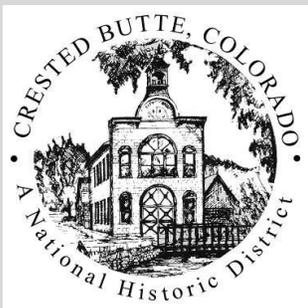


**AGENDA**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, October 2, 2017**  
**Council Chambers, Crested Butte Town Hall**



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

**Town Council Values**

- *Preserve our high quality of Life*
- *Resource Efficiency/ Environmental Stewardship*
- *Support a sustainable and healthy business climate*
- *Maintain a "real" community*
- *Fiscally Responsible*
- *Historic Core*

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

**5:00 WORK SESSION**

1) Presentation and Discussion of the 2018 Budget.

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

**7:02 APPROVAL OF AGENDA**

**7:04 EXECUTIVE SESSION**

1) For a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b) regarding a pending land use application.

**7:35** 2) 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 sale of the Brush Creek Parcel.

**8:05 CONSENT AGENDA**

1) September 18, 2017 Regular Town Council Meeting Minutes.

2) Resolution No. 59, Series 2017 - Resolution of the Crested Butte Town Council Approving the Contract for Use of the Big Mine Ice Arena by Gunnison Valley Hockey Association for the 2017/2018 Winter Season.

3) Letter of Support for Gunsight Bridge for the Land Trust's Application for a State Trails Grant.

*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.*

**8:07 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.*

**8:16 STAFF UPDATES**

**8:30 PUBLIC HEARING**

1) Ordinance No. 24, Series 2017 - An Ordinance of the Crested Butte Town Council Amending Chapter 6-2 of the Crested Butte Municipal Code Providing for a Temporary Reduction to Certain Portions of the Business and Occupation Licensing Tax for Fiscal and Calendar Year of 2018; and Providing the Automatic Repeal Thereof Effective on the First Day of January, 2019.

**8:35** 2) Ordinance No. 25, Series 2017 - An Ordinance of the Crested Butte Town Council Amending the Design Guidelines of the Town of Crested Butte for Front Yard Accessory Dwellings in Certain Circumstances in Residential Zones.

**8:40** 3) Ordinance No. 26, Series 2017 - An Ordinance of the Crested Butte Town Council Authorizing the Lease of Various Town Residential Properties (Units 2 and 3, Town Ranch Apartments, 808 9<sup>th</sup> Street, Crested Butte Colorado) to Various Town Employees.

**8:45 NEW BUSINESS**

1) Resolution No. 60, Series 2017 - Resolution of the Crested Butte Town Council Relating to Indigenous Peoples' Day; Declaring the Second Monday in October as Indigenous Peoples' Day in the Town of Crested Butte; Encouraging Other Institutions to Recognize the Day; and Reaffirming the Town's Commitment to Promote the Well-Being and Recognition of Colorado's American Indian and Indigenous Community.

**8:55** 2) Update and Presentation by Delany Keating on the ICELab at Western.

**9:10** 3) Ordinance No. 27, Series 2017 - An Ordinance of the Crested Butte Town Council Approving the Lease of the Portion of the Property at 308 Third Street to the Crested Butte Fire Protection District.

**9:15** 4) Ordinance No. 28, Series 2017 - An Ordinance of the Crested Butte Town Council Approving the Lease of the Portion of the Property at 308 Third Street to the Crested Butte Land Trust.

**9:20** 5) Ordinance No. 29, Series 2017- An Ordinance of the Crested Butte Town Council Approving the Lease of the Portion of the Property at 308 Third Street to Windsor Refrigeration.

**9:25** 6) Ordinance No. 30, Series 2017 - An Ordinance of the Crested Butte Town Council Approving the Lease of the Portion of the Property at 308 Third Street to Leslie Locklear.

**9:30** **LEGAL MATTERS**

**9:40** **COUNCIL REPORTS AND COMMITTEE UPDATES**

**9:55** **OTHER BUSINESS TO COME BEFORE THE COUNCIL**

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

- Thursday, October 5, 2017 - 6:00PM Work Session on Brush Creek Parcel at the Center for the Arts
- Monday, October 16, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, November 6, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, November 20, 2017 - 6:00PM Work Session - 7:00PM Regular Council

**10:15** **ADJOURNMENT**



## Staff Report

September 27, 2017

**To:** Mayor and Town Council  
**Thru:** Dara MacDonald, Town Manager  
**From:** Lois Rozman, Finance Director  
**Subject:** **2018 Budget Work Session, October 1 at 5:00 pm**

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Attached are the following documents for discussion at the work session:

- Sales Tax Fund – narrative and budget
- Sewer/Water Fund – narrative, budget and 10 year plan
- General Fund – narrative and budget
- 2018 Fee Schedule and list of proposed changes

The narratives presented with each budget is an integral part of the budget packet and describes the purpose of the fund and highlights of the proposed budget.

Additional Information:

Sales Tax Fund:

Revenue was changed from the 0.7% increase in Town Tax to 1.0% to go in step with the 1.0% increase in the County sales tax. The expenditure in the Center for the Arts Expansion line is for Yelenick playground. Expenditures also includes the Affordable Housing Contribution of \$116,000.

Sewer/Water Fund: The Staff surveyed our neighboring communities and utility districts for their rates projected rates for 2018. A summary sheet of rates is attached to this staff report.

The goal for the work session is to complete the 3 funds presented so that the first reading of the full budget may take place at the October 16 Council meeting, with public hearing and adoption at the November 6 Council meeting.

REMINDER—The work session is scheduled to start at 5:00.

Gunnison Valley Water & Sewer Rate Projections for 2018  
 All base rates adjusted for Water based on 8000 gallons (not tiered)  
 All rates based on monthly billing

**East River Sanitation District** (No increase projected)

Water \$46.20

Sewer \$37.41

Tiered Water (Current Rates):

10,000 – 40,000	\$3.00
40 – 50	\$6.00
50 – 60	\$9.00
60 – 70	\$12.00

Tap-In Fee (3 bedroom/1 kitchen) \$31,986

**Mt. CB Water & Sanitation** (projecting a 10% increase)

Current Rates:            Projected 2018:

Water \$26.09            \$28.69

Sewer \$40.30            \$44.30

Tiered Water (Current Rates):

11,000 – 20	\$2.97
20 – 30	\$3.27
30 – 40	\$3.57
40 -	\$3.85

Tap-In Fee (1875 sq. ft. equivalent) \$17,352

**CB South Metro** (projecting a 10% increase) Based on EQR = 2000Sf

Current Rates:            Projected 2018

Water \$31.80            \$34.98

Sewer \$35.51            \$39.00

Tiered Water: anything over 8,000 gallons is charged \$6.36 per 1000 gallons

Tap-In Fee \$14,000

**Gunnison** (projecting an 8 1/2 % increase)

Current Rates:            Projected 2018:

Water \$21.25            \$23.05

Sewer \$26.25            \$28.48

**Town of Crested Butte** (projecting 5.6% increase Sewer & 1.8% increase Water)

Current Rates:            Projected 2018:

Water \$27.50            \$28.00

Sewer \$35.50            \$37.50

Tiered Water (Current Rates):		Proposed:
8,001 – 13,000	\$3.00	\$3.50
13,001 – 18,000	\$3.25	\$3.75
18,001 – 23,000	\$3.50	\$4.00

23,001 – 28,000	\$3.75	\$4.25
28,001 – 33,000	\$4.25	\$4.75
33,001 +	\$6.00	\$5.50

Tap-In Fee \$18,000

## **SALES TAX FUND 2018 BUDGET**

The purpose of the Sales Tax Fund is for the collection and distribution of the Town's sales tax. The main sources of revenue are the 4.5% Town sales tax and 50% of the County's 1% sales tax on sales within the Town of Crested Butte. Of the 4.5% Town sales tax, 0.5% is dedicated for parks, recreation and trails, 1% for transportation and the remaining 3% is for the needs of General Fund or other Town fund as needed. Expenses of the Sales Tax Fund are distributions to the General Fund, Capital Fund and Transportation Fund expenses.

