibility, as shown on Exhibit C.
- f) During the summer season, approximately May – October, the Center shall place planters or other decorative barriers within the snow storage area on the east side of the intersection of 6<sup>th</sup> Street and Whiterock Street, as such location is depicted on Exhibit B, to limit vehicles inadvertently entering the Center's driveway at that location.
- g) Installing, decommissioning, repairing and maintaining any art, sculptures, benches, bike racks, or similar outdoor installations owned by or given to the Center.
- h) Bollards in the fire lane on the south side of the building shall be maintained in good working condition.
- i) Snow poles delineating areas to be plowed or blown by the Town and obstacles to avoid shall be installed by October 1<sup>st</sup> of each year in advance of the winter season.

6. Town Responsibilities for Grounds Maintenance, Snow Removal and Landscaping.

The Town is responsible for the following tasks:

- a) Removal of snow from certain pedestrian paths, fire lanes, and drop off zones, as shown on Exhibit B.
- b) Snow plowing when there is 3 inches or more of accumulation on driveways shown on Exhibit B which will occur between the hours of 12:00 am and 10:00 am, consistent with plowing operations throughout Town and the Town's snow management plan. Center is responsible for any plowing outside of those times.
- c) Snow removal when there is 1 inch or more from walkways shown on Exhibit B, which will occur between 7:00 am and 5:00 pm, consistent with walkway snow removal operations throughout Town and the Town's snow management plan. The Center is responsible for any walkway snow removal outside of those times.

- d) Landscaping maintenance and repair including the maintenance of trees, shrubs, sod and other plantings, except for those plantings shown within the Center's area of responsibility, as shown on Exhibit C.
- e) Installation and maintenance of Public Art in accordance with the Town's Public Art Policy, provided that the Town shall first obtain the written consent of the Center.
- f) Maintenance of the irrigation system necessary for the preservation of the landscaping on the Premises including the irrigation pump and associated plumbing and electrical components.

7. Use of Premises and Character of Occupancy.

- a) The Center shall use the Premises only as a public non-profit center for such artistic, cultural, scientific and educational activities as are permitted by its articles of incorporation, bylaws, and applicable laws. The Center shall have control over the day-to-day management of the Premises, and shall allow use of the Premises by such groups and entities as it sees fit, provided that such character of use does not further any discrimination or preference that violates Section 10-11-10 of the Town Code, or that is based upon race, color, sex, creed, age, ancestry, physical or mental disability, marital status, gender, gender identification, sexual orientation, sexual identification, religion, ethnicity, national origin, family responsibility or political affiliation.
- b) The Town shall have the right to use the Premises at no cost for up to 10 days in any calendar year on an "as available" basis. In addition, the Town shall have the right to use the Premises for two (2) additional days per year at no cost for training for the Town Marshals' personnel and for training fire department personnel. The Town shall reserve the Premises in accordance with the Center's standard facility reservation process and procedures. In the event that the Town requests use of the Premises beyond the 12 free days allowed per year, the Town shall be allowed to use the Premises so long as the Town reserves the Center's facilities in accordance with the Center's standard facility reservation process and procedures and pays the Center its standard rates and fees for the use of the Center's facilities, provided however that the Town also shall receive a 20% discount on rental rates for use of the Premises for Town parks and recreation programs paid for by user fees.
- c) As required in the BOZAR approvals of the structure and site plan, the Center shall make every effort to mitigate the impacts of parking and traffic related to the Center's activities on an ongoing basis. This shall include the implementation of shuttle/valet parking to and from parking areas noted or future sites that may become available, the coordination of transit access to the site, and the devotion of Center personnel to traffic control when events exceed 275 people within the interior spaces on the Premises. The Center shall coordinate with other Town and

REIJ school events in scheduling Center events, and place limitations on concurrent Center events, capping total Center occupancy at 400 people.

- d) Amplified sound shall not be permitted on the Premises, with the exception of the Alpenglow Stage.

8. Improvements and Alterations. If, at any time during the term of this Lease, or any extension hereof, the Center desires to make additions, alterations or modifications to the Premises, and if such additions, alterations, or modifications exceed a cost of Twenty-five Thousand Dollars (\$25,000.00), as modified upward or downward by the U.S. Department of Commerce Consumer Price Index, such additions, alterations, or modifications shall be approved in advance and in writing by the Town. The Center further agrees to implement and maintain the conditions for the structure and site plan for the Premises included in the attached Exhibit D, which were part of the BOZAR approvals of the structure and site plan.

9. Use of Fire Lane and Pedestrian Walkways. The Center may allow parking of tour buses as shown on Exhibit B. Bollards removed to allow access shall be removed for only as long as it takes a tour bus or other equipment vehicle to drive past them and then the bollards will be put back in place. Bollards shall not be left out of place during the loading/unloading period for any vehicle. The fire lane and pedestrian walkway on the south side of the building (as shown on Exhibit C) will only be used for loading and unloading of equipment for use in the theater, and will not be used for any other purpose. Day-to-day deliveries shall be made off of the 6th Street access.

10. Utilities. The Center shall be responsible for arranging and paying for all utilities used on the Premises, including but not limited to electricity, gas, water, sewer, trash collection and telecommunications services. The Center will also be responsible for annual testing of the backflow prevention device providing domestic water service to the Premises. The Town shall be responsible for annual testing of the backflow prevention device for park irrigation on grounds adjacent to the Center's facilities. The Center agrees that it will make its best efforts to conserve energy, use renewable energy sources, and implement best management practices to minimize the use of natural gas and electricity in its daily activities on the Premises and in the Buildings on the Premises. After hours lighting shall be the minimal amount necessary to provide for safety and security.

11. Insurance, Indemnification, and Use of Improvements as Collateral.

- a) The Center agrees to maintain in effect during the term of the Lease general public liability insurance, naming the Town as an additional insured, in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence, single limit, as modified upward or downward every five (5) years during the term hereof, or of any extension, by the U.S. Department of Commerce Consumer Price Index. The Center shall also maintain in effect such fire, casualty, and extended coverage insurance on the Premises during the term of the Lease as will guarantee the replacement value of the improvements and structures on the Premises. The Center will provide the Town with copies of appropriate insurance policies, as described above, within

10 days after the execution of this Agreement. The Center agrees to indemnify, hold harmless, and defend the Town, its officers, agents, and employees, against any claim for injury or damage caused by the act or omission of the Center or any other person for whose acts the Center is responsible arising from the Center's use of the Premises, but only to the extent of the Center's negligence.

- b) The Town may at its discretion, and, in accordance with Colorado law, agree in writing to allow the Center to use the improvements on the Premises to secure indebtedness related to the construction by the Center of additional improvements. The Center shall not otherwise allow the placement of any lien or other claim against the Premises by reason of any improvements placed upon the Premises, and the Center shall indemnify and defend the Town against any claim upon the property, whatsoever.

12. Town Representation on the Center's Board of Directors. The Town Council may appoint from time to time one of its members or another designated Town officer or employee, to represent the Town as an ex-officio non-voting member of the Center's Board of Directors. As such, said member or designated person shall be allowed to attend and speak at the Board's meetings, except meetings which are held as executive sessions to consider personnel, litigation, or other confidential matters, or meetings to discuss this Lease and matters directly related hereto.

13. Assignment. Neither the Town nor the Center shall assign this Lease to any third party.

14. Access to Premises. The Town shall have access to the Premises at any reasonable time for purposes of inspection or responding to emergencies which threaten injury to any person or harm the Premises and/or property thereon.

15. Crested Butte Community School Reunification. In an emergency necessitating evacuation of the Crested Butte Community School, the Center shall be made available for reunification of students and staff of the Crested Butte Community School.

16. Quiet Enjoyment. The Town represents that it has full right and power to execute this lease and to grant the estate demised herein and subject to other provisions of this Lease. The Town covenants with the Center that so long as this Lease remains in effect, the Center shall peaceably and quietly enjoy the Premises during the Terms of this Lease, subject and subordinate to all of the terms, covenants, and conditions of the Lease.

17. Default. Neither party shall have the right to terminate this Lease Agreement upon default by the other party in any covenant or condition unless such default remains uncured for a period of sixty (60) days following written notice to the defaulting party of such default. In the event that any cure is prevented by weather or other circumstances beyond control of the Parties the deadline for curing such default shall be extended until sixty (60) days after the weather or other such circumstance has ceased to exist. If this Lease Agreement is so terminated, the Town may retake possession of the Premises upon sixty (60) days' written notice to the Center, and the Center shall surrender and return the Premises to the Town, together with all permanent

improvements and fixtures belonging to the Town, in good condition, normal wear and tear excepted. In addition, the Center shall provide all necessary books, contracts, and other records and shall work with the Town or its designated representative to insure a smooth transfer of management without interruption of scheduled activity on the Premises. Nothing in this paragraph shall be deemed to limit the availability of specific performance or other causes of action as remedies for breach.

18. Execution and Ratification. This Agreement shall be ratified by resolution of the Board of Directors of the Center and subscribed and sealed by the President and Secretary of the Center no later than fifteen days after the effective date of the Ordinance of the Town approving this Agreement.

19. Notices and Addresses. Any notice required hereunder shall be delivered by certified mail to the Parties at the following addresses:

TOWN: P.O. Box 39  
Crested Butte, CO 81224

CENTER: P.O. Box 1819  
Crested Butte, CO 81224

20. Applicable Law, Choice of Venue. The Parties agree that Colorado law will be applicable to determine any dispute under this Lease and that the proper jurisdiction and venue of any legal action regarding the interpretation and/or enforcement of this Lease, or any document related hereto, shall be the County or District Court of the County of Gunnison.

21. Attorney's Fees. It is agreed that if any action is brought in a court of law by either party as to the interpretation, enforcement, or construction of this Lease, or any document related hereto, the prevailing party in such action shall be entitled to judgment for reasonable attorney's fees and costs incurred in the prosecution or defense of such action.

22. Waiver. The failure of either party to insist in any one or more instances upon compliance with any of the terms, conditions, covenants, or agreements herein contained, or the failure of either party to exercise any option, privilege, or right here in contained shall not be construed as constituting a waiver of such right, option or the right to demand compliance with such term, condition, covenant or agreement.

23. Captions. Captions used herein are for convenience only, and shall not be used to define, limit, or modify the intent or language of this Lease.

24. Severability. If any provision of this Lease, or the application thereof shall be found invalid, such invalidity shall not affect the validity of the remaining provisions or this Lease as a whole.

25. Entire Agreement, Amendment, Benefit. This Agreement represents the entire agreement between the Parties, and any amendment or modification hereto shall be in writing,

executed by the Parties. Upon execution hereof, this Lease Agreement shall benefit and bind the Parties, as well as their successors, assigns and representatives.

IN WITNESS WHEREOF, the Parties hereby execute this Lease as of the day and year set forth above.

TOWN OF CRESTED BUTTE, COLORADO

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

ATTEST:

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

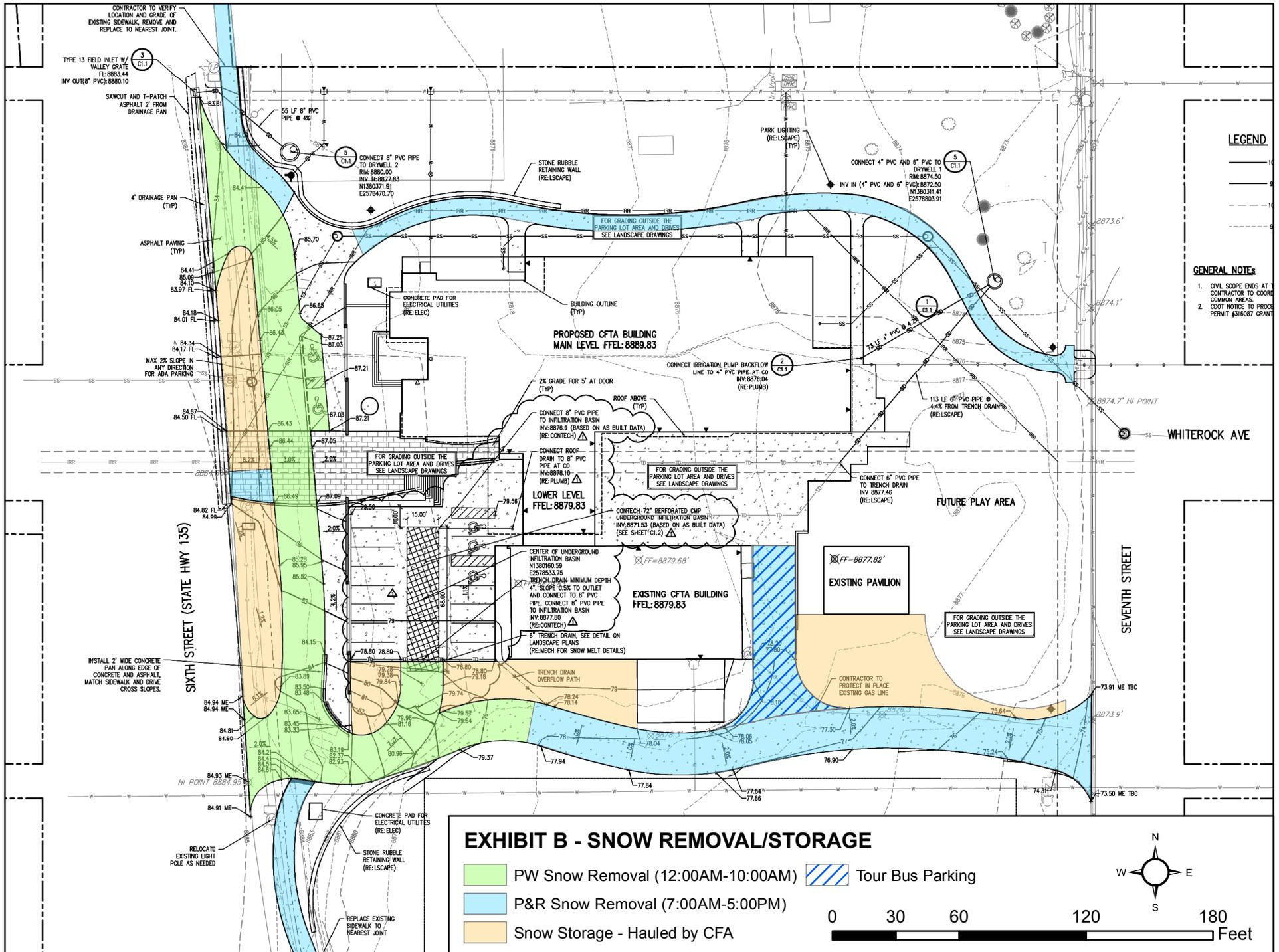
THE CENTER FOR THE ARTS

By: \_\_\_\_\_  
Its: President

ATTEST:

\_\_\_\_\_  
Secretary





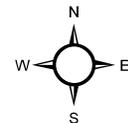
**LEGEND**

**GENERAL NOTES:**

1. CIVIL SCOPE ENDS AT CONTRACTOR TO COORD COMMON AREAS
2. CDOT NOTICE TO PROCEED PERMIT #316087 GRANT

**EXHIBIT B - SNOW REMOVAL/STORAGE**

- PW Snow Removal (12:00AM-10:00AM)
- P&R Snow Removal (7:00AM-5:00PM)
- Snow Storage - Hauled by CFA
- Tour Bus Parking





**EXHIBIT D**

BOZAR 8-31-2016 – Center for the Arts

Conditions of Architectural Approval

1. The Center shall provide the following changes to the structure/site plan which will be reviewed and approved if needed by the Board as denoted below.
  - a. The windows, doors, and associated trim shall be finished in “classic copper” paint and the material list change to reflect this.
  - b. The theater window on the north elevation shall reflect that shown on the rendering. The elevation shall be changed to reflect the correct distance from the top of the wall.
  - c. The concrete on the west retaining wall where the Center for the Arts sign is shown shall be board-formed.
  - d. All the areas where windows are more expansive (north side of courtyard, above north deck, adjacent to Herschel’s garden, etc.) shall be grouped in pairs of two with a minimum of 3.5 inches between the pairs.
  - e. The rain chain element shall be developed and approved by the full Board.
  - f. The exterior staircase from the front door area to the lower parking lot must be deemed safe by the Town and added to the snow management plan.
  - g. The lower parking lot area shall be lit by recessed step lights in the concrete wall as opposed to the lamps and poles proposed.
  - h. The hard surface materials for the west entry and east court shall be reviewed by the full Board.
  - i. Any changeable copy marquee feature shall be reviewed by the DRC or if needed the full Board shall construct the structure and site in conformance with the
  - f. The exterior staircase from the front door area to the lower parking lot must be deemed safe by the Town and added to the snow management plan.
  - g. The lower parking lot area shall be lit by recessed step lights in the concrete wall as opposed to the lamps and poles proposed.
  - h. The hard surface materials for the west entry and east court shall be reviewed by the full Board.

