

**Minutes
Town of Crested Butte
Special Town Council Meeting
Thursday, August 28, 2014
Jerry's Gym**

Mayor Huckstep called the meeting to order at 6:05PM.

Council members Present: Jim Schmidt, David K Owen, Glenn Michel, Roland Mason, Shaun Matuszewicz, and Chris Ladoulis

Staff Present: Town Manager Todd Crossett, Town Attorney John Belkin, Town Clerk Lynelle Stanford, Chief Marshal Tom Martin, Public Works Director Rodney Due, Finance Director Lois Rozman, Parks and Recreation Director Janna Hansen, and Building and Zoning Director Bob Gillie

APPROVAL OF AGENDA

Under New Business, #2, Discussion and Possible Action Regarding Letter of Support for Fund Raising Effort for the Center for Arts for a New Arts Facility Located at Lots 6, 7, 8, 9, 10, and 11, Block 50, Crested Butte, was continued to September 2, 2014 and removed from the agenda.

Matuszewicz moved and Schmidt seconded a motion to approve the agenda as amended. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

PUBLIC HEARING

- 1) **Discussion of Major Special Event Permit Application by Western Colorado Events, LLC for Activities to be Held in Crested Butte between August 26, 2014 and September 12, 2014 and Resolution No. 11, Series 2014 – A Resolution Approving the Application for a Major Special Event Permit by Western Colorado Events, LLC for Activities to be Held in Crested Butte between August 26, 2014 and September 12, 2014. (continued)**

Huckstep confirmed to those in attendance that the intention was to make sure there was a vote tonight. He stated the Council heard six hours of testimony Monday night, and there were no less than 150 emails on the record.

Huckstep brought forth allegations that a news channel reported he was in favor of the event and the fact that people felt Owen knew he was going to vote one way or another and how they relate to the fact that both were asked to recuse themselves. Huckstep said he had been very careful to address it as the Council's decision, and he felt neither should be recused. He then laid out the order of events for the public hearing beginning with a report from Crossett, then further public comments. He said anyone who did not speak at Monday's public hearing was prioritized. Comments were limited to two minutes per person. In order for the Council to deliberate and take action, it was planned to limit the public commentary to 30 minutes.

Public hearing was reopened.

Due to a previously reported conflict of interest, Ladoulis recused himself and left the gym.

Crossett was asked if he received everything that was requested from the event organizers. He confirmed from the staff point of view, it was set to go. He said staff needed time to go over and review. Additionally, the Town received a letter of sign-off from the Fire District Board. He said the Town would require a certificate of inspection for any structure that is built. He thanked the staff, the applicant, the community, and the Council. Owen further questioned Crossett if he meant that staff is recommending approval. Crossett said it was the staff's job to review all the plan materials and see that the event can be done safely and with reasonable mitigation to impacts. He said based on the information that was received and reviewed, he can say, "Yes." However, what the public decides is up to the Council.

Huckstep confirmed with Belkin that the donation pool increased to \$500,000 from \$250,000. The donation amount of \$500,000 was authorized by the applicant.

Schmidt asked Belkin if Anheuser Busch (further referred to as AB in the minutes) would indemnify the event. Belkin said it is not specifically an indemnity; it's a guarantee of all obligations of the applicant. AB is not on the contract, but Fusion, representing AB, is listed as the guarantor. As the Town Attorney, Belkin reported to be satisfied with it.

Matuszewicz addressed the press that was present at the hearing. He said that we are a community. We are a town of people that are passionate about where we live, and he was disappointed in the coverage he saw.

Mike Johnson – 223 Sopris

- If you're going to proceed, you need to expect far more than \$500,000.
- There are significant unmet needs in the area, and this money can make a difference.
- AB spent \$6B in the last year for marketing. They are offering less than .01% of their entire marketing budget.
- High risk low return proposition.

Sarah Coleman – 310 Escalante

- The process has been unacceptable. Transparency, not secrecy.
- Shutting down the heart of the town for families is inappropriate.

Harry Woods – 127 Luisa Lane - Manages the CB Mountain Theatre

- They were approached by AB as a theatre who also rents out the space. They are a community theatre, and they don't limit to whom they rent.
- AB initially only asked if certain dates were available and didn't speak about anything else.

- According to the business the theatre had with event organizers, he felt confident they would not do anything to harm the theatre.
- Nothing was cancelled to accommodate the event, and it filled the theatre for a time that it was available.
- Encouraged the Council to vote, “Yes.”