The Transportation Fund is housed within the Sales Tax Fund. It receives a 1% Town sales tax. The Town pays the Mountain Express 95% of the revenue from the 1% sales tax, with the remaining 5% to go towards other transportation services such as bus stops, transportation planning, RTA contributions and Late Night Taxi Service.

The required Amendment 1 ("TABOR") Emergency Reserve is kept within the Sales Tax Fund. The Emergency Reserve requirement is 3% of overall expenditures with some exclusions such as enterprise fund and state grant funds. Expenditures out of this reserve are very restricted under TABOR.

The Interest Fund balance is an accumulation of interest earnings and excess revenue over time. Council has used this portion of the fund balance for various one-time projects over the years. Most recent use was for the Center for the Arts project.

### *Revenue:*

Sales tax revenue for 2018 is budgeted at 1% above the projected revenue for 2017 and 2% above 2016 actual collections.

### *Expenditures:*

Distribution to the General Fund is capped at 75% of Town 4% Sales Tax collections. Each year the distribution is based on the projected needs of the General Fund and any remaining amount is distributed to the Capital Fund, Affordable Housing Fund, Street Fund or Sewer/Water Fund as needed. The distribution percentage for 2018 to the General Fund is the maximum 75%.

The \$453,591 Center for the Arts Expansion is for expense of the Yelenick playground displaced by the expansion project. There is grant revenue of \$397,505 that corresponds to the playground as well as the estimated remainder (\$41,905) of the Council's \$500,000 cash pledge to the Center for the Arts Expansion project. There will be additional in-kind work to finish in 2018.

The \$116,000 Affordable Housing Contribution is for a transfer of funds from the Sales Tax Fund to the Affordable Housing Fund to allow the Affordable Housing Fund to proceed with unit builds in 2018.

TOWN OF CRESTED BUTTE					
2018 BUDGET	2016	2017	2017	2018	
SALES TAX FUND	ACTUAL	BUDGET	PROJECTED	BUDGET	
INTEREST & PENALTY	21,723	15,000	18,000	18,000	
TOWN SALES TAX-MISC	566	0		0	
TOWN SALES TAX-DIRECT	3,765,471	3,674,902	3,816,076	3,854,982	
COUNTY SALES TAXES	395,807	382,473	399,988	403,988	
CONTR. RESERVE-TRANSPORTATION		100,000	100,000		
CONTR. RESERVE-ARTS CENTER	22,164	435,931	435,931	41,905	
GRANT -- PLAYGROUND				397,505	
INTEREST INCOME	2,170	1,200	1,200	1,200	
TOTAL REVENUE	4,207,901	4,609,506	4,771,195	4,717,579	
EXPENSES					
GENERAL FUND DISTRIBUTION	2,700,000	2,832,407	2,571,241	2,973,976	
TRANSPORTATION DISTR	791,408	775,813	805,616	813,829	
GENERAL CAPTIAL DISTRIBUTION	99,967		26,005		
GENERAL CAPITAL - PARKS	416,530	408,322	424,008	428,331	
OTHER/BANK FEES	1,909	1,000	1,000	1,000	
TRANSPORTATION CHARGES	18,170	19,000	19,000	21,700 *	
BUS STOP UPGRADES	13,302	100,000	100,000		
TRANSPORTATION STUDY	5,274				
CENTER FOR THE ARTS EXPANSION	22,164	435,931	435,931	453,591	
AFFORDABLE HOUSING CONTRIBUTION				116,000	
TOTAL EXPENSES	4,068,724	4,572,474	4,382,802	4,808,427	
NET REVENUE	139,177	37,032	388,393	-90,848	
FUND BALANCE					
TRANSPORTATION	87,341	109,173	132,574	153,707	
INTEREST	423,800	425,000	415,000	307,000	
TABOR RESERVE	246,194	256,194	256,194	266,194	
CENTER FOR THE ARTS EXPANSIO	477,836	41,905	41,905	0	
* Breakdown of Transportation Charges:					
Bus Stop Utilities	\$ 2,000				
Bus Stop Maintenance	\$ 3,500				
Bus Stop Snow Removal	\$ 6,500				
Late Night Taxi Contribution	\$ 7,700				
Other Expenses	\$ 2,000				
	21,700				



## **WATER & WASTEWATER FUND 2018 BUDGET HIGHLIGHTS**

### *2017 Changes:*

The Wastewater Plant upgrade project is estimated to be 73% complete by the end of the year so a portion of the project cost will be rolled over into 2018. Water and wastewater system operations are projected to come in under budget for 2017, while Administration is estimated to come in over budget due to the purchase of McCormick Ditch water rights.

### *Revenue:*

The 2018 budget anticipates fee increases to the monthly sewer service fee, monthly water service base rate fee, water usage tiered rates and to the tap-in fees.

- The increase to the monthly sewer service fee is \$2.00 per EQR, raising the fee from \$35.50/EQR per month to \$37.50/EQR per month. This is a 5.6% increase.
- The increase to the monthly water base rate is \$0.50 per EQR, raising the fee from \$27.50 to \$28.00. This is a 1.8% increase. The base fee is for 8,000 gallons per EQR. The water usage tiered system is for usage over the 8,000 gallon/EQR allotment and is scheduled to go up by \$0.50 per tier.
- Increase to the tap-in fees (system development fees) is \$500 per EQR, with \$100 going to the Water tap-in fee (\$8,000 to \$8,100) and \$400 going to the Sewer tap-in fee (\$9,500 to \$9,900). The total for 1EQR is going from \$17,500 to \$18,000.

The segment information worksheet shows the necessity for the rate increases. With the rate increases, the operating loss for the wastewater system is \$48,139 and the water system is \$14,937. Without the rate increases, wastewater operations would show an operating loss of \$87,511 and water operations would show an operating loss of \$70,915.

The sanitation fee will increase by CPI in accordance with the contract with Waste Management.

