

**MINUTES**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, August 15, 2016**  
**Council Chambers, Crested Butte Town Hall**

Mayor Michel called the meeting to order at 7:03PM.

Council Members Present: Jim Schmidt, Erika Vohman, Chris Ladoulis, and Laura Mitchell

Staff Present: Interim Town Manager Bill Crank, Town Attorney John Belkin, Town Planner Michael Yerman, and Public Works Director Rodney Due

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

**APPROVAL OF THE AGENDA**

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

Michel explained how voting would work for the meeting related to the number of Council members present.

**CONSENT AGENDA**

- 1) August 2, 2016 Regular Town Council Meeting Minutes.**
- 2) August 4, 2016 Special Town Council Meeting Minutes.**
- 3) Resolution No. 17, Series 2016 - Resolutions of the Crested Butte Town Council Approving the Improvements Construction and Revocable License Agreement with Banx LLC for 115 Elk Avenue.**
- 4) Resolution No. 23, Series 2016 - Resolutions of the Crested Butte Town Council Authorizing the Town of Crested Butte to Apply for a State of Colorado, Department of Local Affairs (DOLA) Energy Impact Program Grant for the Funding for the Construction of the Town's Wastewater Treatment Plant Improvements.**
- 5) Letter in Support of Adaptive Sports Capital Campaign.**

Stanford stated that item #3 needed to be moved to New Business because the resolution number had changed from the time the agenda was published. Belkin suggested it be moved to #1 under New Business. Item #5 was struck from the Consent Agenda.

Schmidt moved and Vohman seconded a motion to approve the Consent Agenda with moving item #3 to New Business on the regular agenda and dropping item #5. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

The changes to the Consent Agenda resulted in changes to the agenda.

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

### **PUBLIC COMMENT**

Margaret Levy

- Thought there was a conflict of interest that affected the ability of the Council to regulate short-term rentals.
- Stated that five Council members had permits (to short-term rent), which gave the appearance of a conflict of interest. Also, two Council members pulled permits before the moratorium.
- She understood that if all five recused themselves, then the Town could not enact legislation. She was sorry they put themselves in an ethical bind.

Harvey Castro - 712½ Maroon

- Had concerns regarding the decision of the County Planning Commission to approve the preliminary plan for the Foothills development and annexation.
- Specifically, he heard at the meeting, they were putting 8<sup>th</sup> Street into play for access to the development.
- He asked what the Council would do to protect the interests of Town.
- He told the Council to take into consideration the impacts of 60 new vehicles going through Town on 8<sup>th</sup> Street.
- Said they needed to protect the health and safety interests of Town.

### **STAFF UPDATES**

Janna Hansen

- Thanked Kyle Thomas and the Villanueva family for their work on the 15<sup>th</sup> annual Ball Bash softball tournament. There were 14 teams and a lot of positive feedback.
- The Big Mine utility upgrade was progressing. Almost all materials were on-site. They asked neighbors to remove items from the alley right of way beginning on August 29.
- The bike park was looking good. They hoped to have a workday in partnership with CBMBA on Wednesday from 4 to 6PM.

Lois Rozman

- The second quarter financial update was in the packets.
- Reminded the Council of their onsite schedule for the Town Manager search process.
- She announced the three finalists for the Town Manager position.
- Mentioned that Tina Curvin, the sales tax specialist, no longer worked for Town.

Rodney Due

- There would be bank stabilization work on Kebler Pass Road starting in September, which would cause delays.
- They would be applying for \$1M from DOLA for wastewater treatment plant improvements. The executive and regional directors were in Town, and they had tours. Michel asked Due what \$1M meant for residents. Due explained it equated to \$2.68 a month for 20 years.
- Schmidt further questioned the Kebler Pass closures, and he was concerned.

Lynelle Stanford

- Mentioned upcoming special events.
- Called the Council's attention to the special meeting notifications for the meeting on Thursday at 12:30PM.