- i. Any changeable copy marquee feature shall be reviewed by the DRC or if needed the full Board.
2. The Center shall construct the structure and site in conformance with the approved plans or subsequently approved plans including the structure, sidewalks around the site and to the school, lighting as designated, improvements to the 6th and 7th Street right of ways including access, parking, drainage and landscaping as represented in the approved plans.
3. The Center shall enter into a management agreement with the Town of Crested Butte to address the responsibilities for maintenance of the building and site which shall include the plowing and removal of snow in line with the submittal.
4. The Center shall enter into a management agreement with the Town of Crested Butte to define the responsibilities and coordination of the development activities related to the construction of the Center and site amenities.
5. The Center will enter into a funding agreement with the Town of Crested Butte to define the financing and fiscal responsibilities for the construction and on-going maintenance of the facilities.
6. The Center will coordinate with the Town of Crested Butte with regard to the planning and implementation of the Town Park playground and confirmation by the staff that all community facilities displaced by the expansion have been appropriately replaced.
7. The Center shall make every effort to mitigate the impacts of parking and traffic related to the Center's activities on an ongoing basis. This shall include the implementation of shuttle/valet parking to and from parking areas noted or future sites that may become available, the coordination of transit access to the site, and the devotion of Center personnel to traffic control when events exceed 275 people. The Center shall coordinate with other Town and RE1J school events in scheduling Center events, and place a limitations on concurrent Center events, capping total Center occupancy at 400 people.
8. The Center shall comply with the conditions in Resolution #4, series 2015 as adopted or subsequently amended by the Crested Butte Town Council.



## Staff Report

December 2, 2019

**To:** Mayor and Town Council

**From:** Rob Zillioux, Director of Finance and HR

**Subject:** ORDINANCE NO. 40 SERIES 2019. AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL AMENDING CHAPTER 4 OF THE CRESTED BUTTE MUNICIPAL CODE TO INCLUDE NEW PROVISIONS ESTABLISHING A TAX ON CIGARETTES, TOBACCO AND OTHER NICOTINE PRODUCTS

**Summary:** HB 19-1033 was approved by the Colorado legislature during the past session and signed by Governor Polis. The bill gives authority to local governments to regulate sale to and possession of nicotine products by minors. It further allows counties and municipalities to impose a special sales tax on cigarettes, tobacco and nicotine products following voter approval to be administered by the county or municipality. Revenue generated by the new tax may be allocated to a special fund or general fund.

At the election held on November 5, 2019, a majority of those voting approved the following ballot question approving the levy of a tax of fifteen cents per cigarette or three dollars per pack of twenty cigarettes sold and 40% on the sales price of all other tobacco products for purposes of funding health, safety and other needs as deemed necessary:

SHALL TOWN TAXES BE INCREASED BY UP TO \$200,000 IN 2020 AND BY SUCH AMOUNTS AS MAY BE GENERATED ANNUALLY THEREAFTER BY THE IMPOSITION OF NEW TAXES AS FOLLOWS:

BEGINNING JANUARY 1, 2020, THERE SHALL BE A NEW TAX OF FIFTEEN CENTS PER CIGARETTE OR THREE DOLLARS PER PACK OF TWENTY CIGARETTES SOLD;

BEGINNING JANUARY 1, 2020, THERE SHALL BE A NEW SALES TAX OF 40% ON THE SALES PRICE OF ALL OTHER TOBACCO PRODUCTS; THE TERMS "CIGARETTES" AND "TOBACCO PRODUCTS" SHALL MEAN "A PRODUCT THAT CONTAINS NICOTINE OR TOBACCO OR IS DERIVED FROM TOBACCO AND IS INTENDED TO BE INGESTED OR INHALED BY OR APPLIED TO THE SKIN OF AN INDIVIDUAL."

THE TAX REVENUES SHALL BE USED FOR THE PURPOSES OF FINANCING HEALTH SERVICES, PUBLIC SAFETY AND OTHER NEEDS AS

DEEMED NECESSARY;

AND SHALL THE TOWN BE AUTHORIZED TO COLLECT, RETAIN AND EXPEND ALL OF THE REVENUES OF SUCH TAXES AND THE EARNINGS THEREON, NOTWITHSTANDING THE LIMITATIONS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

**Previous Council Action:** At the July 15, 2019 meeting, Council approved Resolution No. 13 Series 2019, submitting to the electorate of the Town of Crested Butte a question seeking authority to increase taxes on the sale of cigarettes and other tobacco and nicotine products.

**Discussion:**

In addition to implementing the tax, the Council may want to consider whether they should raise the minimum purchase age to 21 for tobacco products. This decision did not have to be made in advance of the ballot question but may be approved by ordinance at any time. The minimum age question does not have to be addressed with Ordinance 40, Series 2019. It can be approved by separate ordinance.

Also, the attached Ordinance 40 Series 2019 includes an exception for FDA-approved cigarette and nicotine cessation products, such as gums, patches and lozenges.

**Financial Implications:**

Revenue generated by this type of new tax may be allocated to a special fund or general fund. As per the ballot initiative, revenue collected from this tax will be utilized toward health services, safety initiatives and other priorities as deemed necessary. Staff estimates related tax collections could be approaching \$200,000 per year.

**Recommendation:** Staff recommends approving Ordinance 40, Series 2019.

**Proposed Action:** For a Council member to make a motion, followed by a second, to approve Ordinance 40, Series 2019 during the December 2<sup>nd</sup> public hearing.

**ORDINANCE NO. 40****Series 2019****AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL  
AMENDING CHAPTER 4 OF THE CRESTED BUTTE MUNICIPAL CODE  
TO INCLUDE NEW PROVISIONS ESTABLISHING A TAX ON  
CIGARETTES, TOBACCO AND OTHER NICOTINE PRODUCTS**

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 public under and by virtue of the Colorado Constitution and laws of the State of Colorado; and

WHEREAS, at an election held on November 5, 2019, a majority of those voting approved the following ballot question approving the levy of a tax of fifteen cents per cigarette or three dollars per pack of twenty cigarettes sold and 40% on the sales price of all other tobacco products for purposes of funding health, safety and other needs as deemed necessary:

SHALL TOWN TAXES BE INCREASED BY UP TO \$200,000 IN 2020 AND BY SUCH AMOUNTS AS MAY BE GENERATED ANNUALLY THEREAFTER BY THE IMPOSITION OF NEW TAXES AS FOLLOWS:

BEGINNING JANUARY 1, 2020, THERE SHALL BE A NEW TAX OF FIFTEEN CENTS PER CIGARETTE OR THREE DOLLARS PER PACK OF TWENTY CIGARETTES SOLD;

BEGINNING JANUARY 1, 2020, THERE SHALL BE A NEW SALES TAX OF 40% ON THE SALES PRICE OF ALL OTHER TOBACCO PRODUCTS; THE TERMS "CIGARETTES" AND "TOBACCO PRODUCTS" SHALL MEAN "A PRODUCT THAT CONTAINS NICOTINE OR TOBACCO OR IS DERIVED FROM TOBACCO AND IS INTENDED TO BE INGESTED OR INHALED BY OR APPLIED TO THE SKIN OF AN INDIVIDUAL."

THE TAX REVENUES SHALL BE USED FOR THE PURPOSES OF FINANCING HEALTH SERVICES, PUBLIC SAFETY AND OTHER NEEDS AS DEEMED NECESSARY;

AND SHALL THE TOWN BE AUTHORIZED TO COLLECT, RETAIN AND EXPEND ALL OF THE REVENUES OF SUCH TAXES AND THE EARNINGS THEREON, NOTWITHSTANDING THE LIMITATIONS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?;  
and

WHEREAS, it is necessary to amend the Town Code to implement the cigarette, tobacco and nicotine tax; and

WHEREAS, for the foregoing reasons, the Town Council hereby finds that the

amendments to the Town of Crested Butte Municipal Code ("Code") set forth herein below are in the best interest of the Town of Crested Butte.

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

**Section 1. Section 4-2-70 Exemptions from sales tax shall be amended as follows:**

Section (4) Cigarettes shall be removed and the numbering of subsequent sections be amended to reflect the change.

**Section 2. Adding a New Article 10 to Chapter 4 of the Code.** A new Article 10 is added to Chapter 4 of the Code to read as follows:

**"Cigarette, Tobacco and Nicotine Products Tax"**

**Sec. 4-10-10. Purpose.**

The purpose of this Article shall be to impose a sales tax known as a cigarette, tobacco and nicotine tax on any and all tobacco and nicotine containing products the proceeds of which will be recorded in the *General Fund* for the purposes of supporting health, safety and other needs deemed necessary.

**Sec. 4-10-20. Effective Date.**

This Article shall be effective commencing on January 1, 2020, and shall apply to all cigarette, tobacco and nicotine product sales.

**Sec. 4-10-30. Definitions.**

*Cigarettes, tobacco and nicotine products* shall mean a product that contains nicotine or tobacco or is derived from tobacco and in intended to be ingested or inhaled by or applied to the skin of an individual.

**Sec. 4-10-40. Rate, imposition, collection, and distribution of vacation rental tax.**

(a) There is hereby levied by the Town a tax of \$0.15 per cigarette or \$3.00 per pack of twenty cigarettes.

(b) All other tobacco (not cigarettes) and nicotine products shall be taxed at 40% of retail price.

**Sec. 4-10-50. Cigarette, tobacco and nicotine products tax schedule.**

The cigarette, tobacco and nicotine products tax imposed under this Article shall be computed and collected in accordance with applicable schedules, systems and regulations approved by the Finance Director.

**Sec. 4-10-60. Transactions, items and services subject to cigarette, tobacco and nicotine product tax.**

The cigarette, tobacco and nicotine product tax shall apply to the retail price charged to any person(s) purchasing said product(s).

**Sec. 4-10-70. Exemptions from cigarette, tobacco and nicotine product tax.**

The tax levied by Section 4-10-60 shall not apply to FDA-approved nicotine cessation products, such as patches, gum and lozenges.

**Sec. 4-10-80. Vendor responsible for collection and payment of tax.**

Every vendor engaged in the selling of cigarette, tobacco and nicotine products in the Town shall be liable and responsible for collecting and paying to the Town an amount equivalent to the amount charged to any person for cigarettes, tobacco and nicotine products multiplied by the cigarette, tobacco and nicotine product tax rates established by Section 4-10-40 of this Code.

**Sec. 4-10-90. Trust status of tax in possession of vendor.**

All cigarette, tobacco and nicotine products tax collected by any vendor shall be the property of the Town and remain public money in the hands of such vendor, who shall hold the same in trust for the sole use and benefit of the Town until paid to the Town.

**Sec. 4-10-100. Filing returns; due date.**

(a) Every vendor shall file a return, whether or not a tax is due, and remit any tax due to the Town in accordance with 4-2-140

**Sec. 4-10-110. Duty to keep books and records.**

(a) Every vendor shall keep and preserve for at least three (3) years after the date of the taxable transaction suitable records which allow the accurate determination of the tax due.

**Sec. 4-10-120. - Authority of Finance Director.**

The administration of this Article is hereby vested in the Finance Director, except where otherwise noted.

- (1) The Finance Director shall prescribe forms and administrative procedures for the ascertainment, assessment and collection of tax.
- (2) The Finance Director may formulate and promulgate, after hearing, appropriate and additional regulations to effectuate the purpose of this Article.
- (3) The Finance Director may require any person to make additional returns, render statements, furnish records or make informational reports to determine whether or not such person is liable for payment or collection of the tax.
- (4) The Finance Director may designate agents to assist in the performance of the duties and responsibilities set forth in this Article.
- (5) The Finance Director may accept any partial payment made and apply such payment toward the tax due. Deposit of such payment shall not in any way imply that the remaining balance is or has been abated.
- (6) Notices required by this Article shall be in writing and delivered in person by the Finance Director or an agent, sent postage paid by certified mail to the last known address of the vendor, or served in person by an officer of the Town Marshal's office.

**Sec. 4-10-130. Audit of record.**

(a) For the purpose of ascertaining the correct amount of tax due from any vendor in the Town, the Finance Director may authorize an agent to conduct an audit by examining any relevant books, records and accounts of such person.

(b) All books, accounts and records shall be available at any time during regular business hours for examination by an authorized agent of the Finance Director. If any vendor refuses to voluntarily furnish any of the foregoing information when requested by the Finance Director or an authorized agent, the Finance Director may issue a subpoena to require that the vendor or his or her representative attend a hearing or produce any such books, accounts or records for examination.

(c) Any tax deficiency or overpayment ascertained through audit shall be computed by one or more of the following methods as the Finance Director deems appropriate:

- (1) By comparing the tax reported and paid on returns to the actual tax due.
- (2) By identifying transactions on which the tax was not properly or accurately collected or paid.
- (3) By identifying other irregularities in the calculation of tax due.