### *Expenditures:*

- Wage increases are projected at 4% and health insurance rates increased by 5.5%
- Administration is going up due to the movement of water rights administration out of the General Fund and into the Sewer/Water Fund.
- The overall increase in the wastewater department is due to additional debt service incurred from the new \$2,500,000 low interest loan for the 2017 wastewater plant upgrades.
- The wastewater plant upgrade project will carry over into 2018. Project engineers and contractors estimate the project will be 73% by the end of 2017, leaving \$1,070,000 to complete in 2018. Additional 2018 wastewater plant capital includes SCADA systems for the lift stations, main building renovations and perimeter fencing.
- Water plant capital includes the engineering for water plant upgrades (upgrades scheduled for construction in 2019), water pipeline bank stabilization, filter skid replacement and Irwin gate valve engineering and flow recording instrumentation.

### *Decision Points:*

- Raise Sewer Service Fee – proposed increase from \$35.50 to \$37.50
- Raise Water Service base rate – proposed increase from \$27.50 to \$28.00, and each tiered rate by \$0.50
- Raise tap-in fees – proposed increase from \$17,500 to \$18,000

TOWN OF CRESTED BUTTE				
2018 BUDGET				
WATER & WASTEWATER				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
INTEREST & PENALTIES	4,391	5,000	5,000	5,000
WATER METERS	1,180	1,000	600	750
INTEREST INCOME	11,857	8,000	10,000	10,000
OTHER	725	2,000	22,000	2,000
ATAD CONTRIBUTION-MT CBW&S	75,485	58,000	63,000	63,000
SEPTIC STATION FEE	3,046	5,000	5,000	5,000
COMPOST FEES	7,865	5,000	7,500	7,500
WATER TAP FEE	108,166	120,000	120,000	121,500
SEWER TAP FEE	127,471	142,500	142,500	148,500
SEWER CHARGES	641,601	686,250	691,000	737,550
SEWER AVAILABILITY CHG	12,425	11,772	12,000	11,772
PRE-TREATMENT CHARGES	9,243	12,000	12,000	10,425
WATER CHARGES	598,517	589,650	600,000	620,368
WATER AVAILABILITY CHG	13,721	12,960	13,000	12,960
SANITATION CHARGES	251,409	255,853	255,853	260,316
GRANT REVENUE	85,500	1,000,000	292,000	358,000
DEBT PROCEEDS		2,300,000	2,300,000	200,000
TOTAL REVENUE	1,952,602	5,214,985	4,551,453	2,574,641
EXPENSES (SUMMARY):				
ADMINISTRATION	455,067	482,389	515,807	566,501
WATER	299,622	340,761	331,738	317,843
SEWER	407,146	661,779	581,259	752,721
CAPITAL	553,912	3,421,000	2,543,000	1,893,000
TOTAL EXPENSES	1,715,747	4,905,929	3,971,804	3,530,065
AVAILABLE RESOURCES:				
GENERAL	4,214,789	4,598,845	4,847,438	3,892,013
FILTER MODULE REPLACEMENT	234,000	159,000	181,000	181,000
DEBT SERVICE	160,736	160,736	160,736	160,736

TOWN OF CRESTED BUTTE				
2018 BUDGET				
WATER & WASTEWATER				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
<b>Water Sewer Administration</b>				
SALARIES & WAGES	47,786	48,594	46,275	50,538
FICA	3,679	3,693	3,540	3,841
HEALTH INSURANCE	11,813	16,754	13,015	17,560
RETIREMENT	4,823	7,249	4,673	9,013
TELEPHONE	1,406	1,400	1,500	1,500
OFFICE SUPPLIES	170	2,500	2,500	2,500
POSTAGE	3,474	4,000	3,500	4,000
WATERSHED STANDARDS	3,913	4,000	3,970	4,500
WATER LEVEL STUDIES	2,781	5,500	5,360	5,500
DAMAGE LIABILITY	8,300	2,500	2,500	2,500
WATER RIGHTS ADMINISTRATION			50,000	67,500
LEGAL SERVICES	0	1,500	1,000	1,500
AUDITING	3,700	4,000	3,705	4,000
MANAGEMENT FEES	65,000	65,000	65,000	65,000
COAL CREEK STUDY	0	5,000	0	2,500
TRAVEL AND EDUCATION	677	1,500	1,000	1,500
INSURANCE	31,702	33,000	34,249	42,811
UNEMPLOYMENT INSURANCE	215	146	146	152
WORKERS COMP INSURANCE	922	1,116	922	1,116
DUES AND SUBSCRIPTIONS	838	900	914	950
REPAIR & MAINT VEHICLES	0	250	100	150
UNIFORM ALLOWANCE	203	250	250	250
MEDICAL	110	200	150	200
GAS & OIL	228	1,000	400	500
MECHANIC/GIS SVCS	18,000	18,000	18,000	18,000
SANITATION CONTRACT PYMT	244,713	252,138	252,138	256,721
OTHER EXPENSES	614	2,200	1,000	2,200
TOTAL EXPENSES	455,067	482,389	515,807	566,501

TOWN OF CRESTED BUTTE				
2018 BUDGET				
WATER & WASTEWATER				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
<b>Water</b>				
SALARIES & WAGES	138,668	147,345	147,345	135,675
OVERTIME	175	1,000	500	1,000
FICA	10,496	11,348	11,310	10,456
HEALTH INSURANCE	32,172	37,058	37,058	33,238
RETIREMENT	11,149	11,388	9,000	8,841
TELEPHONE	2,252	2,500	2,500	2,500
UTILITIES-FILTER PLANT	23,128	30,371	25,000	25,000
OPERATING SUPPLIES-WATER	19,396	25,000	25,000	25,000
STATE DRINKING H2O PERMIT	607	500	465	500
ADVERTISING AND LEGAL	1,106	1,500	1,500	1,500
TRAVEL AND EDUCATION	540	2,500	1,500	3,000
UNEMPLOYMENT INSURANCE	326	445	445	410
WORKERS COMP INSURANCE	3,820	4,290	4,100	4,510
INTEREST EXPENSE-WATER	6,789	6,489	6,489	6,121
SOFTWARE LICENSE/MAINT	300	1,500	1,000	1,000
LAB TEST FEES - WATER	2,539	3,500	4,000	5,000
REPAIR & MAINT - DISTRIBUTION	10,630	5,000	16,000	12,000
REPAIR & MAINT - WATER	10,443	20,000	10,000	12,000
METERS & HYDRANTS	0	500	500	500
TRASH PICKUP	107	250	250	1,450
UNIFORM ALLOWANCE	550	625	625	625
MEDICAL	166	350	350	350
EQUIPMENT & TOOLS	1,100	1,500	1,500	1,500
SAFETY EQUIPMENT	759	500	500	500
GAS & OIL	2,489	4,000	3,000	3,000
R&M VEHICLE	1,515	2,500	3,000	3,000
TIRES	460	500	500	500
BOND PRINCIPAL - WATER	17,940	18,301	18,301	18,668
TOTAL EXPENSES	299,622	340,761	331,738	317,843