Bill Crank

- Stated that Reily would report on the Vinotok test fire.
- The complaints regarding the commercial use of property on Red Lady Avenue had been resolved. Commercial vehicles would still be legally parked on the right of way.
- The Kapushion development improvement and reimbursement agreements were in place.
- On Friday, Town was notified of a minor spill, estimated to be 50 to 100 gallons, at Standard Mine. Town was not notified until 25 hours after the fact. The Town's intake gate was closed during most of the timeframe. They were meeting with the EPA tomorrow to review the protocol again. Michel was shocked the EPA would not report. Crank said there was a disagreement as to what was required for reporting. He agreed Town was entitled to immediate notice anytime water reached Elk Creek.

**PUBLIC HEARING**

**1) Ordinance No. 5, Series 2016 - An Ordinance of the Crested Butte Town Council Amending Chapter 7 of the Crested Butte Municipal Code to Add a New Article 6 Prohibiting the Use of Disposable Plastic Bags and Mandating Certain Standards for the Use of Paper Bags.**

Michel confirmed with Stanford that proper public notice was given, and he confirmed with Crank there were no changes from Staff. Michel opened the public hearing.

Elaine Weston - Reported to live at the corner of 3<sup>rd</sup> and Sopris.

- She was firmly opposed to the ban on plastic bags.
- She thought that Crested Butte was a responsible community in reusing bags.
- Suggested net bags that could be used for veggies, and she learned of an edible 6-pack ring.

Richard Moody - 15 Par Lane

- He lived in France for the past year, and they did not have plastic bags at all.
- He brought an example of a bag that he used.
- He saw no reason for plastic bags.

Michel closed public comment, and it was opened to board discussion.

Vohman brought an example of a Boomerang Bag that they would distribute around Town. She wished the ordinance had a fee, but she thought they could revisit later. Schmidt thought it would work and it was effective. He supported the ordinance, and he didn't think there had to be a fee for it to be effective in Town. Ladoulis would support the ban, but he did not want to get into the complexities of paper bags and signs. He wanted to strike the requirement that bags contained no old growth fiber and the sign requirement. Vohman countered that preventing old growth fiber was important to the success and environmental initiative. She volunteered to help retailers find bags that did not contain old growth fiber. Mitchell supported the bag ban, and she either wanted the sign verbiage struck or to have signs be optional. Ladoulis did not want retailers subjected to provisions. Belkin suggested they strike the sign requirement, rather than make it optional. Schmidt said they should also strike "B" under permitted paper bags.

Schmidt moved and Mitchell seconded a motion to approve Ordinance No. 5, Series 2016 with striking B under the definition of permitted paper bags and striking 7-6-60 in its entirety. A roll call vote was taken with all voting, "Yes," except Vohman voted, "No."  
**Motion passed.**

**2) Ordinance No. 6, Series 2016 - An Ordinance of the Crested Butte Town Council Imposing a Temporary Moratorium on the Issuance of a Business Occupation Tax License to any Business Renting or Leasing Residential Units for a Term of 30 Days or Less.**

Michel confirmed proper public notice had been given.

Yerman reminded the Council that they appointed a committee to review possible regulations for short-term rentals in Crested Butte. It was apparent that new regulations affected several chapters of the Code. Town had been tracking short-term rentals since 2000, and the percentage had grown drastically. He mentioned issues with short-term rentals such as traffic, noise, and parking. He explained that a fee could not be used, but a tax passed by the voters could be used for affordable housing. However, a lot of data needed to be collected. The recommendations from the committee would be forthcoming.

Yerman reviewed what a moratorium was and why it was used. Michel asked Yerman questions he had heard from the public. He confirmed that those who had existing licenses could retain them. Yerman stated that August 25 would be the last day someone could come and apply for a license. Michel asked if a moratorium would solve the affordable housing crises, and Yerman confirmed it would not. Once they had data and researched the impacts, they could put an educated ballot measure in front of the community. The moratorium would allow for discussions, and it would allow Staff the time to implement successfully

Alex Fenlon, chair of the committee, was present at the meeting. He echoed what Yerman said. He explained the moratorium gave a pressure free zone to work out and give Staff time to implement.

Michel opened the meeting to public comment. He explained they were debating the moratorium and not actions.

Steve Ryan - 75 Escalante

- He was on the committee, and he was not in favor of a moratorium because it created false panic.
- The moratorium created a false boom.
- He thought short-term rentals were not as rampant as the figures made them out to be.