**Sec. 4-10-140. Tax information confidential.**

(a) All specific information gained under the provisions of this Article which is used to determine the tax due from a vendor, whether furnished by the vendor or obtained through an audit, shall be treated by the Town and its officers, employees or legal representatives as confidential.

(b) Except as directed by judicial order or as provided in this Section, no Town officer, employee or legal representative shall divulge any confidential information. Nothing contained in this Section shall be construed to prohibit the delivery to a vendor or his or her duly authorized representative of a copy of such confidential information relating to such vendor, the publication of statistics so classified as to prevent the identification of particular vendors, or the inspection of such confidential information by an officer, employee or legal representative of the Town.

(c) If directed by judicial order, the officials charged with the custody of such confidential information shall be required to provide only such information that is directly involved in the action or proceeding.

**Sec. 4-9-150. Overpayment from returns.**

(a) If the amount remitted with the return is more than the tax due as computed from information in such return, the vendor shall be notified.

(b) If the overpayment is at least fifteen dollars (\$15.00), a notice of overpayment will be issued. After examining such notice, the vendor may either submit a claim for a refund or report the correct tax due by filing an amended return. No refund of such overpayment shall be paid unless a signed claim for a refund is submitted on or before the thirtieth day after the date of notice of overpayment.

(c) If the overpayment is less than fifteen dollars (\$15.00), it shall be credited to the tax due for the next reporting period.

**Sec. 4-10-160. Tax overpayment determined through audit.**

If the Town ascertains through audit of a vendor's records that the tax due is less than

the full amount paid, a notice of overpayment shall be issued. Such notice will serve as documentation for a claim of refund if such claim is signed and submitted by the vendor within thirty (30) days of the date of the notice of overpayment.

**Sec. 4-9-240. Underpayments from returns.**

(a) If the amount remitted with a return is less than the tax computed from information in such return, the vendor shall be notified.

(b) If the underpayment is at least fifteen dollars (\$15.00), a notice of assessment shall be issued.

(c) If the underpayment is less than fifteen dollars (\$15.00), it shall be added to the tax due for the next reporting period.

**Sec. 4-9-260. Tax deficiencies determined through audit.**

If the Town determines through an audit of the vendor's records that the tax due has not been fully reported or paid by the applicable due date, a notice of assessment shall be issued.

**Sec. 4-9-270. Penalties.**

A penalty shall be levied for any tax deficiency as outlined in 4-2-320

**Sec. 4-9-280. Interest.**

Interest shall be levied on any tax deficiency as outlined in 4-2-330

**Sec. 4-9-290. Notice of assessment.**

(a) The Finance Director or specifically authorized agent shall issue a notice of assessment for any tax deficiency, penalties or interest due.

(b) Notices of assessment shall be in writing and delivered in person or sent postage paid by first class mail, to the last known address of the vendor.

(c) The payment due date for the tax due pursuant to a notice of assessment shall be twenty-one (21) days after the date of the notice of assessment.

(d) The Finance Director, with the consent of the Town Manager, may abate a portion of any tax deficiency if good cause therefor exists.

**Sec. 4-9-300. - Protest of notice of assessment or denial of refund.**

(a) Any notice of assessment may be protested by the vendor to whom it is issued.

(1) A protest of a notice of assessment issued to a vendor or vendor for failure to file a return, underpayment of tax owed or as a result of an audit shall be submitted in writing to the Finance Director within twenty (20) calendar days from the date of the notice of assessment. Any such protest shall identify the amount of tax disputed and the basis for the protest.

(2) When a timely protest is made, no further enforcement action will be instituted by the Town for the portion of the assessment being protested unless the vendor fails to pursue the protest in a timely manner.

(b) Any denial of a claim for a refund may be protested by the vendor who submitted the claim. A protest of a denial of a refund shall be submitted in writing to the Finance Director within twenty (20) calendar days from the date of the denial of the refund, and shall identify the amount of the refund requested and the basis for the protest.

(c) Any timely protest entitles a vendor to a hearing under the provision of this Article.

(1) If, in the opinion of the Finance Director, the issues involved in such protest are not a matter of interpretation or may be resolved administratively, the Finance Director may recommend an informal meeting with the vendor to resolve the issues.

(2) Participation in such an informal meeting does not prevent either the vendor or the Town from holding a formal hearing if the dispute cannot be resolved by such meeting.

**Sec. 4-9-390. Status of tax due in bankruptcy and receivership.**

Whenever the business or property of any vendor is subject to receivership, bankruptcy or assignment for the benefit of creditors, or distrained for property taxes, all tax due shall be a prior and preferred lien against all the property of the vendor. No sheriff, receiver, assignee or other officer shall sell the property of any such vendor under process or order of the Finance Director for less than the amount of the tax due. The officer shall pay any tax due before making payment to any judgment, creditor or other claimant.

**Section 3. Severability.** If any section, sentence, clause, phrase, word or other provision of this ordinance is for any reason held to be unconstitutional or otherwise invalid, such holding shall not affect the validity of the remaining sections, sentences, clauses, phrases, words or other provisions of this ordinance, or the validity of this ordinance as an entirety, it being the legislative intent that this ordinance shall stand notwithstanding the invalidity of any section, sentence, clause, phrase, word or other provision.

**Section 4. Savings Clause.** Except as amended hereby, the Crested Butte Municipal Code shall remain valid and in full force and effect. Any provision of the Code that is in conflict with this ordinance is hereby repealed as of the effective date hereof.

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS \_\_\_ DAY OF \_\_\_\_\_, 2019.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN PUBLIC HEARING THIS \_\_\_ DAY OF \_\_\_\_\_, 2019.

TOWN OF CRESTED BUTTE, COLORADO

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

ATTEST:

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



## Staff Report

December 2, 2019

**To:** Mayor and Town Council

**From:** Rob Zillioux, Finance and HR Director

**Subject:** Ordinance No. 41, Series 2019 - An Ordinance of the Crested Butte Town Council Approving the Lease of a One Bedroom Apartment Located at 715 Elk Ave to Stephanie White

**Summary:** The residential apartment located at 715 Elk Ave (Depot Building) is a small one-bedroom unit. Staff recommends entering into a new lease with Stephanie White.

**Discussion:** Stephanie White has occupied the Depot apartment for approximately eight years while paying \$250 per month until March of 2019. The current monthly rent, beginning March 2019, is \$300. Town has performed maintenance on the building while Stephanie has had caretaker responsibilities in exchange for reduced rent. Lessee pays for electricity. Town pays for gas, water, sewer, and weekly refuse collection. Lessee also pays all charges for telephone, internet, television and other such services. The monthly lease rate proposed is \$600 with no caretaker responsibilities.

The rental term is for 3 years. Ninety days prior to the end of the lease, Town will determine if a Town employee wishes to lease the property. Should there be no Town employee interested, then the unit will be advertised to see if a not-for-profit organization is interested in leasing, as is Town's policy. Should there be no not-for-profit interested, then the lease will renew for three years. Either party may terminate the lease in writing with 60 days of notice.

**Legal Implications:** It is in the best interest of both the Town and its tenants to have a clear lease acknowledging the terms under which the tenant is permitted to use the property ensuring adequate insurance is in place and laying out the maintenance responsibilities.

**Recommendation:** Staff recommends the Town enter into a lease with Stephanie White.

**Proposed Motion:** Motion and a second to set Ordinance No. 41, Series 2019 to public hearing at the December 16th Council meeting.

**ORDINANCE NO. 41**

**SERIES 2019**

**AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL APPROVING THE LEASE OF A ONE BEDROOM APARTMENT LOCATED AT 715 ELK AVE. TO STEPHANIE WHITE**

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

WHEREAS, pursuant to Section 31-15-713 (c), C.R.S., the Town Council may lease any real estate, together with any facilities thereon, owned by the Town when deemed by the Town Council to be in the best interest of the Town; and

WHEREAS, pursuant to Section 713 (c), when the term of such lease is more than one year, the Town Council must approve such lease by ordinance of the Town Council; and

WHEREAS, the Town Council and Stephanie White wish to enter into Lease attached hereto as Exhibit A; and

WHEREAS the Town Council finds hereby that approving leases of various Town properties for use by certain individuals or entities is in the best interest of the Town.

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

1. **Findings.** The foregoing recitals are hereby fully incorporated herein.
2. **Authorization of Town Manager or Mayor.** Based on the foregoing, the Town Council hereby authorizes the Town Manager or Mayor to execute a lease in substantially the same form as attached hereto as **Exhibit "A"**.

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2019

ADOPTED BY THE TOWN COUNCIL UPON SECOND RADING IN PUBLIC HEARING THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2019

TOWN OF CRESTED BUTTE, COLORADO

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

ATTEST:

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

(SEAL)

## Exhibit A

### LEASEHOLD AGREEMENT

**THIS AGREEMENT**, made and entered into this 16th day of December, 2019, by and between the TOWN OF CRESTED BUTTE, a Colorado Home Rule Municipal Corporation (hereafter referred to as the “Town”) and Stephanie White, (hereafter referred to as the “Lessee”) is upon the following terms and conditions:

#### WITNESSETH:

**IN CONSIDERATION** of the keeping and performance of the mutual promises, covenants, and conditions contained herein, the parties agree as follows:

1. **TERM and RENEWAL:** This agreement shall commence as of the 1<sup>st</sup> day of March, 2020, for a period of 3 years, ending on the 27th day of February, 2023 at midnight. Ninety days prior to the end of the lease, Town will determine if a Town employee wishes to lease the property. Should there be no Town employee interested, then the unit will be advertised to see if a not-for-profit organization is interested in leasing, as is Town’s policy. Should there be no not-for-profit interested, then the lease will renew for three years. Either party may terminate the lease in writing with 60 days of notice.
2. **LEASE OF PREMISES TO LESSEE:** The Town hereby leases to Lessee, and the Lessee hereby takes and rents from the Town, the following described premises, together with the improvements thereon, situated in the County of Gunnison and State of Colorado, to wit:
 

716 Elk Ave Crested Butte, Colorado (a one bedroom residential dwelling, which is a portion of a Town owned building)
3. **RENT/OCCUPANTS:** The Lessee agrees to pay to Town as rent for the premises listed above the sum of \$600.00 per month, due and payable no later than the 5<sup>th</sup> day of each month during the term of this lease;
  - a. Upon renewal the rental rate shall increase by \$30 per month.
4. **UTILITIES:** Unless otherwise specified, the Lessee shall pay for electricity. The Town will pay for gas, water, sewer and weekly refuse collection. Lessee shall also pay all charges for telephone, internet, television and other such services.
5. **CHARACTER OF OCCUPANCY:** The premises shall be occupied by the Lessee as a residential dwelling. Any commercial activity is prohibited unless agreed upon in writing by both parties.
6. **ANIMALS:** Lessee is allowed to have pets such as a dog or cat subject to approval by the Town Manager.

7. **CLEANING:** Lessee agrees to keep and maintain the premises used exclusively by Lessee in a neat, orderly, clean and sanitary condition at all times, and to provide such cleaning and other services as may be necessary to do so. All refuse or trash resulting from Lessee's use of the premises shall be stored in the animal resistant container provided by the Town on the premises for eventual removal during the weekly trash pick-up. Trash, refuse, and other such discarded materials may not be allowed to accumulate in or on the property. All cleaning supplies and equipment must be provided by Lessee. Premises are subject to periodic inspection for the purposes of insuring cleanliness, and proper repair and maintenance of the premises by the Town upon 24 hour notice to the Lessee.
8. **PARKING:** Vehicles owned or operated by the Lessee must be parked in available spaces designed for such purposes or the Town right of way in accordance with the Town's parking regulations. Vehicles may not be parked on landscaped areas, abandoned on the premises, or otherwise left in disrepair on or adjacent to the premises.
9. **SECURITY AND DAMAGE DEPOSIT:** Lessee shall pay the Town the sum of \$250.00 to be used as security for the faithful performance of the terms and obligations of this Lease. This deposit shall be held by the Town for the term of this Lease. The Town may apply any or all of the security deposit to the repair of damages caused to the premises by Lessee or Lessee's use thereof, and/or to pay for cleaning of the premises upon the Lessee's vacation of the premises. In the event the town deems that it is reasonable and necessary to have the premises cleaned or repaired during or after the term of this Lease, it shall be done at Lessee's expense. Any amount paid out of the deposit shall be reimbursed to the Town within ten (10) days by the Lessee to again cause a full deposit of \$250.00 to be available at all times. This deposit shall not be deemed to be of the total amount for which the Lessee shall be responsible in the event of damages. Lessee shall not be entitled to credit any amount of the deposit toward payment of any other obligation owed to the Town.
10. **INSURANCE AND INDEMNIFICATION:** Lessee agrees to indemnify and hold the Town harmless against any and all claims or judgments for loss, liability, damage, or injury to persons or property of any kind, including reasonable attorney's fees arising out of or in connection with Lessee's use of the premises, and those caused by the negligent and intentional acts of the Lessee and/or visitors in furtherance of the Lessee's occupation. The Town shall maintain in effect fire and extended coverage on the building in which the premises is located during the term of this Agreement. The Town shall also maintain in effect public liability insurance on the building in at least the minimum amount of its exposure under the Statutes of the State of Colorado.

Lessee may obtain, at its own expense, any contents insurance and public liability insurance it may wish to purchase, provided however, that if Lessee places equipment, communications devices, or other such material with a cash value in excess of \$10,000, contents insurance is required of the Lessee, at his own expense, as a condition of occupying the premises upon execution of this Lease.
11. **ASSIGNMENT:** Lessee shall not assign this Lease, nor sublet or rent the premises described herein to other users in any fashion, or encumber this lease or the premises in whole or in part, without the prior written consent of the Town.

12. **INSPECTION OF PREMISES:** Lessee shall allow the Town or its authorized representatives to enter upon the premises upon 24 hours' notice, without intruding into Lessee's personal effects, to inspect the premises or to make repairs thereon.
13. **DEFAULT OF THE AGREEMENT:** Neither party shall have the right to terminate this Lease upon default in any covenant or condition unless such default remains uncured for five (5) days following the provision of written notice of the default to the defaulting party. If this Lease is so terminated, it is agreed that the Town may retake possession of the premises upon an additional five (5) days written notice to Lessee, without terminating the Lease. If the Town retakes possession of the premises in such fashion, Lessee shall remain liable for rental payments, and the cost of cleaning and repair, less any amount received from a new tenant during the remainder of the term of this Lease.
14. **SURRENDER OF PREMISES:** If Lessee wishes to renew this Lease, it shall notify the Town no less than 30 days prior to the expiration date. Lessee shall quit and surrender the premises in the condition upon which it was received, except for normal wear and tear, upon the expiration of this Lease, or any extension hereof. Except by prior negotiation and agreement with the Town, it shall be Lessee's responsibility to remove all personal property, personal fixtures, or approved improvements located on the premises at the time of expiration, or upon termination of this Lease. In the event of removal of said personal property, fixtures, or improvements located on the premises, Lessee shall restore the premises to its original condition.
15. **TERMINATION FOR CONVENIENCE:** Either the Town or Lessee may terminate this agreement and the tenancy hereunder at any time for any reason or no reason at all on 60 days' written notice to the other party.
16. **TOWN'S REPAIR AND MAINTENANCE OBLIGATION:** Except by prior negotiation and agreement expressed and added herein, the Town shall keep the remainder of the building in which the premises is located in good repair. The Town shall make such structural repairs as may be necessary, and repair all plumbing, electrical, heating, ventilating, and other facilities as may be existing, unless caused by the negligent or intentional acts of the Lessee, and visitors, in which case Lessee shall pay or reimburse the Town for such repairs.
17. **NOTICES:** All notices required hereby shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, to the following addresses:

TOWN: Town Manager  
Town of Crested Butte  
P.O. Box 39  
507 Maroon Ave  
Crested Butte, CO 81224

LESSEE: Stephanie White  
PO Box 1431

716 Elk Ave  
Crested Butte, CO 81224

Notices shall be deemed properly given when sent, mailed, or hand delivered to the above addresses. Either party may change its address by giving written notice of the change to the other party.