Andy Eflin – 1106 Vulcan Street

- On behalf of the Chamber and the business community, he is definitely in favor of the event.
- Economics could help our community out.
- Businesses will have great benefit from the event, and employees can get through the off- season.
- Fun and funky event and thinks it will go off that way.
- Urged the Council to vote, “Yes.”

Sean Hartigan – 25 Floyd – Owner of Last Steep Bar and Grill

- There are people with ill feelings toward Bud Light (further referred to as BL in the minutes), and there is no room for that. We are 99.9% luckier than most people for living here.
- 150,000% behind this thing. Great, fun time, but also a needed thing.
- No different than Vinotok or the 4th.
- Urging the Council to vote, “Yes.”

Noel Adam - 111 Teocalli

- Against the event.
- Whenever Elk is closed for parking, his sales drop 50% to 70%.
- Questioned poll that 90% of people were in favor.
- Process has been hurried and the public hasn’t had enough information.

Benjamin Diem – Lives above McGill’s

- We have great events that have sponsors. Feeling brand bigotry. Really, what does it matter that it’s a big multi national corporation?
- When we need a sponsor for an event, we’ll look to a big company. These events should take place.

Jennifer Hartman – 725 Cascadilla

- Acceptance, tolerance, and kindness are what bring us together.
- Will not directly benefit financially.

Tracy Hastings – 39 Alpine Court

- Support of the event.
- Every resident makes money off of tourism.
- We need tourism to survive and be successful.
- If we want to be able to sustain day to day life, this event is crucial for us.
- Negative exposure has been frightening.

Cari Freeman – 711 Riverland Drive

- Excited and grateful for the opportunity.
- Asked event organizers to accept sincere apology; true locals are kind and genuine people.
- We are a community that helps each other out at a drop of the hat.
- Majority of us support.

Molly Maxwell – 31 Snowmass

- Thanked Bobby, Shaun, and the entire BL crew. Apologized to them for a small, rude minority.
- Bodes well financially for all businesses and the employees. The event will make us go into off-season a little better.

Sara Potoker – 401 3rd St

- Feels like AB is a company to respect. Who cares if they sell beer?
- Budweiser has already sponsored events. They are not asking how much we will pay for them to come to the Town. We're not treating them like it's a privilege.
- Public was kept in the dark because of the safety factor.
- She supports you, BL. Thank you for supporting us already.

Justin Dobbie – 304 Van Tuyl Circle – Student at Western

- Questioned if Western students were included as locals.
- Everyone at Western is pretty stoked. Hope they respect Western IDs. Want to be considered as locals.

Mark Alling – 818 Sopris

- Cited a section of the plan regarding leaving things the way they found them in original or better condition. Not sure if the plan to mitigate the painting on the asphalt is really going to leave it in original or better condition.
- 3,000 Gallons of paint – toxic material per coat.
- All stuff that's being brought in valley and planted in the watershed.
- Event is fine, but need to take care of the details. We'll be even more upset if something bad happens pollution wise.

Jason Vernon – 103 Maroon Ave

- It's a wedding party with more flowers.
- Greed – not so nice. The spitting – I'm sorry.
- The only point is the only way we get to defend this is to do good.

Nick Danni – 414 North Spruce

- 100% in support of the event.
- We accepted tourism 30 years ago. Gift from God that we got BL. It's a time of year that we don't make money.

Katie Thomas – 622 Teocalli Ave

- Change is a perpetual circumstance in Crested Butte.
- We're all here for the ski area. We rely on tourism.
- Best thing about the Town is the community.

Wendy Fisher – 16 Ruby Drive

- Makes me happy that friends on Elk Avenue will benefit.
- Crested Butte/Mt. Crested Butte are known for taking risks. Why not try?
- Loves fun festivals and creativity. I support it. It's what this town is about.

Jill Hughes – 16 3rd Street

- Great place for our kids to grow up. Chose to move family here because of community.
- Why would we let this opportunity pass by?
- Kids want to do these amazing things (Kids' Program).
- Urged them to vote, "Yes."

Scott Stewart AKA King of Soul –

- Council will mitigate concerns.
- Responsibility is key.

Laura Silva – 53 Escalante

- Apologized to AB for behavior they witnessed.
- Suggestion of buying Mt Emmons is pretty much ridiculous. Participants will be spending money in addition to the gifts AB has given.

Tim Wirth –

- Thought Monday night was a tribute to democracy. Spoke on Monday to the process. One suggestion of process to help heal the wounds.
- Town Council and BL got us in a terrible corner.
- Develop an amendment to the resolution that sharply increases the funds being asked of BL. Paltry fee compared to what BL is getting. BL can significantly up the ante. Neighborhood of \$10M. Guarantee that Arnold didn't give up on Bud's first offer. In good bargaining position right now.