TOWN OF CRESTED BUTTE				
2018 BUDGET	2016	2017	2017	2018
WATER & WASTEWATER	ACTUAL	BUDGET	PROJECTED	BUDGET
<b>Sewer</b>				
SALARIES & WAGES	117,659	164,085	164,085	171,109
OVERTIME	1,130	2,000	2,000	2,000
FICA	8,840	12,706	12,706	13,243
HEALTH INSURANCE	24,885	38,666	38,666	34,036
RETIREMENT	6,977	8,064	8,064	9,728
TELEPHONE	2,533	2,800	3,200	3,200
UTILITIES-LIFT STATIONS	2,988	3,200	3,400	3,650
UTILITIES- WWT PLANT	49,152	55,000	55,000	57,000
UTILITIES-ATAD SOLIDS HANDLING	29,247	34,000	31,700	38,750
OPERATING SUPPLIES-WW PLANT	3,638	5,000	4,500	5,000
OPERATING SUPPLIES-ATAD	14,496	17,500	17,500	17,500
ATAD-SOLIDS HANDLING	20,468	26,000	16,000	26,000
STATE DISCHARGE PERMIT	3,795	4,000	3,800	4,000
ENGINEERING AND SURVEYS	0	2,000	2,000	2,000
ADVERTISING AND LEGAL	337	1,000	1,100	1,100
TRAVEL AND EDUCATION	3,907	2,500	3,500	3,500
UNEMPLOYMENT INSURANCE	283	498	498	519
WORKERS COMP INSURANCE	3,864	4,120	4,120	4,244
INTEREST EXPENSE - SEWER	23,753	33,228	25,895	63,816
SOFTWARE LICENSE/MAINT	0	3,000	3,000	3,500
LAB TEST FEES - WW PLANT	6,235	7,500	6,500	7,500
LAB TEST FEES - ATAD	1,042	1,500	1,000	1,500
COMPOSTING	31,126	34,000	34,000	34,000
GREASE HANDLING	4,630	12,000	7,000	10,000
REPAIR & MAINT - COLLECTIONS	12,450	10,000	10,000	11,000
REPAIR & MAINT - ATAD	441	7,000	6,000	7,000
REPAIR & MAINT - WW PLANT	21,065	16,000	16,000	16,000
TRASH PICKUP	1,276	1,600	1,800	1,850
UNIFORM ALLOWANCE	699	875	875	875
MEDICAL	650	600	800	800
EQUIPMENT & TOOLS	1,721	3,500	3,000	3,500
EQUIPMENT-ATAD	1,632	4,000	3,750	4,000
SAFETY EQUIPMENT	2,158	2,500	2,500	2,500
GAS & OIL	2,672	4,000	3,200	4,000
R&M VEHICLE	5,787	9,000	4,500	7,500
TIRES	623	750	650	750
BOND PRINCIPAL - SEWER	(5,013)	127,587	78,950	176,051
<b>TOTAL EXPENSES</b>	<b>407,146</b>	<b>661,779</b>	<b>581,259</b>	<b>752,721</b>

TOWN OF CRESTED BUTTE				
2018 BUDGET				
WATER & WASTEWATER				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
<b>CAPITAL</b>				
CAPITAL EQUIPMENT		40,000	37,000	225,000
ATAD/SOLIDS HANDLING CAPITAL	49,062	17,500	17,500	170,000
WASTEWATER PLANT CAPITAL	444,398	3,328,500	2,453,500	1,223,000
WATERLINE REPLACEMENT				
SEWER MAIN REPLACEMENT	7,500			
WATER PLANT CAPITAL	52,952	35,000	35,000	275,000
TOTAL CAPITAL EXPENSES	553,912	3,421,000	2,543,000	1,893,000
<b>2018 CAPITAL BREAKDOWN</b>				
Capital Equipment:				
Loader	225,000			
Total Capital Equipment		225,000		
Water Plant:				
Water Plant Expansion - Engineering	100,000			
Water Filter Skid Replacement	55,000			
Water Line Bank Stabilization	100,000			
Irwin Gate Valve Recorder/Engineering	20,000			
Total Water		275,000		
Wastewater Plant:				
Main Building Renovations	20,000			
SCADA - Lift Stations	75,000			
WWTP Upgrade - Construction	1,070,000			
Man Hole Rehab	8,000			
Perimeter Fence	50,000			
Subtotal:		1,223,000		
ATAD - Solids Handling				
Solids Handling - Tanks A & B	120,000			
Backup Centrifuge Installation	50,000			
Subtotal:		170,000		
Total Wastewater		1,393,000		

TOWN OF CRESTED BUTTE				
2018 BUDGET				
WATER & WASTEWATER SEGMENT INFORMATION				
	WATER	WASTE- WATER	TRASH	TOTAL
Operating Revenues	637,578	838,747	260,316	1,736,641
Operating Expenses	512,733	627,744	256,721	1,397,198
Depreciation Expense	139,782	259,142		398,924
Total Operating Expenses	652,515	886,886	256,721	1,796,122
Net Operating Income(loss)	-14,937	-48,139	3,595	-59,482
Non-Operating income(expenses)				
Interest income	5,000	5,000		10,000
Interest expense	-6,121	-63,816		-69,937
Sale of Equipment				0
Total non-operating income(expense)	-1,121	-58,816		-59,937
Income(loss)before capital contrib.	-16,058	-106,955	3,595	-119,419
Capital Contribution tap fees	121,500	148,500		270,000
Debt Service Principal	18,668	176,051		194,719
Capital Outlay	387,500	435,500		823,000

10 Year Capital Plan	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Capital Equipment:</b>											
Vehicle - Water				30,000					30,000		
Vehicle - Wastewater	40,000		28,000								
Loader		225,000									
Skid Steer			65,000								
Jet Truck										300,000	
<b>Equipment Total</b>	<b>40,000</b>	<b>225,000</b>	<b>93,000</b>	<b>30,000</b>	-	-	-	-	<b>30,000</b>	<b>300,000</b>	-
<b>Wastewater Plant Capital:</b>											
Clarifier #1 rebuild											
Clarifier #1 rebuild (Engineering)											
Main building renovations		20,000									
SCADA - lift stations		75,000									
SCADA CPU Upgrade											
Clarifier #1 roof repair				25,000							
Man Hole Rehab	8,000	8,000									
UV Upgrade											
RAS pump rebuild				15,000							
Lab upgrades											
WWTP upgrades engineering											
WWTP upgrades construction	3,306,000										
Clarifier #1 engineering							200,000				
Replace Clarifier #1								2,000,000			
Teocalli Lift Station Rehab											
Belleview Lift Station Rehab							75,000				
HVAC-diamond plate in headworks				100,000							
Office-Lab Facility Upgrades					150,000						
RAS-WAS Pump Replacement							75,000				
Sewer Main Rehab						100,000					
Perimeter Fence		50,000									
Surge Suppression System at CSLS	7,500										
RAS VFD Replacement	7,000										
<b>ATAD Capital:*</b>											
Vehicle Storage Building											
Solids handling modification engineering	10,000										
Solids handling modification construction (A & B tanks)		120,000									
Centrifuge Rebuild			7,500								
Backup Centrifuge											
Backup Centrifuge Installation		50,000									
Replace Polymere station						50,000					
Odor control modifications							200,000				