18. **APPLICABLE LAW:** This Lease is entered into in the Town of Crested Butte, Gunnison County, State of Colorado; and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease be in the County of Gunnison, State of Colorado.
19. **ATTORNEY FEES:** It is agreed that if any action is brought in a court of law by either party to this Lease as to its enforcement, interpretation or construction of this Lease or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorney fees, as well as all costs incurred in the prosecution or defense of such action.
20. **WAIVER:** The failure of the Town to insist in any one or more instances upon strict compliance of any of the obligations, covenants, and agreements contained herein, or the failure of the Town in any one or more instances to exercise any option, privilege, or right contained herein shall in no way be construed as constituting a waiver of such default or option by the Town.
21. **CAPTIONS:** The captions are inserted only as a matter of convenience and reference. They in no way define, limit, or describe the scope of the Lease nor the intent of any provision herein.
22. **SEVERABILITY:** If any provision, covenant, clause, or agreement contained in the Lease or the application thereof shall be found to be invalid, such invalidity shall not affect the validity of the remaining provisions, covenants, clauses, or agreements, or the validity of the Lease as a whole.
23. **BENEFIT:** This Lease shall bind and benefit alike the successors and assigns of the parties hereto.

**IN WITNESS WHEREOF**, the parties have executed this Lease in duplicate as of the date first set forth above.

TOWN OF CRESTED BUTTE, COLORADO

By: \_\_\_\_\_  
Dara T MacDonald, Town Manager

ATTEST:

By: \_\_\_\_\_  
Lynelle Stanford, Town Clerk

LESSEE:

By: \_\_\_\_\_  
Stephanie White



## Staff Report

December 2, 2019

**To:** Mayor and Town Council

**From:** Rob Zillioux, Finance and HR Director

**Subject: ORDINANCE NO. 42 SERIES 2019. AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE APPROVING A LOAN FROM THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY; AND AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT AND A GOVERNMENTAL AGENCY BOND TO EVIDENCE SUCH LOAN.**

**Summary:** Ordinance No. 42 Series 2019 (attached) authorizes a loan between the Town of Crested Butte and the Colorado Water Resources and Power Development Authority, authorizing the execution of the loan agreement and a governmental agency bond to execute the loan.

**Background:** The Town is currently requesting funding for the construction of the upgrades to the Water Treatment Plant in 2019 in the amount of \$2,025,600 from the Colorado Water Resources and Power Development Authority. This will be a 20 year 2.5% low interest loan, which will be executed sometime early 2020. The total project cost is \$2,414,018. The additional funding will come from a \$405,000 DOLA Grant. Approval letter for the loan is attached, as is the grant award letter. The project is largely complete, and Enterprise Fund reserves were utilized to pay for the project. The loan is required to replenish reserves. CWRPDA and Butler Snow (Bond Attorney) both approve accepting the associated loan proceeds after the project is complete.

The project was designed to maintain compliance and quality standards, and to meet increasing water needs. The upgrades of the treatment plant are based on a design provided by JVA Engineers. Moltz is the firm who will do the construction. The project was designed to continue to maintain CDPHE compliance, upgrade infrastructure and maintain current and future water demands. The improvements to maintain CDPHE compliance include; the addition of block and bleed valves on the existing skids, turbidimeters, and retrofitting the existing pretreatment system. The improvements also intend to address the hydraulic limitations of the facility by adding a fourth skid, which will also facilitate redundancy within the system. Finally, the improvements address aging infrastructure by replacing components within the existing skids, removing the UV system, replacing the SCADA system, and upgrading the building structure.

**Recommendation:** Staff recommends setting Ordinance No. 42, Series 2019 for public hearing at the December 16<sup>th</sup>, 2019 Council meeting.

**Proposed Motion:** A motion and second to set Ordinance No. 42, Series 2019 for public hearing at the March 16<sup>th</sup>, 2019 Council meeting.

**TOWN OF CRESTED BUTTE, COLORADO  
ORDINANCE NO. 42  
(SERIES 2019)**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE APPROVING A LOAN FROM THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY; AND AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT AND A GOVERNMENTAL AGENCY BOND TO EVIDENCE SUCH LOAN.**

**WHEREAS**, the Town of Crested Butte (the “Town”), in the County of Gunnison and State of Colorado (the “State”), is duly organized and existing under the Constitution and the laws of the State and the home rule charter of the Town (the “Charter”); and

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

**WHEREAS**, the Town has acted pursuant to Article X, Section 20 of the Colorado Constitution (“TABOR”) and Title 37, Article 45.1, C.R.S. (the “Enterprise Act”) to create a water activity enterprise (the “Enterprise”) to operate the municipal water and sewer systems serving the inhabitants of the Town (the “System”); and

**WHEREAS**, the Council serves as the governing body of the Enterprise; and

**WHEREAS**, under TABOR, the Enterprise is a government-owned business authorized to issue its own revenue bonds and receiving under 10% of annual revenue in grants from all Colorado state and local governments combined; and

**WHEREAS**, the Council finds and determines that it is in the best interest of the Town to make improvements to its water treatment system (the “Project”); and

**WHEREAS**, the Town has made an application to the Colorado Water Resources and Power Development Authority (the “CWRPDA”), a body corporate and political subdivision of the State, for a loan to finance all or a portion of that cost of the Project; and

**WHEREAS**, the Council has determined that in order to finance all or a portion of the costs of the Project, it is necessary and advisable and in the best interests of the Town for the Town to enter into a loan agreement (the “Loan Agreement”) with the CWRPDA, pursuant to which the CWRPDA shall loan the Town an amount of not more than \$2,025,600 (the “Loan”) for such purposes; and

**WHEREAS**, the repayment obligations under the Loan Agreement shall be evidenced by a governmental agency bond (the “Bond”) to be issued by the Town to the CWRPDA; and

**WHEREAS**, the Town’s obligations under the Loan Agreement and the Bond (collectively referred to as the “Financing Documents”) shall constitute a revenue obligation of the Town payable from the Pledged Property (as defined in the Loan Agreement); and

**WHEREAS**, pursuant to TABOR, Section 10.4 of the Charter, Title 31, Article 35, Part 4, C.R.S. (the “Sewer and Water Systems Act”) and the Enterprise Act, the Financing Documents may be approved by the Council without an election; and

**WHEREAS**, the forms of the Financing Documents are on file with the Town Clerk; and

**WHEREAS**, the Council desires to approve the form of the Financing Documents and other documents referenced therein, authorize the execution of the Loan Agreement, and authorize the execution and delivery of the Bond; and

**WHEREAS**, none of the members of the Council have any financial interest or other potential conflicting interests in connection with the authorization or execution of the Financing Documents, or the use of the proceeds thereof; and

**WHEREAS**, the Town has previously entered into a loan agreement with the CWRPDA for a loan in the amount of \$1,900,000, dated May 25, 2010 (the “2010 Loan”), a separate loan agreement with the CWRPDA for a loan in the amount of \$400,000, dated February 29, 2012 (the “2012 Loan”), and a separate loan agreement with the CWRPDA for a loan in the amount of \$2,500,000, dated May 1, 2017 (the “2017 Loan” and with the 2010 Loan and the 2012 Loan, the “Prior Loans”); and

**WHEREAS**, the Prior Loans are secured by a lien on the Pledged Property;

**WHEREAS**, the lien on the Pledged Property securing the Loan will be subordinate to the lien on the Pledged Property securing the Prior Loans; and

**WHEREAS**, except to secure the Prior Loans, the Loan and the Bond, the Town has not pledged nor hypothecated the net revenues derived or to be derived from the operation of the System, or any part thereof, to the payment of any bonds or for any other purpose, with the result that the net revenue may now be pledged lawfully and irrevocably to the payment of the Bond.

**BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO:**

Section 1. Determinations. The Council hereby finds and determines that the Enterprise

constitutes an enterprise under TABOR.

Section 2. Approvals, Authorizations, and Amendments. The forms of the Financing Documents are incorporated herein by reference and are hereby approved. The Town shall enter into and perform its obligations under the Financing Documents in the forms of such documents, with such changes as are not inconsistent herewith and as are hereafter approved by the Mayor of the Town (the “Mayor”). The Mayor and the Town Clerk are hereby authorized and directed to execute the Financing Documents and to affix the seal of the Town thereto, and further to execute and authenticate such other documents or certificates as are deemed necessary or desirable in connection therewith. The Financing Documents shall be executed in substantially the forms approved pursuant to this Ordinance.

The execution of any instrument or certificate or other document in connection with the matters referred to herein by the Mayor, the Town Manager, the Town Clerk, the Finance and Human Resources Director and the Public Works Director or by other appropriate officers of the Town, shall be conclusive evidence of the approval by the Town of such instrument.

Section 3. Election to Apply the Supplemental Act. Section 11-57-204 of the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, C.R.S. (the “Supplemental Act”) provides that a public entity, including the Town, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act. The Town hereby elects to apply all of the provisions of the Supplemental Act to the Financing Documents.

Section 4. Delegation.

(a) Pursuant to Section 11-57-205 of the Supplemental Act, the Town hereby delegates to the Mayor or the Town Manager the independent authority to make the following determinations relating to and contained in the Financing Documents, subject to the restrictions contained in paragraph (b) of this Section 4:

- i. the interest rate on the Loan;
- ii. the principal amount of the Loan;
- iii. the amount of principal of the Loan maturing in any given year and the final maturity of the Loan;
- iv. the dates on which the principal of and interest on the Loan are paid;
- v. the existence and amount of reserve funds for the Loan, if any.

(b) The delegation in paragraph (a) of this Section 4 shall be subject to the following

parameters and restrictions:

- i. the interest rate on the Loan shall not exceed 2.50%;
- ii. the principal amount of the Loan shall not exceed \$2,025,600; and
- iii. the final maturity of the Loan shall not be later than December 31, 2055.

Section 5. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Act, the Bond and the Loan Agreement shall contain recitals that the Bond is issued pursuant to certain provisions of the Supplemental Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bond after its delivery for value.

Section 6. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the Town and members of the Council, not inconsistent with the provisions of this Resolution, relating to the Financing Documents, or actions to be taken in respect thereof, are hereby ratified, approved, and confirmed.

Section 7. Pledge of Revenues. The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Bond and the Loan Agreement provided herein shall be governed by Section 11-57-208 of the Supplemental Act and this Ordinance. The amounts pledged to the payment of the Bond and the Loan Agreement shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall have the priority described in the Loan Agreement. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the Town irrespective of whether such persons have notice of such liens.

Section 8. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the Financing Documents shall be commenced more than thirty days after the issuance of the Bond.

Section 9. Limited Obligation; Special Obligation. The Loan Agreement and the Bond are payable solely from the Pledged Property (as defined in the Loan Agreement), and the Loan Agreement and the Bond do not constitute a debt within the meaning of any constitutional or statutory limitation or provision.

No elected or appointed officers or agents of the Town shall be subject to any pecuniary liability in connection with any agreement, covenant, or undertaking by the Town, or by them, contained in any document executed in connection with the authorization, execution,

and delivery of the Financing Documents or this Ordinance or with respect to any action taken or omitted to be taken in good faith with reference thereto.

Section 10. Disposition and Investment of Loan Proceeds. The proceeds of the Loan shall be applied to pay the costs and expenses of acquiring, constructing and equipping the Project, including costs related thereto and, to the extent permitted under federal tax laws, reimbursement to the Town for capital expenditures heretofore incurred and paid from Town funds in anticipation of the incurrence of long-term financing therefor, and all other costs and expenses incident thereto, including without limitation the costs of obtaining the Loan. Neither the CWRPDA nor any subsequent owner(s) of the Loan Agreement shall be responsible for the application or disposal by the Town or any of its officers of the funds derived from the Loan. In the event that all of the proceeds of the Loan are not required to pay such costs and expenses, any remaining amount shall be used for the purpose of paying the principal amount of the Loan and the interest thereon.

Section 11. Town Representative. Pursuant to Exhibit B of the Loan Agreement, the Mayor, the Town Manager, the Finance and Human Resources Director and the Public Works Director are hereby designated as the Authorized Officers (as defined in the Loan Agreement) for the purpose of performing any act or executing any document relating to the Loan, the Town, the Bonds or the Loan Agreement. A copy of this Ordinance shall be furnished to CWRPDA as evidence of such designation.

Section 12. Estimated Life of Improvements. It is hereby determined that the estimated life of the Project to be financed with the proceeds of the Loan is not less than the final maturity of the Loan.

Section 13. Direction to Take Authorizing Action. The appropriate officers of the Town and members of the Council are hereby authorized and directed to take all other actions necessary or appropriate to effectuate the provisions of this Ordinance, including but not limited to such certificates and affidavits as may reasonably be required by the CWRPDA.

Section 14. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the Town and members of the Council, not inconsistent with the provisions of this Ordinance, relating to the Financing Documents, or actions to be taken in respect thereof, are hereby ratified, approved, and confirmed.

Section 15. Severability. If any section, paragraph, clause, or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance, the intent being that the same are severable.

Section 16. Repealer. All orders, resolutions, bylaws, ordinances or regulations of the Town, or parts thereof, inconsistent with this Ordinance are hereby repealed to the extent only of such inconsistency.

Section 17. Ordinance Irrepealable. After the Bond is issued, this Ordinance shall constitute an irrevocable contract between the Town and the CWRPDA, and shall be and remain irrepealable until the Bond and the interest thereon shall have been fully paid, satisfied, and discharged. No provisions of any constitution, statute, charter, ordinance, resolution or other measure enacted after the issuance of the Bond shall in any manner be construed as impairing the obligations of the Town to keep and perform the covenants contained in this Ordinance.

Section 18. Recordation. A true copy of this Ordinance, as adopted by the Council, shall be numbered and recorded on the official records of the Town. The adoption and publication of this Ordinance shall be authenticated by the signatures of the Mayor and the Town Clerk, and by a certification of publication.