Kyleena Falzone – 222 Sopris

- Felt slightly embarrassed that BL should come in and pay for the Town's problems.
- Referenced a petition with 505 names on it. Petitions should hold some weight.
- Mentioned other events sponsored by companies. If you don't like BL, don't drink it.

Jennifer McGruther – 501 Sopris

- Supports all special events in Town. Would like to see more of them, especially during shoulder seasons. They celebrate our unique heritage.
- Exclusion of minors from their home is wrong.
- What troubles her most is deliberate and divisive secrecy. Could have been unifying instead of divisive.

David Ochs – 801 Red Lady Ave

- Spoke to Chamber poll that was taken last week. Numbers that they have received indicate 84% in favor.
- Consider the \$500,000, not including over \$2M they are injecting into our economy deliberately.
- Let's put on our biggest Crested Butte smiles and give them the best Crested Butte welcome.

Lyn Maresca – 618 9th Street

- Concern is one of public safety.
- Event has gone viral. People are discounting the fact we might be overrun with 1,000s of people. Are we prepared for crowd control? Are we at least considering how to take care of this?
- Damage. Who's liable? AB has been disrespectful to our Town government.

Kat Hassebroek –

- Not BL's responsibility to come in and give money.
- That is not representative of how we are as a community. We choose to live here and struggle and make ends meet.
- Secretive – the whole nature of the event is secretive.
- In full support of it.

At the end of the public comments, Crossett was asked to respond to Dobbie's question of whether Western students are included in the event. Crossett said, "Yes," anyone 21 years or over will be able to attend the event.

Martin was asked about public safety with the recent press coverage. Martin answered that with the plan the applicant proposed, he became less comfortable with the resources after Tuesday. He reported to have submitted a new proposal asking for additional law enforcement. He said he felt people would be turned away if numbers grew too large. He summarized he is as comfortable as he can be at this time.

Public hearing was closed. The discussion turned to the Council.

Schmidt apologized to all for the process, and he said he took full responsibility for the process. He said the staff worked very hard analyzing the application; it was a failure as a Council for not communicating with the community. He said he has the greatest respect for the people that were here, and he very much appreciated the civility. He referred to the press and said he is disappointed TV cameras were here and not covering

things that were very important. He reported being offended by accusations of impropriety by the Council. The balance often makes people unhappy. Every councilman knows he will have arrows his back. He wondered what color the arrows would be.

Owen asked about the signage and architectural plan. He confirmed businesses must opt in to participate. Reported he has been contacted by businesses located in the entertainment district that have not been contacted, and he wondered how they would opt in. Event organizer, Bobby Wells, answered that the anticipation of the vote has taken us to this point. This morning they started going business to business. If the application is approved tonight, they would start canvassing and would be providing all the signage referred to in the plan.

Owen asked event organizers if the offer was still on the table to mention Crested Butte in their ads. Event organizer, Shaun Byrne, said they were 100% open to the idea. Owen asked for this aspect to be addressed in the contract. Byrne said he can go back to the brand. Owen further described issues they had with the whole process: Insufficient time in this process; Not time enough for the public to read the application, digest it, and come up with comments to share; Not enough time to notice impacted neighbors. A two week notice for amplified sound was typically required. The hard question was if there has been enough time to adequately consider the public health and safety associated with the event. There has been no time at all for community to have the discussion to decide if it's something we want to do or not. We have been shorted the opportunity to have the conversation at the community level. When Owen looked at the application, with an objective eye, he said we have standards in which to judge the pros and cons of major special events. Captured in the resolution are the findings of fact. Proposed event is a major special event. The major special event would provide significant, public benefit to the Town and impact on the businesses. The major special event is appropriately sized in proportion to the site. Owen was very concerned about the Big Mine Ice Arena venue, but he referred to a letter dated August 28, 2014 from the Fire Protection District that said that the fire, life, and safety plan event organizers have submitted is supported by the Fire Protection District. He said he was very relieved that the public health and safety issues have been addressed. Owen said there would not be unreasonable traffic or congestion, and the plan addressed that issue as well. There was sufficient parking in terms of parking places, and contestants are being flown in and bussed around. Owen added that there were sufficient safe guards in the plan to be conducted to reduce adverse impacts on adjacent properties. He also said he does not see any issues with the event unreasonably affecting public health, safety, and welfare. Owen cited the staff recommendation to approve and said if everyone says we can pull this off, he has to say we can. Owen heard rumors of people spitting at employees, and he said it saddens him a lot. He apologized and asked everyone to remember that is not who we are. We hope they have a positive experience. We're friendly; we're polite. We want these people to come.