10 Year Capital Plan	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Biofilter replacement	7,500										
New compost building			300,000								
Solids Treatment Upgrade											300,000
Conveyor Rehab						50,000					
STP 1,2,3 Pump Replacement										20,000	20,000
<b>Wastewater total</b>	<b>3,346,000</b>	<b>323,000</b>	<b>307,500</b>	<b>140,000</b>	<b>150,000</b>	<b>200,000</b>	<b>275,000</b>	<b>275,000</b>	<b>2,000,000</b>	<b>20,000</b>	<b>320,000</b>
<b>Water System Capital:</b>											
Upgrade Chlorination System	20,000										
Flow meter replacement			15,000			15,000			15,000		
UV System replacement						200,000					
Skid filter replacement		75,000		75,000						75,000	
Upgrade Lab equipment						10,000					10,000
Distribution valves/hydrants			25,000	25,000		25,000	25,000		25,000	25,000	
Water main replacement				150,000				150,000			
Water Plant CPE	15,000										
Water System Chemical Treatment - Engineering					15,000						
Engineering Water Plant Expansion		100,000									
Construction Water Plant Expansion			1,200,000								
Water Line Bank Stabilization		100,000									
Irwin Gate Valve Engineering		15,000									
<b>Water Total</b>	<b>35,000</b>	<b>290,000</b>	<b>1,240,000</b>	<b>250,000</b>	<b>15,000</b>	<b>250,000</b>	<b>25,000</b>	<b>150,000</b>	<b>40,000</b>	<b>100,000</b>	<b>10,000</b>
<b>Total capital requests</b>	<b>3,421,000</b>	<b>838,000</b>	<b>1,640,500</b>	<b>420,000</b>	<b>165,000</b>	<b>450,000</b>	<b>300,000</b>	<b>425,000</b>	<b>2,070,000</b>	<b>420,000</b>	<b>330,000</b>

\*Represents 1/2 of the actual cost as the amount is split with Mt. C

TOWN OF CRESTED BUTTE																		
SEWER & WATER PROJECTED REVENUE & EXPENSES																		
OPERATING EXPENSES INCREASE 3.5%																		
	SERVICE	AVAILABLE	TAP	NEW	EQR'S	AVAILABLE	S&W	AVAILABLE	TAP FEE	TOTAL	OPERATING	CAPITAL	DEBT	DEBT	OTHER	NET \$	TOTAL	
	FEES	FEES	FFES	EQR'S	TOTAL	CUSTOMERS	SERVICES	SERVICES	INCOME	INCOME	EXPENSES	EXPENSES	PROCEEDS	SERVICE	INCOME	AVAILABLE	INTEREST	AVAILABLE
2012	58.00	16.00	17,000	7	1511	127	1,129,961	26,056	140,142	1,296,159	1,030,794	743,897	400,000	275,568	78,656	-275,444	3,866	2,543,964
2013	58.00	16.00	17,000	15	1526	125	1,130,501	25,176	257,610	1,413,287	776,317	82,032		301,982	75,167	328,123	3,091	2,880,984
2014	59.00	16.00	17,000	13	1539	122	1,147,520	24,500	255,000	1,427,020	853,283	130,225		305,056	84,000	222,456	2,800	3,214,473
2015	60.00	16.00	17,500	22	1561	119	1,186,049	24,400	1,038,035	2,248,484	861,670	177,833		304,652	86,156	990,485	3,667	4,214,789
2016	61.00	18.00	17,500	40	1601	117	1,230,400	26,198	182,000	1,438,598	939,508	530,500		312,632	76,600	-267,442	8,000	4,188,601
2017	63.00	18.00	17,500	15	1628	102	1,303,000	25,000	262,500	1,590,500	1,044,031	2,520,500	2,300,000	129,635	676,000	872,334	10,000	5,074,651
2018	65.50	18.00	18,000	15	1643	87	1,349,608	22,032	270,000	1,641,640	1,110,610	1,893,000		270,484	125,588	-1,506,866	10,000	3,577,785
2019	67.00	19.00	18,500	12	1655	75	1,390,972	19,836	222,000	1,632,808	1,149,481	1,240,000	500,000	285,734	556,344	13,937	8,000	3,599,722
2020	69.00	19.00	18,500	12	1667	63	1,440,340	17,100	222,000	1,679,440	1,189,713	420,000		300,984	77,108	-154,149	7,000	3,452,573
2021	71.00	20.00	19,000	10	1677	53	1,490,284	15,120	190,000	1,695,404	1,231,353	165,000		300,984	77,879	75,946	6,000	3,534,519
2022	73.00	20.00	19,000	10	1687	43	1,539,052	12,720	190,000	1,741,772	1,274,451	450,000		300,984	78,658	-205,005	4,000	3,333,514
2023	75.00	21.00	19,500	10	1697	33	1,588,300	10,836	195,000	1,794,136	1,319,056	300,000		300,984	79,444	-46,460	4,000	3,291,053
2024	77.00	21.00	19,500	10	1707	23	1,638,028	8,316	195,000	1,841,344	1,365,223	425,000		300,984	80,239	-169,625	2,000	3,123,429
2025	79.00	22.00	20,000	10	1707	23	1,688,236	6,072	200,000	1,894,308	1,413,006	2,070,000	1,500,000	368,984	81,041	-376,641	2,000	2,748,788
2026	81.00	22.00	20,000	10	1717	13	1,729,204	6,072	200,000	1,935,276	1,462,461	420,000		396,984	81,851	-262,318	2,000	2,488,470
2027	83.00	22.00	20,500	7	1724	6	1,780,132	3,432	143,500	1,927,064	1,513,647	200,000		396,984	82,670	-100,898	2,000	2,389,572

## GENERAL FUND 2018 BUDGET HIGHLIGHTS

The General Fund is the main operating fund for the Town of Crested Butte. The main sources of revenue are sales tax, use tax, permits & licenses, fees for services and recreation program revenue. Departments of the General Fund include general government, court, council, elections, legal, clerk, manager, finance, marshals, planning, town shop, public works, building, facility maintenance and recreation. Expenditures include personnel, utilities, property and liability insurance, community grants, office expenses, tools and equipment, vehicle fuel and maintenance, and program expenses.

### 2017 Changes:

- General Government – increased towing expense due to heavy winter snow plowing
- Council – increase for CBMBA backcountry conservation corps expenditure
- Court – (decrease) reduction in outside attorney for a court case/trial; cost reimbursed by defendant
- Legal – (decrease) Mt. Emmons special project lower than anticipated, change in attorneys
- Public Works (decrease) – more wages charged to projects than anticipated in budget
- Recreation (decrease) – gymnastics program expenses lower than budgeted as the program was not run for the full year due to lack of instructors, no intern hired, winter zamboni drivers not fully staffed, employee turnover

### 2018 Highlights:

#### REVENUE:

- Sales Tax revenue accounts for the majority (72%) of the General Fund revenues not including reserve contribution. The maximum amount of sales tax collections that may be distributed to the General Fund is 75% of the 4% tax. The 2018 budget anticipates needing the full 75%.
- Building revenues are expected to be similar to 2017 collections.
- Property tax revenue must follow TABOR rules and is estimated to have a very small increase in revenue due to the local growth calculation. The overall mill levy is projected to decrease from a net of 2.740 mills to 2.537 mills due to the increase in assessed valuation.
- Recreation program revenue is projected to be up from 2017 actual program revenue anticipating full programs.
- Contribution from reserve is similar to 2017 projected. Items identified as eligible to come from the reserve are: community grants, energy action plan update, legal fees for Mt. Emmons and Cypress annexation, new phone system and new Council table & chairs.