Stan Weil - 19 Beckwith Ave

- He had a license to short-term rent his property.
- Followed the regulations of the Town.
- Never had any problems or comments from neighbors.
- Questioned if a license was transferable if a property sold.

Shay Wyckoff - Reported to live in CB South and owner of a property management company

- She was perplexed on what issue they were trying to solve with the moratorium.
- Crested Butte was a tourism-based economy.
- They had to look at every aspect of where these people were coming from and where they would stay.
- Moratorium was affecting workers, and it would affect people who were relying on them for income.
- Properties would fall out of contract, and real estate people would be hurting.

Michel asked if anyone in the room was present to support the moratorium. No one said they were.

Kimberly Barefield - 301 3<sup>rd</sup> Street

- She supported Wyckoff's comments.
- Moratorium would put a damper on all of business.

- It had a negative connotation for the business community and visitors.
- Stated that it was a misconception the houses stayed dark all of the time. All of her homeowners used their homes. Short-term renting also allowed people to live here.
- There was a new profile of homeowner.
- She thought they could implement regulations at a gradual pace.

Martha Keen - 316 Butte Ave

- Said they created a panic.
- She lived on a street that was completely dark.
- Stated that they were overloading Town.
- A moratorium did allow Council time and space to think out a balanced argument.

Jeff Hollings - 802 Belleview

- Told the Council that some people who rented short-term ended up living here.
- It was a pipeline for people who wanted to live here.
- Long-term there could be unintended consequences.

Public comment was closed, and it was moved to board discussion.

Michel identified short-term rentals as the biggest question facing the Town moving forward. He said that Council wanted to take a time out, ask questions, and communicate to work on potential solutions, if they did anything. He asked where the Council was. Mitchell was on the committee. She thought there was a big can of worms related to real estate and property managers. In order for Ladoulis to support, he needed to believe there was an imminent need to take action. He was not completely convinced that something in the next six months would tip them past the tipping point. Michel wondered how they remedied the preponderance of short-term rentals and how it affected the sense of place. Ladoulis also wondered how they preserved the community and maintained the sense of place. Michel said it was balancing individual rights with the greater good. The question was if they reached the tolerance level of where too much was too much. Vohman recognized it was hard to develop regulations around a moving target, but she had a hard time getting behind the moratorium. Schmidt said that every letter that was sent was brought forth in (committee) meetings. No one on the committee suggested that short-term rentals be banned. He thought they needed to go after low hanging fruit, which was monitoring, safety issues, impacts on neighbors, and having someone to contact. They needed to start meeting as soon as possible.

The item died for the lack of motion.

### **NEW BUSINESS**

**1) Resolution No. 25, Series 2016 - Resolutions of the Crested Butte Town Council Approving the Improvements Construction and Revocable License Agreement with Banx LLC for 115 Elk Avenue.**

Schmidt moved and Mitchell seconded a motion to approve Resolution No. 25, Series 2016. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**2) Ordinance No. 7, Series 2016 - An Ordinance of the Crested Butte Town Council Authorizing the Sale Lot 4, Block 80, Paradise Park Subdivision, Town of Crested Butte to Trevor Main for \$75,000.00.**

Michel explained the following ordinances were for the Town to sell affordable housing lots.

Ladoulis moved and Schmidt seconded a motion to set Ordinance No. 7, Series 2016 for public hearing at the next regular Town Council meeting. **Motion passed.**

**3) Ordinance No. 8, Series 2016 - An Ordinance of the Crested Butte Town Council Authorizing the Sale Lot 3, Block 79, Paradise Park Subdivision, Town of Crested Butte to Warren Seekatz and Heather Allyn for \$30,000.00.**

Ladoulis moved and Schmidt seconded a motion to set Ordinance No. 8, Series 2016 for public hearing at the next regular Town Council meeting. **Motion passed.**

**4) Ordinance No. 9, Series 2016 - An Ordinance of the Crested Butte Town Council Authorizing the Sale Lot 12, Block 79, Paradise Park Subdivision, Town of Crested Butte to Kent Cowherd for \$30,000.00.**