Section 19. Publication and Effective Date. This Ordinance shall be in full force and effect five days after public notice (including publication) following final passage.

[Remainder of page intentionally left blank.]

**INTRODUCED, PASSED ON FIRST READING, APPROVED AND ORDERED POSTED THIS 2nd DAY OF DECEMBER, 2019, AND A PUBLIC HEARING ON THIS ORDINANCE SHALL BE HELD AT THE REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO, ON THE 16TH DAY OF DECEMBER, 2019.**

TOWN OF CRESTED BUTTE, COLORADO

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

(SEAL)

ATTEST:

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

**APPROVED AND ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN PUBLIC HEARING THIS 16TH DAY OF DECEMBER, 2019.**

TOWN OF CRESTED BUTTE, COLORADO

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

(SEAL)

ATTEST:

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

STATE OF COLORADO )  
 )  
 COUNTY OF GUNNISON ) SS.  
 )  
 TOWN OF CRESTED BUTTE )

I, Lynelle Stanford, the duly appointed, qualified and acting Town Clerk of the Town of Crested Butte, Colorado (the “Town”) do hereby certify:

1. That at a regular meeting of the Town Council of the Town (the “Council”) held on December 2, 2019, the Ordinance was introduced on first reading in writing by a member of the Council and read in full, or, if copies were made available to the Council and the public, was read by title only.

2. That following the first reading of the Ordinance, at least two members of the Council voted to approve the scheduling and holding of a public hearing on December 16, 2019 (the “Public Hearing”), which is not earlier than seven days after the first reading, as follows:

Name	“Yes”	“No”	Absent	Abstain
James A. Schmidt, Mayor				
Will Dujardin, Mayor Pro-Tem				
Chris Haver				
Mallika Magner				
Mona Merrill				
Candice Bradley				
Laura Mitchell				

3. That the Council caused the notice of the Public Hearing, in the form attached hereto as **Exhibit A**, to be published at least two days prior to the Public Hearing.

4. That, at the Public Hearing, the Ordinance was read in full, or, if copies of the Ordinance were made available to the Council and the public, the Ordinance was read by title only.

5. That, following the Public Hearing and second reading of the Ordinance, at least four members of the Council voted to approve and adopt the Ordinance, as follows:

Name	“Yes”	“No”	Absent	Abstain
James A. Schmidt, Mayor				
Will Dujardin, Mayor Pro-Tem				
Chris Haver				
Mallika Magner				
Mona Merrill				
Candice Bradley				
Laura Mitchell				

6. That, following the approval and adoption of the Ordinance and in accordance with Section 4.11 of the Town Charter, the Council caused copies of the Ordinance to be posted in three public places within the Town and a public notice containing a brief description of the ordinance, its effective date and a statement that copies are available for inspection at the Town Hall of the Town, to be published. The affidavit of publication is attached hereto as **Exhibit B**.

7. That the foregoing pages are a true, correct, and complete copy of the Ordinance approved and adopted by the Council on second reading at a regular meeting of the Council held at the Town Hall of the Town on December 16, 2019.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Town this \_\_\_\_ day of December, 2019.

(SEAL)

---

Town Clerk

EXHIBIT A

Notice of Public Hearing

EXHIBIT B

Affidavit of Publication



**COLORADO**  
 Department of Local Affairs  
 Division of Local Government

November 30, 2018

The Honorable Jim Schmidt, Mayor  
 Town of Crested Butte  
 PO Box 30  
 Crested Butte, CO 81224

RE: EIAF 8807 - Crested Butte Water Treatment Plant Improvements

Dear Mayor Schmidt:

The Department of Local Affairs is in receipt of your application for state Energy and Mineral Impact Assistance funds. These revenues are derived from oil, gas, carbon dioxide, coal, and metals extracted in Colorado.

Your project was reviewed based on a variety of factors such as its connection to energy impact, degree of need, measurable outcomes, amount of request, relationship to community goals, level of local match and community support, management capacity, and readiness to go. Competition for these limited funds was intense and we had many more requests than we had funds available.

Congratulations! After thorough review, I am excited to offer a grant award in the amount of \$405,000 for replacing aging infrastructure, improving the chemical pretreatment system, expanding the building footprint by 800 sq. ft., adding an additional membrane skid for process redundancy, and adding filtrate turbid meters and block and bleed valves to the existing membrane skids. This grant offer is made from federal mineral lease proceeds.

Please contact your DOLA Regional Manager, Kimberly Bullen, at 970-248-7333 for information on how to proceed. Expenditure of State funds prior to the contract being fully executed cannot be included in the contract budget or reimbursed by the State. If a circumstance arises and a grantee must spend their match dollars sooner than the full execution of the grant agreement, the Regional Manager for the respective grantee must be contacted immediately to discuss the need and offer an appropriate solution. Per our program guidelines, this offer is valid for one year from the date of this letter.

I wish you success with your project.

Sincerely,

Irv Halter  
 Executive Director

cc:

Kerry Donovan, State Senator  
 Millie Hamner, State Representative  
 Rob Zillioux, Finance and Human Resources Director  
 Kimberly Bullen, DOLA





## COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

Logan Tower Bldg - Suite 620, 1580 Logan Street, Denver, Colorado 80203-1942  
303-830-1550 • Fax 303-832-8205 • [info@cwprda.com](mailto:info@cwprda.com)

February 1, 2019

Shea Earley  
Town of Crested Butte  
PO Box 39  
Crested Butte, CO 81244

### Re: Drinking Water Revolving Fund ("DWRF") Loan Approval

Dear Mr. Earley:

On January 30, 2019, the Board of Directors of the Colorado Water Resources and Power Development Authority approved the Town of Crested Butte for a \$2,025,600 DWRF direct loan. The loan is for a term of up to 20 years at an interest rate of 2.5%.

We look forward to working with you and your attorneys towards a successful loan closing. Please call me at (303) 830-1550, extension 1012 or email me at [wwilliams@cwprda.com](mailto:wwilliams@cwprda.com) with any questions.

Sincerely,

Wesley Williams  
Sr. Financial Analyst

CC: Kim Crawford, (via email)  
Barbara Green, (via email)  
Leanne Miller, (via email)  
Evan Butcher, (via email)  
Randi Johnson-Hufford, (via email)  
Joe McConnell, (via email)



## Staff Report

December 2, 2019

**To:** Mayor and Town Council  
**From:** Dara MacDonald, Town Manager  
**Subject:** Empty House Tax

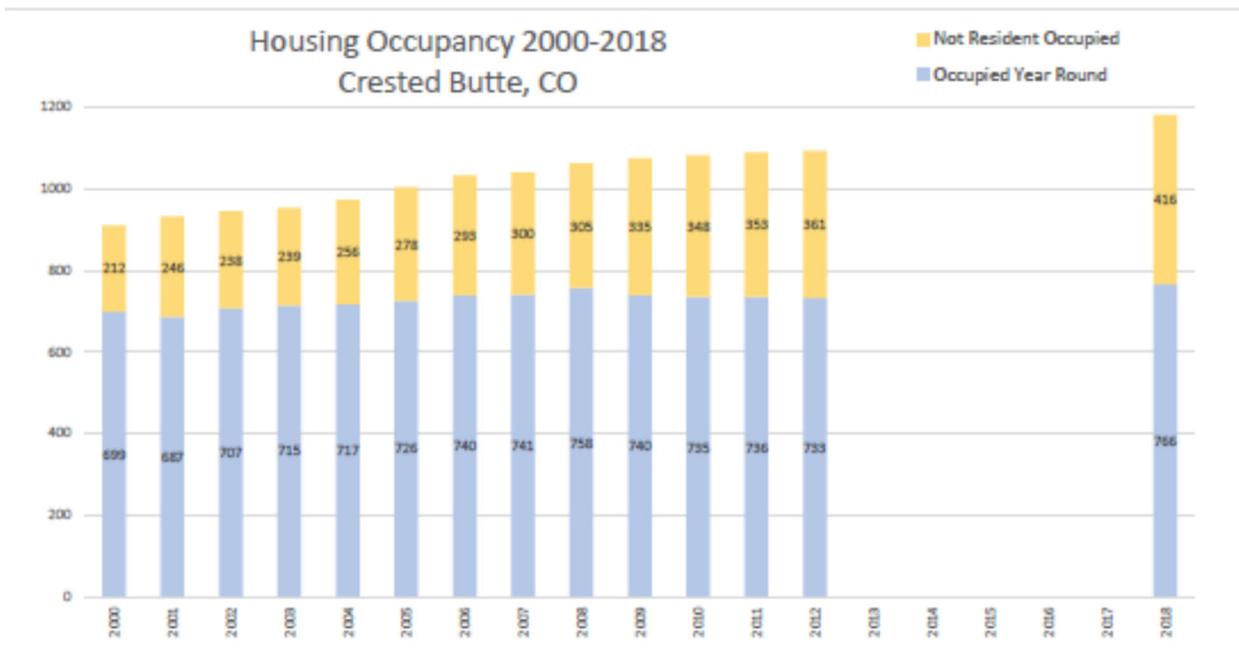
**Summary:** Council has set forward several goals around affordable/workforce housing and climate action that could be addressed by reducing the number of homes in town which are underutilized or left vacant. Relevant goals include:

- Increase percentage of residents living in Town by achieving a 75% housing full-time occupancy (currently at 65%)
- 30% of units in Town are deed restricted, including 15 rental units for Town employees (currently at 25% and 10 employee units; 11 with 2020 build)
- 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%

**Previous Council Action:** The Council has not taken previous action on this item other than to say a tax on empty homes is a topic they wished to explore further.

**Background:** Since the year 2000 and probably before, we have seen an increasing percentage of non-primary residences in town. This shift is driven by the ongoing increase in housing prices in Crested Butte. This trend has been documented for many years with median sales prices for house increasing at a much faster rate than median income. This is driven in part by people who earn their incomes in other areas of the country with higher wages or income potential purchasing vacation homes here in Crested Butte. This ongoing trend continues to exacerbate the efforts of those who are employed locally to afford a home in the community.

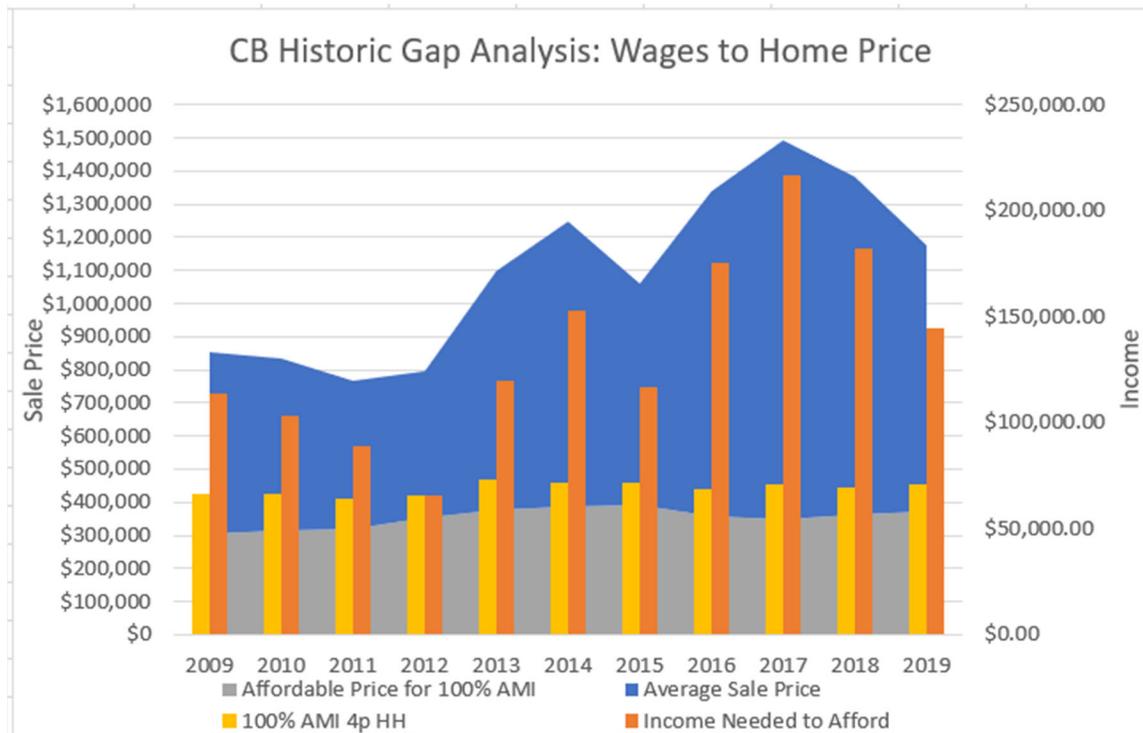
The following chart, based on Town Census data, illustrates the use of residential units in Town as either occupied year-round or not-primary resident occupied. During that time the number of housing units has increased from 911 to 1,182 with the percentage of not resident occupied units increasing from 23% to 35% of the total. While the number of residential units has grown steadily over the years, the number of homes occupied as primary residences has only increased by 65 units while the number of non-primary residences has grown by 204 units over the same period. All of this despite the community adding deed restricted units in that same time period for a current total of 303 units (including those under construction). Not resident occupied units include 2<sup>nd</sup> homes, vacant units and non-primary resident short-term rentals.



The following chart from the 2016 Housing Needs Assessment shows the status of homeownership, housing prices and need for housing units at three points in time when previous housing needs assessments were conducted.

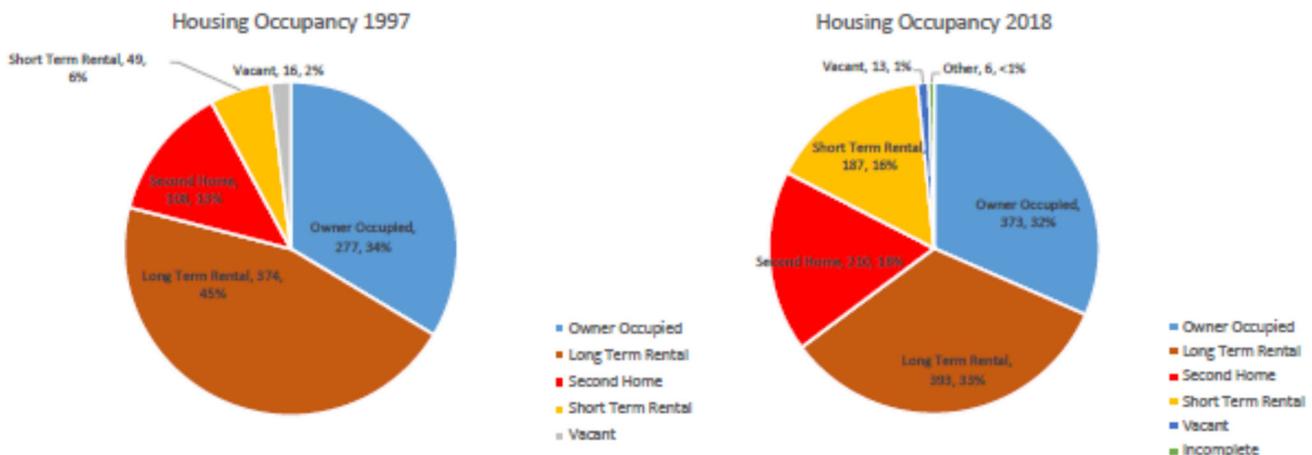
	Rees 1999	BBC 2009	Rees 2016
Geographic Area	Gunnison County	Gunnison County	Gunnison Valley
Homeownership Rate	70%	63%	58%
Median Home Price	\$205,100	\$405,000	\$635,000
Median Rent – Occupied Units	\$579	\$780	\$800
Percentage of Households Cost Burdened (>30% of income spent on housing)	21%	29%	25%

The above information is for Gunnison County as a whole, but we know the problem of increasing housing costs and stagnant median income has been further exacerbated in Crested Butte. The following graph provided by the Gunnison Valley Regional Housing Authority shows the average sales prices for residential units in Crested Butte versus area median income from 2009-2019.