#### EXPENDITURES:

- Personnel wage increases are budgeted at 4%. Health insurance rates increased 5.5%.
- There are 2 staffing position changes being requested in 2018.
  - Planning Dept. – Increasing the hours of the part-time GIS position from 20 per week to 24 per week; increase may be tied to the additional mapping work on vacation rental licensing and offset with the license fees.
  - Public Works additional full-time employee. Expense of this employee is split 50/50 with the Street Fund.
  - An 8<sup>th</sup> officer for the Marshal's department was requested but is not being brought forward in this budget.

- Departments with significant decrease in expenditures from 2017:
  - Elections – off year, no election projected
  - Legal – water right expenses moved from General Fund to Sewer & Water Fund
  - Manager – Residence lease/purchase final payment in 2017
- Departments with greater than 5% increase from 2017 budget:
  - General Government – new phone system, property/liability insurance increase
  - Council – New table & chairs, strategic planning
  - Planning – Annexation review & sled hill planning, new plotter/scanner, wage increase to move ½ of dept. director from Building dept. to Planning dept.
  - Facilities Maintenance – additional employee hired in late 2017 in budget for full year
  - Public Works – ½ of additional employee
  - Building – Addition of Vacation Rental Inspector position and related expenses, Energy Action Plan update
  - Recreation – Warming house fundraising, hire soccer head coach,
- Other items:
  - Utilities generally have a 10% increase
  - Property and liability insurance increased by 25%
  - Market survey was completed for all jobs and pay ranges adjusted accordingly, 3 positions needed greater than 4% increase in order to bring them to the range minimum

Decision Points:

- Personnel changes/additional employee
- 4% wage increase

GENERAL FUND SUMMARY					Variance	% Change
	2016	2017	2017	2018	Budget 17	17 Budget
	ACTUAL	BUDGET	PROJECTED	BUDGET	to Budget 18	18 Budget
REVENUES	3,752,145	3,834,986	3,859,964	4,167,622	332,635	8.7%
CONTRIBUTION FROM RESERVE		414,410	252,328	242,000		
TOTAL REVENUES	3,752,145	4,249,396	4,112,292	4,409,622	160,225	3.8%
DEPARTMENT EXPENSES:						
GENERAL GOVERNMENT	314,565	395,949	403,981	436,392	(40,443)	10.2%
COURT	8,706	15,392	9,013	7,360	8,032	-52.2%
COUNCIL	65,502	74,028	77,951	112,665	(38,638)	52.2%
ELECTIONS	6,164	11,600	11,600	0	11,600	-100.0%
LEGAL	381,727	442,100	395,750	264,100	178,000	-40.3%
CLERK	157,170	191,893	190,940	189,624	2,269	-1.2%
MANAGER	230,878	216,841	211,733	173,645	43,196	-19.9%
FINANCE/HR	341,083	397,726	384,540	407,273	(9,547)	2.4%
MARSHALS	832,747	866,352	868,775	900,437	(34,085)	3.9%
PLANNING/GIS	150,664	226,282	220,182	306,993	(80,711)	35.7%
FACILITIES MAINTENANCE	120,630	156,931	152,705	211,112	(54,181)	34.5%
TOWN SHOP	187,019	220,136	217,986	228,491	(8,355)	3.8%
PUBLIC WORKS	209,800	263,472	246,371	280,393	(16,921)	6.4%
BUILDING	386,150	424,378	402,342	521,045	(96,666)	22.8%
RECREATION	283,990	338,884	291,023	364,370	(25,486)	7.5%
TOTAL EXPENSES	3,676,795	4,241,965	4,084,892	4,403,901	(161,936)	3.8%
REVENUE OVER(UNDER) EXPENSES	75,350	7,431	27,400	5,721		
FUND BALANCE	3,883,488	3,476,509	3,658,560	3,422,281		
2017 Reserve Contribution: \$100,000 for Community Grants; \$280,000 legal projects (Cypress/Mt Emmons/Water cases);						
\$34,410 Broadband MOU						
2018 Reserve contribution -- \$104,000 Community Grants, \$33,000 phone system, \$15,000 Energy Action Plan update,						
\$50,000 Mt Emmons legal, \$20,000 Cypress legal, \$20,000 Council desk & chairs						

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-REVENUES				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
PROPERTY TAX	228,831	237,279	237,279	244,046
SPECIFIC OWNERSHIP TAX	53,287	45,000	50,000	50,000
SALES TAX	2,735,498	2,847,407	2,847,407	2,988,976
CIGARETTE TAX	10,797	8,000	8,000	8,000
USE TAX - GENERAL CAPITAL	118,672	110,000	110,000	110,000
CNTY SALES/MINERAL LEASE	27,406	20,000	20,000	20,000
TELEPHONE TAX	4,058	4,000	5,000	5,000
GAS FRANCHISE TAX	24,499	30,000	26,000	30,000
INTEREST & PENALTIES	858	600	600	600
CATV LEASE	10,501	10,000	10,000	10,000
LIQUOR LICENSES	7,956	8,000	8,000	8,000
BUSINESS LICENSES	28,973	25,000	25,000	25,000
VACATION RENTAL LICENSES				165,000
DOG LICENSES	744	750	550	750
BUILDING PERMITS	65,791	65,000	65,000	65,000
PLAN REVIEW-BLDG	23,491	24,000	20,000	24,000
SPECIAL REVIEW/INSPECTION-BLDG	0	6,000	0	6,000
ENERGY MITIGATION FEE	(5,510)	0	264	0
SIGN PERMITS	646	600	650	600
CERTIFICATE OF ASSESSMENT	305	200	200	200
MISC BUILDING FEES	21,429	3,500	3,500	3,500
BOZAR FEES	16,875	16,000	16,000	16,000
SIDEWALK CAFÉ LICENSE	2,790	2,800	3,100	3,100
MISC LICENSE FEES	1,800	2,500	2,500	2,500
LICENSE PLATE FEES	6,757	6,000	6,000	6,000
OCCUPATION TAX	50,772	48,000	54,000	54,000
DEPT OF JUSTICE GRANT		7,000	17,768	
CREATIVE DISTRICT GRANT	5,000	30,000	30,000	30,000
MGMT FEES SEWER AND WATER	65,000	65,000	65,000	65,000
MECHANIC/GIS-SW	18,000	18,000	18,000	18,000
COUNTY COURT - FINES	3,255	2,000	2,000	2,000
TICKET SURCHARGE	894	1,000	1,000	1,000