Vohman moved and Mitchell seconded a motion to set Ordinance No. 9, Series 2016 for public hearing at the next regular Town Council meeting. **Motion passed.**

**5) Ordinance No. 10, Series 2016 - An Ordinance of the Crested Butte Town Council Authorizing the Sale Lot 15, Block 79, Paradise Park Subdivision, Town of Crested Butte to Beth Goldstone for \$60,000.00.**

Mitchell moved and Vohman seconded a motion to set Ordinance No. 10, Series 2016 for public hearing at the next regular Town Council meeting. **Motion passed.**

**6) Ordinance No. 11, Series 2016 - An Ordinance of the Crested Butte Town Council Amending Chapter 7, Article 3 of the Crested Butte Municipal Code to Include New Regulations for the Abatement of Noxious Weeds.**

Hansen explained that in 2009 the Council adopted an ordinance and plan to regulate noxious weeds. Currently, any noxious weed was considered a nuisance. The plan needed to be reviewed every 3 years in an effort to uphold the state mandate. She had been working since February to update the plan. She reviewed a sequence of events to include a work session and setting the ordinance set for public hearing on September 19. Vohman stated Hansen had done a great job.

Schmidt moved and Vohman seconded a motion to set Ordinance No. 11, Series 2016 for public hearing on September 19. **Motion passed.**

### **7) Update and Discussion on the Proposed Vinotok Application.**

Kat Harrington, event organizer, was present at the meeting. She read a statement on behalf of the Vinotok Council. They felt their application worked to solve concerns. After much thought and deliberation they thought the 4-Way was the best location. Harrington stated that liquid fuel was cost prohibitive, and she cited the complexity of plumbing. She countered the assertion that Vinotok had not evolved over the years, and she listed ways it had evolved. She also mentioned safety measures that had been incorporated. If too many traditional aspects were changed, it could result in negative reactions.

Michel asked Reily to report on the test fire that was done to determine if the proposal reduced embers floating over residential structures. Reily explained the fire vortex that was created inside a column of fire. He thought the plan, when it went to full scale, was relatively safe, much improved, and more controllable. It didn't have the vortex that threw firebrands (embers) a distance away. He explained that the plan included four smaller columns that connected and enclosed the grump. The main change was changing the placement of members to make them horizontal instead of vertical. The fires would then burn lower, slower, and longer. The firebrands expelled were very small, under an inch, and their travel was limited to 15 feet from the base of the structure. Anything that travelled beyond 15 feet was just ash. He didn't think the design should be changed from what they tested. They talked about controlled dust explosions, in which he was not comfortable. He also listed additional safety measure such as cutting the grass on the east side of the parking lot.

Michel confirmed that Harrington and Bob Wojtalik accepted the plan. Schmidt reminded them that with cremora, a little went a long way. He also reminded them the Council had a work session and agenda items on Vinotok, and there seemed to be misinformation that they did not have adequate time to talk about it. He thought the plan seemed like a good solution, and it was something they could approve.

Michel asked about the cut off time if it was too windy to light the fire, and Harrington confirmed the fire would be out by 10:30PM. She confirmed for Ladoulis the fire would still provide a spectacle. She told Michel that the insurance would not be of issue. Michel asked if those present were in support, and no one voiced opposition.

Jesse Rochette

- Reviewed his experience relevant to fire and life safety.
- Stated that the economics of events were near and dear.
- Described an event centered on a large fire in Iceland, and the way it drew the community together was inspiring. He wanted his children to grow up in a community with a rich, cultural heritage.
- Thought the economic vitality of a region was based on creativeness.

- He explained the science behind firebrands.

Ladoulis thought the process was great to see. He liked the outcome, and it exceeded his expectations. Michel told them the Council was looking favorably at the application, but it was not a done deal until they voted.

Martha Keen

- Vinotok was really important.
- The event culminated with the fire, where they showed off their work, knowledge, and dedication.
- There was negativity around Vinotok. They were not just throwing it together. People were dedicated and educated.