This graph clearly illustrates the stagnation in area median income opposed to the increasing average sales prices and income needed to afford a home in Crested Butte.

The following pie charts based on Town Census data further illustrate the shift away from long-term rentals over a similar time period from 1997 to 2018. This decline in rental opportunity has hit the community particularly hard as it becomes increasingly difficult for necessary employees working in town to find affordable places to live. Rental opportunities have been lost to an increasing number of vacation rentals and second homes.



In 2004 the Northwest Colorado Council of Governments (“NWCCOG”) commissioned a study entitled “The Social and Economic Effects of Second Homes”. The NWCCOG includes the five

counties of Jackson, Grand, Summit, Eagle and Pitkin. The executive summary from this report is attached and highlights the impacts of second homes in resort communities including how they drive up the demand for workers and drive up property values.

Although homes use less energy when they are vacant, they still use electricity and/or natural gas to maintain heat in the home; hot water heaters; appliances; security systems; and lighting among other things. As the Town seeks to reduce our greenhouse gas emissions it would better serve the community to have existing residences be occupied long-term rather than sitting empty and still causing emissions. There are further environmental benefits to having homes occupied rather than vacant as those homes could be utilized by people who would otherwise have to travel to Crested Butte for work or services incurring more emissions through travel.

### **Discussion:**

The Town has been focused on constructing new units to meet the demand for affordable housing and on increasing efficiency in new construction. As the Town seeks additional ways to meet its goals around occupied housing units and climate action, it makes sense to look at existing vacant or non-primary resident homes as an underutilized resource. If more existing homes in town were occupied as primary residence it could address some of the need for affordable housing units and reduce the environmental impact of constructing new units to meet this need. Thus the Council should consider ways to increase the percentage of units in town that are occupied as primary residences.

A tax on vacant or non-primary residences could incentivize these property owners to reconsider how their units are being used and perhaps some would even choose to occupy or rent their homes long-term as a primary residence. Some states have enacted tax measures to incentivize primary residency such as Florida and Utah which offer either discounted property taxes or rebates for owners whose properties are used as primary residences. Some communities have also implemented taxes to penalize owners who choose to use their homes as non-primary residences. Beginning in 2017, Vancouver, BC imposes an annual tax of 1% of the property's assessed taxable value on vacant residential units. Information about this program can be found here [Vancouver Empty Homes Tax](#). In November 2018, voters in Oakland, CA approved a \$6,000 tax on vacant residential units, commercial units and vacant land known as "Measure W". The City is currently in the process of adopting regulations to implement the new tax. Information on the details of Measure W and implementation discussions can be found here: [Measure W](#) and [Oakland staff reports on implementation of Measure W](#).

Both Vancouver and Oakland are hoping that the new taxes will incentivize owners to make their homes available for long-term rental. If owners continue to use their properties for non-primary residences the tax will generate significant funding for the municipalities to implement actions to address the housing issues in their communities. For both Vancouver and Oakland, the tax revenues are utilized to address affordable housing, homelessness and related issues. A link to Vancouver's annual report on the first year of implementing the tax can be found here: [2018 Empty Homes Tax Annual Report](#).

Given existing limitations in the Colorado Constitution and Statutes, the Town cannot consider either a property tax or income tax as a mechanism to address properties maintained as non-primary residences. However, a voter-approved excise tax in the form of a flat fee on the particular use of a property is a tool available to the Town. An initial review of residential units in

Crested Butte that could qualify as non-primary residences puts the number at about 416 units. This number includes 2<sup>nd</sup> homes, vacant homes and non-primary residence vacation rentals.

If the Council wants to proceed with considering asking the voters to approve an excise tax on empty homes, further analysis would be needed of a variety of policy questions including whether/how the tax revenues should be earmarked, the length of time that should qualify the use as "primary", types of exemptions that would be appropriate, how to verify what homes are occupied as primary residences or not, etc.

An important additional consideration is that the second homeowner community does provide value in the community. Many homeowners and their families spend meaningful time in the community, supporting the local economy and the non-profit community. Staff does not have any data to quantify the contributions of 2<sup>nd</sup> homeowners but the Council may wish to spend some time gathering feedback on this aspect of the issue if you choose to move forward with considering a tax question. Protection of Crested Butte as a real community where people can afford to live and work will protect the character that we all love so well.

The next opportunity to put a tax question before the voters will be the election on November 3, 2020. The Council should determine ballot language by late August, 2020

**Council Action:**

Staff is seeking direction on whether or not the Council wants to pursue discussions about asking the voters to approve an excise tax on empty homes. If the Council wishes to proceed, staff suggests that this topic come back for further discussion in the early summer of 2020.

Attachments: NWCCOG executive summary from the study, "The Social and Economic Effects of Second Homes"



# The Social and Economic Effects of Second Homes

## *Executive Summary*

Linda Venturoni

Northwest Colorado Council of Governments

[www.nwc.cog.co.us](http://www.nwc.cog.co.us)

June 2004



## Background:

Northwest Colorado Council of Governments (NWCCOG) is a voluntary association of county and municipal governments in north central Colorado. Members of the association include five counties (Eagle, Grand Jackson, Pitkin and Summit) and 21 municipalities (Avon, Basalt, Eagle, Gypsum, Minturn, Red Cliff, Vail, Fraser, Granby, Grand Lake, Hot Sulphur Springs, Kremmling, Winter Park, Walden, Aspen, Breckenridge, Dillon, Frisco, Montezuma, Silverthorne and Glenwood Springs).

NWCCOG was the fastest growing region in the state from 1990-2000, with an overall 73% population growth. Over 70% of the skier visits in the state occur in this area. A tourism based economy dominates the region which includes a strong second home market and high real estate values.

In 2002, the Town of Vail, on behalf of towns and counties in the NWCCOG region, received a Colorado Heritage Grant from the Colorado Office of Smart Growth to study the social and economic effects of second homes. A steering committee for the project was established with representatives from NWCCOG member towns and counties.

## Questions to be answered by the Study:

Table #1
1. Effects on overall housing prices:
2. Jobs generated by second homes
3. Effects on community values and social structures:
4. Usage patterns of second homeowners:
5. Effects on community services:
6. Effects on local and regional economies:

Initial steering committee discussions identified many questions about second homes and their effects on mountain communities. What motivates people to buy second homes here, how often do they use them, what do they do when they are here, how do they spend their money, how many jobs are generated, where do the workers live, how are these trends changing mountain resort communities, and what will happen in the future?

The steering committee discussed all of these questions and decided to focus on six areas of greatest interest (see Table #1) for the study.

## Methodology for the Study:

In order to answer the questions identified by the steering committee, the study was divided into three sections.

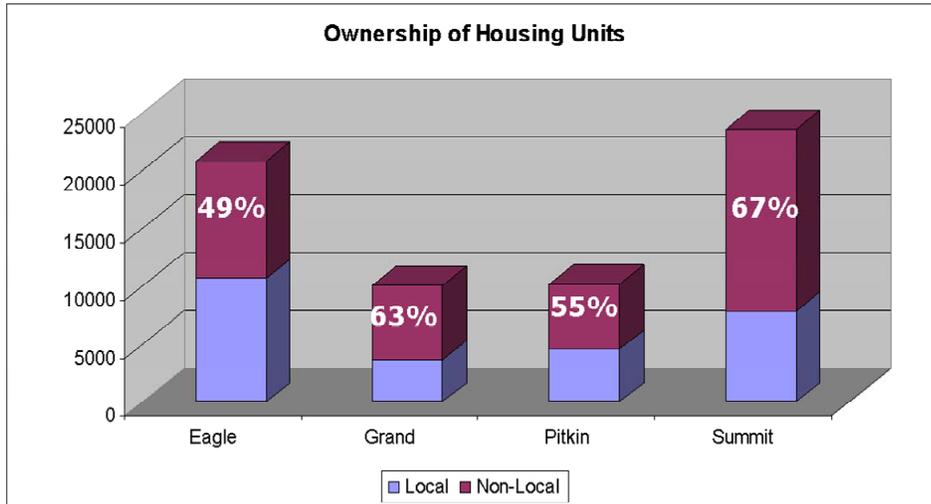
**1. Typology:** The first part dealt with existing data. How many second homes are there and what are their characteristics? How do they compare/contrast and interrelate with other residential housing units?

Assessor databases from four of the counties (Eagle, Grand, Pitkin and Summit) were collected and assembled into one large GIS database of over 64,000 records. The database reflects ownership information dated from the years 2000-2001.

Chart #1
<p><b>Methodology for Study</b></p> <ol style="list-style-type: none"> <li>1. Typology of second homes                             <ul style="list-style-type: none"> <li>- Size (Square Footage), Type (Single family residence, Condo), Year Built, Value of property, Ownership of property</li> </ul> </li> <li>2. Survey of homeowners                             <ul style="list-style-type: none"> <li>- Utilization, behaviors and spending patterns</li> <li>- Local and Non-Local</li> <li>- Significant to the county level</li> </ul> </li> <li>3. Social and Economic Indicators                             <ul style="list-style-type: none"> <li>- Jobs generated</li> <li>- Economic Effects</li> <li>- Social effects to communities</li> </ul> </li> </ol>

Records were re-coded to reflect common fields such as type of unit (single family home, condominium, etc.), value of unit, square footage and year built. There is no indicator within County Assessor records for whether a home is being used as a second home or local residence. A code was added to the NWCCOG database to indicate the current usage of the housing unit based on where the property tax assessment notice was being sent. Out of county addresses were marked as “second homes” and local addresses were marked as “local residents”.

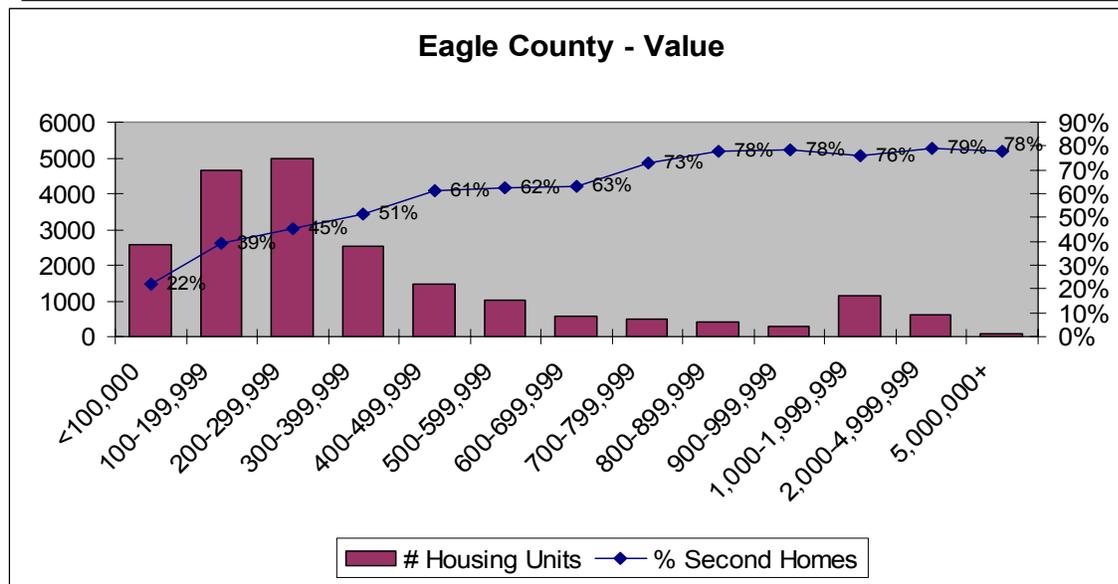
**Chart #2: Number of Housing Units and % of Non-Local Ownership**



Using this methodology, NWCCOG discovered that 60% of the housing units in the four county study area were second homes. Chart #2 shows the percentages of second homes (non-local) within the total housing stock for each county. The percentages vary from a low of 49% in Eagle County to a high of 67% in Summit County.

Other analysis of the database allowed us to cross tab information about year built, value of housing unit, type of housing unit, etc. with whether the housing unit was currently owned by a second homeowner. An example of this type of analysis is displayed in Chart #3, where the number of housing units in each price range is represented by the total height of the red vertical bars and the percentage of those units that are second homes are represented by blue line and corresponding percentages on the scale on the right.

**Chart #3: Number of Homes by Assessed Value and % Non-Local Ownership**



**2. Survey of Homeowners:** In order to learn about utilization, shopping patterns and behaviors of second homeowners, we would need to ask them. The steering committee designed a survey that went out to homeowners (both local residents and second homeowners) in the four county study area. The sample was randomly selected from the NWCCOG database of 64,000 property records. Over 4,300 surveys were mailed out and 1,346 were returned, for an overall response rate of 32%. The survey has an overall 2.6% margin of error.

Survey questions covered shopping patterns, demographics, values, usage of second home, future usage plans (see Table #2), recreational activities, involvement in the community, use of services, and much more.