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-REVENUES				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
FINES - GENERAL	25,980	25,000	25,000	25,000
COURT COSTS	2,580	1,300	3,000	1,300
DOG TICKETS	420	750	750	750
TOWING FEES	37,095	22,000	40,000	27,000
VIN INSPECTIONS/FINGERPRINTS	677	1,000	1,000	1,000
INTEREST INCOME	3,895	3,000	3,500	5,000
RENT- TOWN BLDGS	39,243	40,000	40,000	40,000
SPECIAL EVENTS FEES	7,025	6,000	6,000	6,000
COPIES/RESEARCH FEES	685	300	300	300
GYMNASTICS	13,650	12,500	2,800	12,500
TUMBLE BUG	408	600	600	600
SOCCER FEES	5,240	6,000	6,000	6,000
BASKETBALL FEES	2,350	1,200	3,000	3,000
SKATEPARK FEES				1,000
ICE SKATING LESSONS		1,000	1,228	1,200
TENNIS TOURNAMENT		1,000	0	0
TENNIS LESSONS	8,515	10,000	15,000	15,000
SOFTBALL FEES-ADULT	12,531	12,000	12,000	12,000
DODGEBALL	0	500	0	0
VOLLEYBALL FEE	433	1,000	1,000	1,000
BASEBALL FEES	7,200	8,000	4,928	5,000
FLAG FOOTBALL	1,191	1,200	800	1,200
CHEER CAMP	495	0		0
PARK FEES	42,796	34,000	37,240	37,500
OTHER REVENUE	10,361	3,000	3,000	3,000
CONTR. FROM RESERVE		414,410	252,328	
Total Revenue	3,752,145	4,249,396	4,112,292	4,167,622

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-GENERAL GOVERNMENT				
	2016	2017	2017	2017
	ACTUAL	BUDGET	PROJECTED	BUDGET
TELEPHONE	6,077	6,250	6,250	6,250
TELEPHONE-DEPOT	1,314	1,380	1,380	1,380
UTILITIES - 308 OFFICES	4,146	5,445	5,445	5,990
UTILITIES - OTH/JAIL	67	100	100	100
UTILITIES-TOWN HALL	10,030	14,036	14,036	15,440
UTILITIES-DEPOT	6,199	10,000	8,000	10,000
UTILITIES-OTHER	1,824	2,420	2,420	2,662
OFFICE SUPPLIES	4,657	8,500	7,500	7,500
POSTAGE	6,052	6,000	4,000	6,000
COPIER LEASE/MAINTENANCE	7,080	8,000	8,200	9,000
AUDITING	4,900	5,500	5,000	5,500
RECORDING - COUNTY	133	500	500	500
INSURANCE AND BONDS	23,337	26,400	24,000	30,000
INSURANCE LIABILITY	2,000	4,000	4,000	4,000
DUES AND SUBSRIPTIONS	8,739	15,000	12,000	12,000
SPECIAL EVENTS	860	3,000	3,000	3,000
TRASH PICKUP	6,678	7,000	7,000	7,000
REPAIR & MAINT - MACHINES	0	3,000	3,000	3,000
POSTAGE METER RENTAL	621	750	750	750
TOWING EXPENSE	38,170	24,000	43,000	35,000
FUEL	0	300	0	0
R&M VEHICLE	0	750	0	0
TOWN CLEANUP	2,994	3,500	2,500	3,500
ELECTRONIC RECYCLING		4,000	4,000	4,000
OTHER EXPENSES	12,041	12,000	14,000	12,000
COMMUNITY GRANTS	82,950	100,000	100,000	104,000
ENERGY CONSERVATION	0	2,000	2,000	2,000
TREASURER FEES	4,740	7,118	6,900	7,321
OCCUPATIONAL TAX - CHAMBER	47,495	50,000	50,000	50,000
COMPUTER/IT - MAINTENANCE & CAPITAL	30,071	35,000	35,000	68,000
EMPLOYEE RETIRE/TRANSITION CONTINGENCY	1,390	30,000	30,000	20,000
SAFETY AWARD PROGRAM				500
TOTAL EXPENSES	314,565	395,949	403,981	436,392

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-COURT				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
WAGES	5,600	6,500	6,500	6,795
FICA	428	497	497	520
CONTRACT LABOR	2,653	350	1,494	0
TRIAL COSTS	0	8,000	477	0
UNEMPLOYMENT INSURANCE	14	20	20	20
WORK COMP INSURANCE	11	25	25	25
TOTAL EXPENSES	8,706	15,392	9,013	7,360

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-COUNCIL				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
FICA	3,007	2,938	3,098	3,557
TELEPHONE	1,464	2,100	2,100	2,100
OFFICE SUPPLIES	1,819	4,200	4,200	24,200
COUNCIL COMPENSATION	37,847	38,400	38,400	44,400
DISCRETIONARY FUND	2,932	7,500	14,552	7,500
COAL CREEK WATERSHED COALITION	12,658	8,000	8,000	0
STRATEGIC PLAN				20,000
TRAVEL AND EDUCATION	5,642	10,500	7,500	10,500
UNEMPLOYMENT INSURANCE	89	115	57	133
WORK COMP INSURANCE	44	275	44	275
TOTAL EXPENSES	65,502	74,028	77,951	112,665
Office Supplies iPads/council table & chairs				

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-ELECTIONS				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
PROFESSIONAL SERVICES	6,164	11,000	11,000	
OFFICE SUPPLIES		500	500	
ADVERTISING AND LEGAL		100	100	
TOTAL EXPENSES	6,164	11,600	11,600	0

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-LEGAL				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
OFFICE SUPPLIES	2,797	2,000	750	2,000
LEGAL FEES - Town Attorney	143,218	150,000	170,000	192,000
LEGAL FILING FEES	0	100	0	100
MT. EMMONS-SPECIAL PROJECT	150,763	150,000	75,000	50,000
CYPRESS FOOTHILLS PROJECT	27,945	20,000	40,000	20,000
WATER ATTORNEY	27,102	70,000	70,000	
ENGINEERING-WATER CASES	13,026	40,000	40,000	
LEGAL FEES-THIRD PARTY BILLOUT	4,847			
CONSULTING	12,029	10,000	10,000	10,000
TOTAL EXPENSES	381,727	442,100	395,750	264,100

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-CLERK				
	2016	2017	2017	2018
	ACTUALS	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	101,360	108,164	108,164	112,411
OVERTIME	245	500	700	900
FICA	7,601	8,313	8,328	8,668
HEALTH INSURANCE	27,750	27,079	27,079	28,377
RETIREMENT	6,657	7,015	7,015	7,576
TELEPHONE	300	300	300	300
OFFICE SUPPLIES	1,024	2,000	2,000	2,500
SOFTWARE/WEBSITE MAINTENANCE	1,092	3,000	2,000	4,500
ADVERTISING AND LEGAL	1,681	2,500	2,250	2,500
TRAVEL AND EDUCATION	2,658	5,500	5,500	5,500
UNEMPLOYMENT INSURANCE	233	324	324	337
WORK COMP INSURANCE	156	417	250	275
DUES AND SUBSCRIPTIONS	370	780	780	780
OTHER EXPENSES/CODIFICATION	965	4,500	4,750	5,000
MASTER RECORDS PROJECT	5,078	21,500	21,500	10,000
TOTAL EXPENSES	157,170	191,893	190,940	189,624