Chris Sullivan - 21 Elk Ave

- They addressed the fire and changes to make it safer.
- The fire had old tradition.
- He reviewed the tradition and history.
- The spirit was rebellious.
- The community was approaching a time when working people had less empowerment. Vinotok was a case study of what was happening to the community in a broader sense. Many working people were unable to have their voices spoken.
- Must honor the soul of this place.

**8) Resolution No. 24, Series 2016 - Resolutions of the Crested Butte Town Council Approving a Consulting Services Agreement with Mundus Bishop for the Preparation and Planning of a Great Outdoors Colorado Local Park and Outdoor Recreation Grant for the Town Park Playground Renovation Project.**

Hansen explained that the Town pledged \$1M of in-kind services to support the Center for the Arts expansion into Town Park. The surrounding parks and playground would be impacted by the expansion. Part of the agreement was that anything removed or impacted would be replaced. In 2010, the Parks and Rec Master Plan established that parks needed to be intentionally planned.

The project required support from Great Outdoors Colorado (GOCO). It was a highly competitive grant application. In order to prepare to apply for the grant, Mundus Bishop would design the playground and facilitate the public process. The funding would come from the \$1M match to the Center. Hansen reviewed what Mundus would do as part of the project.

Ladoulis, recalling that Mundus suggested they put a softball field in Rainbow Park, wondered if Hansen expected a good result. Yerman thought Mundus Bishop's work product was outstanding. He stated that a GOCO grant was the most competitive grant, and it involved a public process. Ladoulis asked if so many people reacted negatively to their opinion if they were the right consultants. Yerman said they changed the plans after

listening to the community. Schmidt thought there would be issues if they eliminated all aspects of Yelenick Park. He recalled debate of a wood park versus a plastic park.

Ladoulis moved and Mitchell seconded a motion to approve Resolution No. 24, Series 2016. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **LEGAL MATTERS**

None

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

Jim Schmidt

- The Housing Committee meeting was cancelled because of last minute work to get Anthracite Place opened.
- He missed the Creative District Meeting because of commitments related to the Town Manager hiring.

Erika Vohman

- Attended a Housing Foundation Board meeting. They looked at land for land banking. One piece was next to either the high school or middle school in Gunnison.

Chris Ladoulis

- Attended a memorial bus parade. He thanked Mountain Express for allowing the idea to manifest.

Glenn Michel

- Attended a meeting at the County on broadband. He reminded the Council they approved a MOU that provided matching funds. They would not get redundancy at first, but it would provide more bandwidth and cheaper rates.
- The County was working on improving broadband and accessibility.
- 911 and the importance of redundancy were getting attention at the state level.

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

Schmidt congratulated Emma Coburn on her Olympic medal.

Schmidt brought forth concerns on the Kebler Pass closure. He asked who was doing it. Due said the Forest Service and Marlene Crosby were in charge. Schmidt saw a need to communicate. Michel asked if he wanted more information or more outreach to the public. Due explained the work they were doing, and he stated he wasn't involved in the conversations. Schmidt wanted better information on dates and times. Crank agreed to follow up with Crosby at the County.

Schmidt thought it was important to start talking about short-term rentals. He suggested they have a special meeting on August 29 to discuss.

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

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

Ladoulis wanted a work session between now and November, open to the public, where the Council would be advised on conflicts of interest. Belkin questioned the scope. Michel said they had the chance for someone from DOLA to present. Belkin said it was the responsibility of the new manager.

Michel asked the Council if they were agreeable to Schmidt, Rozman, and himself meeting to work on the list of questions for the Town Manager candidates. No one on Council voiced any opposition. Michel said to email any questions they wanted to ask the candidates to Belkin.

### **EXECUTIVE SESSION**

Michel read that they were going into Executive Session for the purposes 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 Memorandum of Understanding for Mt. Emmons and Discussions with Cypress Foothills, LP regarding certain property related matters.

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

Attorney Scott Miller participated via Skype.

The Council went into Executive Session at 9:54PM. Council returned to open meeting at 11:16PM. Mayor Michel made the required announcement before returning to open meeting.

ADJOURNMENT

Mayor Michel adjourned the meeting at 11:17PM.

*Glenn Michel*

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Glenn Michel, Mayor

*Lynelle Stanford*

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Lynelle Stanford, Town Clerk (SEAL)