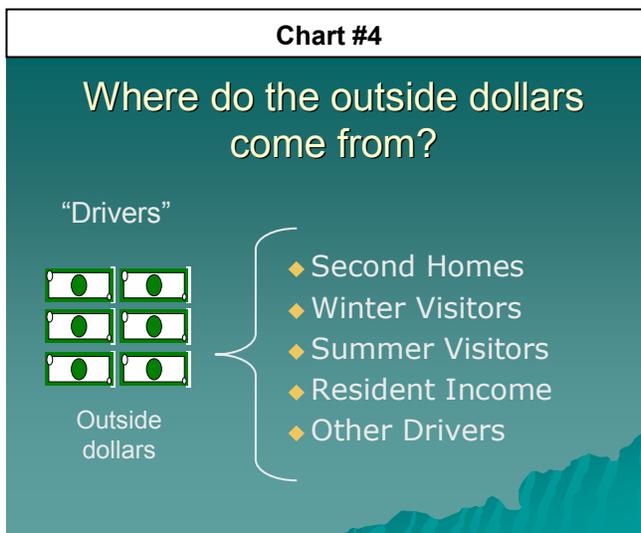
Table #2					
Future use of second home property					
	Eagle County	Grand County	Pitkin County	Summit County	ALL
	Second Home	Second Home	Second Home	Second Home	Second Home
	n=112	n=240	n=129	n=240	n=721
Increase my personal use of the residence/property	45	49	37	52	47
Maintain current use	42	44	51	40	44
Increase use by friends and family	26	29	23	30	28
Use the residence as a part time rental unit	12	13	17	24	17
Retire to the area and use as retirement residence	17	9	7	13	11
Renovate the residence	17	13	11	9	11
Sell the residence/property	8	7	11	10	9
Use the residence as a full time rental unit	5	6	7	9	7
Become a full time resident	5	3	2	4	3
Decrease current use	1	1	0	2	1
Other	0	1	2	0	1

The demographic questions allowed us to compare second homeowners in the region with those described in a “National Study of Second Homeowners” published in *American Demographics* magazine in June 2003. The national study identified 55-64 as the age cohort most likely to purchase second homes and forecast great growth in the second home industry nationally as baby boomers are just beginning to enter this age cohort.

Second homeowners nationally tend to be high income, high-asset, highly educated, middle age or older couples, with children nearing adulthood or children no longer living at home. Our survey confirmed all of these characteristics but showed much higher income levels and even greater likelihood to be in the 55-64 age bracket than the national study.

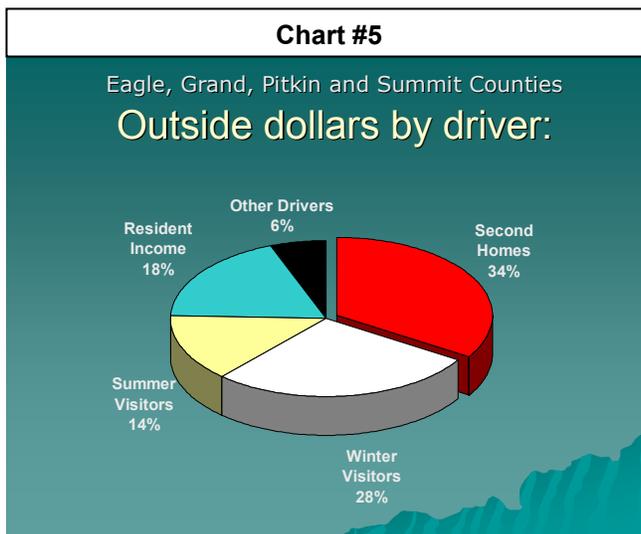
**3. Social and Economic Indicators:** In order to answer the questions related to jobs generated by second homes, we needed to have a complete economic base analysis performed for the four counties in the study area. We contracted with Lloyd Levy Consulting to do the economic analysis.

We identified the main economic “drivers” that bring outside dollars into the region (see Chart #4). These direct basic dollars generate both basic and secondary jobs. The economic analysis tracks the \$5.3 billion outside dollars coming into the four counties into the specific drivers to account for 48,908 basic jobs, 33,424 secondary jobs, and 82,332 total jobs. It identifies the ratio of secondary to direct basic jobs for each of the subcategories, such as second homes less than 3000 sq. ft. and second homes greater than 3000 sq. ft. It also provides job generation rates for each of the drivers based on a per-unit denomination such as a dwelling unit, 1,000 skier/visitor days, or \$1 million sales.



The individual counties in the study display distinctive patterns in their economic pictures.

Overall, second homes (construction and spending) account for 34% of the outside dollars coming into the four county area (see Chart #5) and represent the largest driver. Winter Visitors are second at 28%, followed by Resident Income at 18%, Summer Visitors at 14% and Other Drivers at 6%.



**In Conclusion:**

Knowledge of the effects of any economic driver or basic industry is essential to planning. Such developments create demands for construction, maintenance and operations. The workers employed in the basic industry and their families require housing and a wide range of private and public community services, whose workers also have the same needs. Good planning requires anticipating and providing for the “multiplier” or secondary effects. Not doing so can lead to shortages and to major conflicts among the users of the various resources of the area.

These concerns are especially important in resort counties because of the development of second homes. Typically, in these types of counties, there is the initial development and maturation of a traditional tourism industry. However, over time second homes become a large and often dominant part of both the physical and economic landscape. Their development creates a demand for workers above that of the traditional tourists industry, especially in construction but also in their maintenance, operation and use. As their numbers increase, the demand for workers increases as well.

Second homes take up large amounts of land in Colorado mountain resort areas where developable land is already in short supply. As a result, the second homes' values and the land surrounding them rises above that normally paid for worker housing. As their numbers increase, and the land available for development decreases, a dilemma is created. Second homes have generated the need for more workers, but the rise in property values and subsequent housing costs have made it difficult for the workers to live within a reasonable distance of their place-of-work.

Traditionally, residential homes and their neighborhoods have provided workers with a decent home and adequate community services. However, second homes are different in that they are not a residence, but an industry creating a demand for workers. Secondly, second homes drive up property values, including residential housing for workers. Because of this, it becomes especially important for elected officials and community planners to understand and estimate the secondary effects of second homes in tourist based economies. With this information, policies can be developed by local governments to provide for the social needs of citizens with each new development and to influence the growth in the economic drivers themselves. To ignore this information concerning second homes within Colorado rural resort region casts social and economic fates to the wind.

## There is Much More!

This summary is only meant to outline some basic information about the NWCCOG Second Home Study. Please visit our web page [www.nwc.cog.co.us](http://www.nwc.cog.co.us) for:

- Steering committee minutes
- Complete typologies for all of the counties
- Complete 2003 Mountain Resort Homeowner Survey results
- Economic Base Analysis – Executive Summary
- PowerPoint Presentations
- Spreadsheets
- Additional materials

## Acknowledgements

NWCCOG would like to extend its sincere appreciation to the following individuals for their part in assisting with this project over the past two years:

Bob Anderson, Grand County  
 Kevin Batchelder, Town of Silverthorne  
 Laurie Best, Town of Breckenridge  
 Sue Boyd, Summit County  
 Patti Clapper, Pitkin County  
 Paul Clarkson, Town of Eagle  
 Bill Efting, Town of Avon  
 Michael Gallagher, Eagle County  
 Tom Hale, Town of Granby  
 Paul Hughes, City of Steamboat Springs  
 Mick Ireland, Pitkin County  
 Rebecca Leonard, Eagle County  
 Gary Lindstrom, Summit County  
 Walter Lamia, CSU  
 Ken Long, Town of Gypsum  
 Russ Martin, Town of Minturn  
 Larry McKinzie, Town of Eagle  
 Keith Montag, Eagle County  
 Ed Moyer, Town of Winter Park  
 Sybill Navas, Town of Vail  
 Drew Nelson, Town of Fraser  
 Scott Randolph, Digital Cartographic Services (DCS)  
 Ben Schwab, Grand County  
 Tom Stone, Eagle County  
 Nancy Stuart, Grand County  
 Nina Timm, Town of Vail  
 Judy Walden, CU Center for Sustainable Tourism  
 Bill Wallace, Summit County  
 Jennifer Warren, CSU  
 Stephan Weiler, CSU and the Federal Reserve Bank  
 Theresa Worsham, Town of Dillon

Also, a special thank you to Jim Westkott, Colorado Department of Local Affairs and Lloyd Levy & Ron Dutton of Lloyd Levy Consulting, LLC for their expertise and many hours of dedication.

**Agenda**  
**BOARD OF ZONING and ARCHITECTURAL REVIEW**  
**Tuesday**  
**November 19, 2019**

- 6:00 Call to Order.
- 6:02 Review and approve the minutes from the **October 29, 2019** BOZAR meeting.
- 6:04 Continuance of the application of **Plaza at Woodcreek Unit 35, LLC** to relocate the existing outhouse structure and the addition of an unheated storage shed on the northeast corner of the existing building located at 402 Fourth Street, Unit 402, License Plate Plaza Condominiums in the B3 zone. *Continued to the December 17, 2019 BOZAR meeting.* (Cowherd/Mattes-Ritz)  
**- Architectural approval is required.**  
**- Permission to relocate an existing non-historic accessory building is requested.**  
**- A conditional waiver of a non-conforming aspect with respect to the east side yard setback is required, minimum setback is 7'6" and existing is 2'6".**
- 6:06 Consideration of the application of **Trilby Carriker** to relocate the existing historic shed and construct a new shed to be located at 501 Sopris Avenue, Block 25, Lot 17, Lot 18 excluding the South 28' of the East 3.4', North 28' of the West 3.4' of Lot 19 (AKA Sopris Subdivision) in the R1C zone. *Continued to the December 17, 2019 BOZAR meeting.* (Kennedy)  
**- Architectural approval is required.**  
**- Relocation of a historic shed < 200 sf is requested.**
- 6:08 Consideration of the application of **Erika Catherine Vohman** to relocate the existing non-historic accessory building less than 200 sf located at 111 Whiterock Avenue, Block 32, South 80 feet of Lot 21 and part of 22 and the West half of Lot 23 in the R2C zone. (Vohman)  
**- Permission to relocate the existing non-historic accessory building is requested.**
- 6:30 Consideration of the application of **423 Gothic CB Partners LLC** to construct a single family residence and accessory building to be located at 423 Gothic Avenue, Block 11, Lots 27-29 in the R1 zone. *Continued from the September 24, 2019 BOZAR meeting.* (Sante/Smith)  
**- Architectural approval is required.**  
**- A conditional use permit for a non-residential, heated and/or plumbed accessory building in the R1 zone is required.**  
**- A recommendation to the Town Council regarding a possible Revocable License Agreement for a retaining wall in the alley.**
- 7:35 BREAK**
- 7:45 Consideration of the application of **Cary Kinross-Wright** to construct an addition to the existing accessory building, change the ground cover in the back yard and add a stair to grade from the existing deck on the single family residence to be located at 11 Butte Avenue, Lot 3, Kapushion Subdivision in the R1 zone. (Ryan/Hadley)  
**- Architectural approval is required.**
- 8:45 Discussion about specific GL that need clarification in the process  
 - Synthetic turf  
 - Metal wainscot height  
 - Board-formed concrete
- 9:20 Miscellaneous:  
 o DRC for December 2 and 9: Seekatz and Davol (BOZAR – December 17th)  
 o DRC for January 13 and 21: Ellis and \_\_\_\_\_ (BOZAR – January 28th)  
 o DRC for February 10 and 18: Ellis and \_\_\_\_\_ (BOZAR – February 25th)  
 o DRC for March 16 and 23: Ellis and \_\_\_\_\_ (BOZAR – March 31st)  
 o Signing Holiday Cards  
 o Insubstantials:
- 9:45 Adjourn

*The above times are only tentative. The meeting may move more quickly or slowly than scheduled*



## AGENDA

### Regular Town Council Meeting

6:00 PM - Tuesday, December 3, 2019

Council Chambers

#### 2. CALL TO ORDER

#### 1. WORK SESSION - 5:30 P.M.

- 1.1. Distribution of Responsibilities for Planning Commission and Town Council in Land Use Decisions.

#### 3. ROLL CALL

#### 4. PUBLIC COMMENT

Citizens may make comments on items NOT scheduled on the agenda. Per Colorado Open Meetings Law, no Council discussion or action will take place until a later date, if necessary. You must sign in with the Town Clerk before speaking. Comments are limited to three minutes.

#### 5. APPROVAL OF MINUTES

- 5.1. Approval of the November 19, 2019 Regular Town Council Meeting Minutes

#### 6. REPORTS

##### 6.1. Town Manager's Report

##### 6.2. Town Council Reports

##### 6.3. Other Reports

- 6.3.1. Crested Butte/ Mt. Crested Butte Chamber of Commerce – Third Quarter Report – Ashley UpChurch

- 6.3.2. Travel CB – Summer 2019 Admissions Tax Report – Josh Futterman

- 6.3.3. Excessive Drink and Community Risk and Protective Factors – Kari Commerford

#### 7. CORRESPONDENCE

#### 8. OLD BUSINESS

- 8.1. Discussion and Possible Consideration of Ordinance No. 8 Series 2019 – An Ordinance of the Town Council of the Town of Mt. Crested Butte, Colorado, Repealing and Reenacting Chapter 19 Taxation, of the Town of Mt. Crested Butte Code – Second Reading – Kathy Fogo

- 8.2. Discussion and Possible Consideration of Ordinance No. 9 Series 2019 – An Ordinance of the Town Council of the Town of Mt. Crested Butte, Colorado, Repealing and Reenacting Chapter 11 Licenses and Business Regulations, Article I. In General – Second Reading – Kathy Fogo

#### 9. NEW BUSINESS

- 9.1. Discussion and Possible Consideration of the Appointment of Two Council Members to a Stake Holders Group Meeting to Discuss Collaborative Workforce Housing Planning in the North Gunnison Valley.
- 9.2. Discussion and Possible Consideration of Resolution 8, Series 2020 - A Resolution of the Town Council of the Town of Mt. Crested Butte, Colorado Adopting the Mill Levy for the Fiscal Year 2020, Beginning the First Day of January 2020 and Ending the Last Day of December 2020.
- 9.3. Discussion and Possible Consideration of Ordinance No. 13, Series 2019 – An Ordinance of the Town Council of the Town of Mt. Crested Butte, Colorado Adding Article VI. Short -Term Rental Tax to Chapter 19 Taxation, of the Town of Mt. Crested Butte Code – First Reading – Kathy Fogo

**10. OTHER BUSINESS**

**11. ADJOURNMENT**

If you require any special accommodations in order to attend this meeting, please call the Town Hall at 970-349-6632 at least 48 hours in advance of the meeting.

**GUNNISON COUNCIL AGENDA**  
**MEETING IS HELD AT CITY HALL, 201 WEST VIRGINIA AVENUE**  
**GUNNISON, COLORADO; IN THE 2<sup>ND</sup> FLOOR**  
**COUNCIL CHAMBERS**

Approximate meeting time: 3 hours

**TUESDAY**

**NOVEMBER 19, 2019**

**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.*

- I. Presiding Officer Call Regular Session to Order: (silent roll call by City Clerk):**
- II. Prescheduled citizens:**
- A. Gunnison High School Student Council Funding Discussion for Student Activities**  
 Beth Schwartz and members of Gunnison High School Student Council
- III. 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.*
- IV. Council Action Items**
- A. Approval of the November 12, 2019 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 following regular session meetings and become a 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:** A motion, second and vote to approve the minutes of the November 12, 2019 Regular Session meeting.  
 Estimated time: 2 minutes
- B. Resolution No. 16, Series 2019: A Resolution of the City Council of the City of Gunnison, Colorado, reconstituting the Parks and Recreation Advisory Committee and replacing and superseding all prior resolutions affecting the Committee.**  
 Background: After multiple revisions have been made to the Parks and Recreation Advisory Committee, the purpose of this agenda item is to update, modify and clarify certain provisions of the governance structure for the Parks and Recreation Advisory Committee.  
 Staff contact: City Manager Russ Forrest  
**Action Requested of Council:** Introduce, read by title only, motion, second and vote to pass and adopt Resolution No.16, Series 2019.