Matuszewicz drew attention to the Major Special Event Ordinance and cited the cost of the permit is \$5,000. He reminded people that anything above \$5,000 is a gift. He said that he sees a lot of fear. He said he doesn't operate from a place of fear, but he operates on

the facts. He said that people will have jobs and people will gain important economic benefits. In speaking of standards, he said he was insulted by the cameras present at the meeting. Lastly, Matusewicz referenced a permit to shut down Central Park that was seven pages long. With what has been asked of the applicant, they have been held to the highest standards. He said as a personal standard, no matter what happens, we are a community, and let's show people what Crested Butte is all about.

Mason said he has seen the Town change over time. He felt each person's comments were taken personally, and they have been heard. From the last meeting until now, the support was evident from the people that stayed until 2AM. He addressed Martin and asked what would happen if a lot of people come here, what we would do with the rest of the community and anything happening outside of the event. He wanted to be sure the rest of town was protected. He asked if people would be turned away at the gate, or if they could be turned away before they get to Crested Butte. Martin said there could be a possibility of highway check points, and he was comfortable with the probabilities.

Michel: "Let's have a party!"

Huckstep said he first wanted to say thank you to the organizers. BL was the guinea pig. He also thanked department heads, H Baum, Stephanie Prater, and Dano Marshall. Huckstep went on to say the impacts are not just on Elk Avenue, they are also in Mt. Crested Butte. The suggestion to allocate funds is they need to be allocated from a joint committee with the two Councils. The contract reflects the funds are not just for Crested Butte, they're also for Mt. Crested Butte. The benefit should be felt by all. Council is concerned about how people have treated each other. The community needs to move beyond the negative. Ours is a "talkable" community. We all need to be a part of the solution.

Michel moved and Schmidt seconded a motion to approve the Major Special Event Permit Application by Western Colorado Events, LLC and Resolution No. 11, Series 2014. A roll call vote was taken with all voting, "Yes." Ladoulis recused himself and did not vote. **Motion passed unanimously.**

2) Ordinance No. 10, Series 2014 – An Ordinance Amending Chapter 6 of the Crested Butte Municipal Code to Add Regulations for the Creation of an Entertainment District in which Common Areas for the Consumption of Alcohol May be Operated by a Promotional Association.

Public hearing was opened.

Belkin immediately said the ordinance would be an emergency ordinance due to posting requirements not possibly being met. Ordinance No. 10, Series 2014 was changed to an emergency ordinance and Belkin said he would revise findings in the ordinance to make it an emergency. He would add a section to deal with the emergency nature of it. He said the Council could adopt as an emergency ordinance, and it would become effective

right away. No one on the Council objected to the change to an emergency ordinance, once Owen confirmed it was legal to make the change.

Belkin added that once the legislative exists, the Council can approve or disprove the consumption area for each event. The promotional association will come back to Council, and the consumption area is the final step. Additionally, BL will pay for insurance costs for this event. \$6,000 will be left in the fund, and it is additional money that can be used for the promotional association in the future.

Public hearing was closed.

Schmidt moved and Mason seconded a motion to adopt Ordinance No. 10, Series 2014 as an emergency ordinance with changes that the town attorney sees as advisable to make. A roll call vote was taken with all voting, "Yes." Ladoulis recused himself and did not vote. **Motion passed unanimously.**

NEW BUSINESS

- 1) **Resolution No. 10, Series 2014 - Resolutions of the Crested Butte Town Council Creating an Entertainment District Authorized by C.R.S., § 12-47-301. (if necessary).**

Belkin said Resolution No.10, Series 2014 must accompany Ordinance No. 10, Series 2014.

Discussion was had about whether certain businesses were included in the entertainment district. Matuszewicz questioned if the 1st and Elk Parking Lot should be included. Belkin said the Entertainment District is the starting point, then the consumption areas. A resolution can make changes to the district.

Matuszewicz moved and Michel seconded a motion to approve Resolution No. 10, Series 2014 with three changes to the border as discussed. A roll call vote was taken with all voting, "Yes." Ladoulis recused himself and did not vote. **Motion passed unanimously.**

ADJOURNMENT

Mayor Huckstep adjourned the meeting at 8:36PM.



Aaron J. Huckstep, Mayor



Lynelle Stanford, Town Clerk (SEAL)