Estimated time: 20 minutes

**C. ICELab@Western Contract and Scope of Work**

Background: ICE Lab was created by the One Valley Prosperity Project and Western Colorado University in spring 2017. Its purpose is to attract and create entrepreneurs in the Gunnison Valley and diversify our economy. The City of Gunnison is interested in working with the ICELab@Western through a clear, mutually agreeable Scope of Work that outlines goals and establishes benchmarks to measure economic progress in the Valley.

Staff contact: City Manager Russ Forrest

**Action Requested of Council:** A motion to direct the City Manager to negotiate a Scope of Work and a contract with the ICELab in an amount not to exceed a Council determined number.

Estimated time: 20 minutes

**D. Lazy K Pro Forma**

Background: Through a competitive process in late 2018 and early 2019, High Mountain Concepts was selected as the housing developer for the West Gunnison (Lazy K) property. Since that time, the City and High Mountain Concepts have been working together to refine the site plan, pro forma, and create overarching roles and expectations for the partnership.

Staff contact: City Manager Russ Forrest

**Actions Requested of Council:** 1) A motion to authorize Staff to make a PUD amendment for both the Lazy K Park and Housing Projects; and 2) A motion to spend an amount not to exceed \$30,000 from Council's Strategic Fund to support design and engineering costs for the PUD process.

Estimated time: 20 minutes

**E. Update on Memorial Benches**

Background: The Director for the Gunnison Parks and Recreation Department came before Council on July 23, 2019 to discuss a memorial bench program for the City. Following the discussion, Council directed Parks and Recreation Staff to provide them with specific information on design, costs, maintenance, locations, and the application process.

Staff contact: Interim Parks and Recreation Director Dan Vollendorf

**Action Requested of Council:** To provide direction to City staff on next steps for a memorial bench and/or plaque program.

Estimated time: 15 minutes

**F. Resolution No. 17, Series 2019: *A Resolution of the City Council of the City of Gunnison, Colorado, adopting fees.***

Background: To formalize fee adjustments for the City of Gunnison's various fee schedules in order to support the cost of service provision to area residents.

Staff contact: Finance Director Ben Cowan

**Action Requested of Council:** Introduce, read by title only, motion, second and vote to pass and adopt Resolution No.17, Series 2019.

Estimated time: 10 minutes

- G. Resolution No. 18, Series 2019:** *A Resolution of the City Council of the City of Gunnison, Colorado, canceling the Regular Session meeting scheduled for December 24, 2019.*  
 Background: per City Charter any Regular Session Meeting must be canceled by Resolution.  
 Staff contact: City Clerk Erica Boucher  
**Action Requested of Council:** Introduce, read by title only, motion, second and vote to pass and adopt Resolution No.18, Series 2019.  
 Estimated time: 2 minutes
- H. Ordinance No. 13, Series 2019, Second Reading:** *An Ordinance of the City Council of the City of Gunnison, Colorado amending Title 5 General Offenses, Chapter 5.10 General Offenses, Section 5.10.182 of the City of Gunnison Municipal Code.*  
 Background: As discussed previously with Council two marijuana bills passed in 2019. H.B.19-1230 allows for a marijuana hospitality establishment license and a retail marijuana hospitality and sales establishment license. H.B. 19-1234 allows for home delivery of marijuana. In reference to both bills, Council’s indication was to not adopt the provisions allowed in either bill. On review, allowable provisions in both bills are already addressed in City’s ordinance so limited modifications are needed.  
 Staff contact: Police Chief Keith Robinson  
**Action Requested of Council:** Introduce, read by title only by the City Attorney, motion, second, and vote to pass and adopt Ordinance No. 13, Series 2019 on second reading.  
 Estimated time: 5 minutes
- I. Ordinance No. 14, Series 2019, Second Reading:** *An Ordinance of the City Council of the City of Gunnison, Colorado, fixing the amended rates to be charged for water service within the City of Gunnison, Colorado and amending the rate tables in Section 12.40.020 of the City Code of the City of Gunnison to reflect the new service rates.*  
 Background: Due to ongoing infrastructure needs, rising costs of operations and projected growth that will place production demands on the system, a 2% rate increase is required.  
 Staff contact: Public Works Director David Gardner  
**Action Requested of Council:** Introduce, read by title only by the City Attorney, motion, second, and vote to pass and adopt Ordinance No. 14, Series 2019 on second reading.  
 Estimated time: 5 minutes
- J. Ordinance No. 15, Series 2019, Second Reading:** *An Ordinance of the City Council of the City of Gunnison, Colorado amending the monthly rates for the sewer service and the fees charged for recreational vehicle, septic tank, and portable toilet waste treated by the City of Gunnison.*  
 Background: The WWTP Modernization and Energy Efficiency Improvement Project is estimated to cost \$14,210,000 dollars. Due to the State Revolving Fund requirements and obligations to meet debt service, a cost of services projection was made. As a result, it is necessary to raise sewer rates 17% to meet these financial obligations.  
 Staff contact: Public Works Director David Gardner  
**Action Requested of Council:** Introduce, read by title only by the City Attorney,

motion, second, and vote to pass and adopt Ordinance No. 15, Series 2019 on second reading.

Estimated time: 5 minutes

- K. Ordinance No. 16, Series 2019, Second Reading:** *An Ordinance of the City Council of the City of Gunnison, Colorado, setting a tax levy for the City of Gunnison, Colorado.*  
Background: This ordinance sets the mill levy for the 2019 tax year, for property taxes to be collected during 2020.  
**Staff Contact:** Ben Cowan, Finance Director  
**Action Requested of Council:** Introduce, read by title only, motion, second and vote to pass and adopt Ordinance No. 16, Series 2019 on second reading.  
Estimated time: 5 minutes
- L. Ordinance No. 17, Series 2019, Second Reading:** *An Ordinance of the City Council of the City of Gunnison, Colorado adopting and appropriating an Annual Budget.*  
Background: This ordinance adopts the budget for 2020.  
Staff Contact: Ben Cowan, Finance Director  
**Action Requested of Council:** Introduce, read by title only, motion, second and vote to pass and adopt Ordinance No. 17, Series 2019 as amended on second reading.  
Estimated time: 5 minutes
- M. Ordinance No. 18, Series 2019, Second Reading:** *An Ordinance of the City Council of the City of Gunnison, Colorado, adopting and additional appropriations for the fiscal year ending December 31, 2019.*  
Background: This ordinance obtains the legal authority to spend the amounts as approved by the Council that constitute a divergence from the original adopted budget.  
Staff contact: Ben Cowan, Finance Director  
**Action Requested of Council:** Introduce, read by title only, motion, second and vote to pass and adopt Ordinance No. 18, Series 2019 on second reading.  
Estimated time: 5 minutes
- N. Ordinance No. 19, Series 2019, Second Reading:** *An Ordinance of the City Council of the City of Gunnison, Colorado, adopting standards for large generation systems in Section 12.40.050 of the Gunnison Municipal Code, and establishing a rate for the electricity consumed and generated.*  
Background: The proposed ordinance allows for and addresses specifics for yet to be proposed large solar systems.  
Staff contact: Finance Director Ben Cowan  
**Action Requested of Council:** Introduce, read by title only, motion, second and vote to pass and adopt Ordinance No. 19, Series 2019 on second reading.  
Estimated time: 5 minutes
- V. Reports:**  
City Attorney Report  
City Clerk Schedule Update  
City Manager Strategic Projects Update and Report  
City Councilors with City-related meeting reports; discussion items for future Council meetings

## VI. 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 [www.gunnisonco.gov](http://www.gunnisonco.gov). Discussion 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  
REGULAR MEETING & WORK SESSION AGENDA**

129

**DATE:** Tuesday, November 19, 2019

**Page 1 of 2**

**PLACE:** Board of County Commissioners' Meeting Room at the Gunnison County Courthouse

**GUNNISON COUNTY BOARD OF COUNTY COMMISSIONERS REGULAR MEETING:**

- 8:30
- Call to Order
  - Agenda Review
  - Minutes Approval:
    1. Draft Special and Regular Meeting Minutes; 10/22/2019
  - Consent Agenda: These items will not be discussed unless requested by a Commissioner or citizen. Items removed from consent agenda for discussion may be rescheduled later in this meeting, or at a future meeting.
    1. Memorandum of Agreement between the Board of County Commissioners of the County of Gunnison, Colorado, the Board of Trustees of Gunnison Valley Hospital, and the Regional Transportation Authority Regarding Senior Transportation; 1/1/20 – 12/31/20; \$230,000
    2. Funding Agreement; Gunnison County Metropolitan Recreation District; Shady Island Project; \$30,000
    3. ClearPoint Strategy Software & Support Agreement with Gunnison County, CO; 1/1/20 - 12/31/26; \$217,300
    4. CDHS Certification of Compliance – Year 2020; County Personnel and Merit System
    5. Application for Colorado Liquor Sales Room; Buckel Family Wine, LLC; 1018 Highway 135, Gunnison, CO 81230; 6/1/20 from 10:00 am to 8:00 pm
    6. Sale and Purchase Agreement; Runbeck Election Services, Inc.; AgilisDuo Vote-By-Mail Processing System; 1/3/20 – 1/2/24; \$81,000
    7. Policy 5.1.3, Surplus Property Disposition
    8. Contract Amendment #1; Colorado Department of Public Health and Environment; Contract #CT 2020\*248; 7/1/19 – 6/30/20; \$23,152
  - Scheduling
    1. Draft 2020 BOCC Meeting Calendar
- 8:40
- County Manager's Report
- 8:50
- Deputy County Manager's Report
    1. Letter of Support; Crystal Mill
- 9:00
- Public Hearing; Petition to Vacate Certain Streets & Alleys in the Townsite of Ohio City, Colorado; Portion of First Street from the Intersection with County Road 771, Gold Creek Road (aka Broadway Street) towards the West Adjacent to Lots 12-15, Block 11 and Lots 1, 41-43, Block 16 including Adjacent North/South Alleys; Robert Lyle Carver
- 9:15
- Plat Approval; LUC-19-00044, Western Sky Townhomes
- 9:20
- Vouchers and Transfers
- 9:25
- Renewal of Lease Purchase Agreements, 2010 and 2013 Bonds
- 9:30
- Treasurer's Reports
- 9:35
- Grant Application; Department of Local Affairs; HVAC/Geothermal Project at Blackstock; \$600,000

**GUNNISON COUNTY BOARD OF COMMISSIONERS  
REGULAR MEETING & WORK SESSION AGENDA**

130

**DATE:** Tuesday, November 19, 2019

**Page 2 of 2**

**PLACE:** Board of County Commissioners' Meeting Room at the Gunnison County Courthouse

- 9:40
- Energy Services Agreement; Johnson Controls, Inc.; Design, Construction and Performance Guarantee of Solar PV Systems and Lighting Retrofit to LED in Select Facilities; \$1,818,189 (maximum contract price)
  - Equipment Lease Purchase; Sterling National Bank
    1. Resolution Authorizing the Leasing of Certain Equipment and the Execution and Delivery by the County of a Master Equipment Lease Purchase Agreement and Related Schedules, an Escrow Agreement, a Third Party Custodian Agreement, and Other Related Documents and Certificates; Setting Forth Certain Parameters and Restrictions with Respect to the Leasing of Such Equipment; Authorizing Officials of the County to Take All Action Necessary to Carry Out the Transactions Contemplated Hereby; Ratifying Actions Previously Taken; and Providing for Other Matters Related Thereto
    2. Master Equipment Lease Purchase Agreement; Sterling National Bank
    3. Third Party Custodian Agreement
    4. Schedule of Equipment
  - **Unscheduled Citizens:** Limit to 5 minutes per item. No formal action can be taken at this meeting.
  - **Commissioner Items:** Commissioners will discuss among themselves activities that they have recently participated in that they believe other Commissioners and/or members of the public may be interested in hearing about.
  - Adjourn

**GUNNISON COUNTY BOARD OF COUNTY COMMISSIONERS WORK SESSION:**

- 10:15 am
- Strategic Performance Updates:
    1. Gunnison-Crested Butte Regional Airport
  - Adjourn

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  
WORK SESSION AGENDA**

131

**DATE:** Tuesday, November 26, 2019

**Page 1 of 1**

**PLACE:** Board of County Commissioners' Meeting Room at the Gunnison County Courthouse

**GUNNISON COUNTY BOARD OF COUNTY COMMISSIONERS WORK SESSION:**

- 8:30 am • Gunnison Chamber of Commerce Update
  
- 8:50 am • Strategic Performance Update
  - Information Technology Director John Felix
  - Geographic Information Services Manager Mike Pelletier
  
- Adjourn

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.

**December 16, 2019****Work Session at 5PM**

Sam Light from CIRSA

**Consent Agenda**

MOU with Nordic for SOAR Build

Acceptance of Utility, Storm Water, Electric and Irrigation Infrastructure Easements Associated with the Phase 2 Kapushion Tracts Located in Block 2, Lots 17-32 and Block 11, Lots 1-16, Town of Crested Butte

**Public Hearing**

Slate River Annexation

**New Business**

Appeal of Cemetery Decision

Adoption of Climate Action Plan

Resolution No. 25, Series 2019 - Declaring Climate Emergency

Resolution - Budget Amendment

Funding Agreement with Chamber

Ordinance - Chamber Lease

Ordinance - Library Lease

CBFPD IGA

Ordinance - CBFPD Station 1 Lease

Resolution - Designating CBFPD as the Town's Emergency Response Authority for Hazardous Substance Incidents

**January 6, 2020****Work Session**

Jenny from RMBL, 20 Year Climate Study

**Consent Agenda**

Resolution - Posting Places

**New Business**

Ordinance - Employee Lease

Ordinance - Employee Lease

**January 21, 2020****Work Session**

Community Compass - Discuss Focus Points

**Presentation by Torie Jarvis from QQ****New Business**

MOU with GCEA for Renewable Energy  
Ordinance - Employee Lease

**February 3, 2020**

**Work Session**

Quarterly County Commissioner Update  
Town Facilities Energy Audit Findings and Recommendations for Next Steps

**February 18, 2020**

**Work Session**

Annual Update on Affordable Housing 5-Year Plan

**New Business**

Year-end Report from The Chamber  
Mountain Express Annual Report

**Future Items**

- Quarterly Financial Reports
- Ordinance - CO Model Traffic Code 2018
- Briefing of the Legal Implications of Vested Rights
- Appointment of Municipal Judge - July 2020