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-MANAGER				
	2016	2017	2017	2018
	ACTUALS	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	132,224	110,000	110,000	114,400
FICA	11,118	9,333	9,333	9,670
HEALTH INSURANCE	13,590	17,205	17,205	18,035
RETIREMENT	1,410	6,600	1,650	6,864
TELEPHONE	646	1,500	1,500	1,500
OFFICE SUPPLIES	878	500	500	500
TRAVEL AND EDUCATION	3,585	6,500	3,500	5,000
RECRUITING/INTERIM EXP	42,165			
UNEMPLOYMENT INSURANCE	317	330	330	343
WORK COMP INSURANCE	167	266	266	293
DUES AND SUBSCRIPTIONS	2,491	2,000	2,000	2,000
GAS AND OIL	467	2,500	2,000	2,500
R&M VEHICLE	55	1,500	500	1,500
TIRES	468			
LEASE-PRINCIPAL	17,919	17,919	13,982	
LEASE-INTEREST	1,278	1,278	357	
EMPLOYEE RECOGNITION PROGRAM	2,100	5,000	5,000	5,000
VALLEY WIDE ECONOMIC PLANNING			9,200	6,040
BROADBAND-REGION 10 MOU	0	34,410	34,410	
TOTAL EXPENSES	230,878	216,841	211,733	173,645

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-FINANCE/HR				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	206,867	248,624	248,624	249,037
FICA	15,772	19,020	19,020	19,051
HEALTH INSURANCE	54,642	66,616	63,000	56,946
RETIREMENT	23,010	22,961	20,000	23,856
TELEPHONE	306	300	300	300
OFFICE SUPPLIES	2,115	1,750	2,000	1,750
SOFTWARE MAINT/SUBSCRIPTION	20,966	30,000	23,000	27,600
TRAVEL AND EDUCATION	466	1,300	1,500	2,600
UNEMPLOYMENT INSURANCE	492	746	746	747
WORK COMP INSURANCE	356	409	350	385
DUES AND SUBSCRIPTIONS	286	6,000	6,000	6,000
SOFTWARE	15,805			9,000
TOWN STAFF LEADERSHIP TRAINING				10,000
	341,083	397,726	384,540	407,273

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-MARSHALS				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	502,098	488,651	488,651	513,804
OVERTIME	7,785	13,000	13,000	13,000
FICA	38,736	38,376	38,376	40,300
HEALTH INSURANCE	96,425	128,802	120,000	126,273
RETIREMENT	41,427	38,727	38,727	42,567
TELEPHONE	5,236	5,200	5,200	5,350
UTILITIES	5,640	6,000	6,000	6,200
OFFICE SUPPLIES	2,159	2,500	2,500	2,500
OPERATING SUPPLIES	10,220	3,500	3,500	3,500
SOFTWARE MAINTENANCE	3,429	5,697	5,697	5,697
ADVERTISING AND LEGAL	145	300	300	300
TRAVEL AND EDUCATION	16,961	5,000	6,000	5,000
UNEMPLOYMENT INSURANCE	1,139	1,505	1,505	1,580
WORK COMP INSURANCE	14,939	19,504	19,504	21,454
DUES AND SUBSCRIPTIONS	604	1,500	1,800	1,500
REPAIR & MAINT - MACHINES	560	1,000	1,000	1,100
UNIFORM EXPENSE	5,211	6,300	6,300	6,300
MEDICAL EXPENSE	419	300	300	300
EQUIPMENT	10,773	20,000	20,000	18,000
DOJ GRANT EXPENSE	1,046	7,000	21,926	0
GAS AND OIL	9,760	15,000	10,000	15,500
R&M VEHICLES	5,232	5,000	5,000	5,200
TIRES	1,955	1,600	1,600	2,400
DISPATCH FEES	44,461	45,189	45,189	56,030
COUNTY JAIL/LANGUAGE LINE	23	200	200	200
VICTIMS ASSISTANCE PROGRAM	6,364	6,500	6,500	6,381
TOTAL EXPENSES	832,747	866,352	868,775	900,437

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-PLANNING/GIS				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	102,306	122,648	122,648	170,139
FICA	8,465	9,383	9,383	13,811
HEALTH INSURANCE	8,273	18,595	18,595	19,526
RETIREMENT	7,694	7,819	7,819	8,067
TELEPHONE	820	1,200	1,200	1,200
OFFICE SUPPLIES	464	5,500	5,500	5,500
Software Subscriptions	400	1,000	700	1,600
R&M MACHINES	160	500	350	400
TRAVEL AND EDUCATION	1,787	3,000	3,800	3,500
UNEMPLOYMENT INSURANCE	247	368	368	510
WORK COMP INSURANCE	167	269	200	240
DUES AND SUBSCRIPTIONS	338	500	369	400
TRAIL TOOLS & SIGNAGE	1,000	-		-
SPECIAL PROJECTS	0	2,000	1,800	3,000
GIS/GPS STATION		1,000	600	-
CREATIVE DISTRICT	15,489	43,000	35,500	32,200
CREATIVE DIST. WAGES	3,054	9,500	9,500	10,400
T&E CREATIVE DISTRICT		2,000	1,850	1,500
ANNEXATION REVIEW/SLEDHILL PLANNING				25,000
EQUIPMENT				10,000
TOTAL EXPENSES	150,664	226,282	220,182	306,993

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-FACILITIES				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
WAGES	84,224	97,888	97,888	131,861
OVERTIME	1,579	1,200	3,000	3,000
FICA	6,587	7,580	7,718	10,317
HEALTH INSURANCE	12,786	21,572	18,000	29,108
RETIREMENT	2,152	3,919	3,919	5,380
TELEPHONE	300	300	300	330
OFFICE SUPPLIES	223	5,600	300	6,800
CUSTODIAL SUPPLIES:	3,325		3,476	
Cleaning Supplies	1,769	6,000	6,250	8,000
Paper Products	1,227	3,000	2,000	4,000
TRASH PICKUP	107	180	160	180
TRAVEL & EDUCATION	35	500	250	500
UNEMPLOYMENT INSURANCE	208	294	294	396
WORK COMP INSURANCE	3,824	4,398	3,700	4,440
MEDICAL			150	300
TOOLS & EQUIPMENT	586	1,000	1,500	2,750
UNIFORM ALLOWANCE:	85	500	750	750
SAFETY EQUIPMENT	0	500	350	500
FUEL & OIL	1,456	1,500	1,200	1,500
R&M VEHICLE	157	1,000	1,500	1,000
TIRES				
TOTAL EXPENSES				
	120,630	156,931	152,705	211,112

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-DYER SHOP				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	104,000	118,700	118,700	123,408
OVERTIME	0	500	500	500
FICA	7,797	9,119	9,119	9,479
HEALTH INSURANCE	39,604	43,228	43,228	45,344
RETIREMENT	10,275	11,770	11,770	12,241
TELEPHONE	920	1,200	1,100	1,200
UTILITIES	6,437	8,500	5,000	8,500
SUPPLIES	4,873	4,700	4,700	4,840
SHOP TOWELS	1,061	1,250	1,150	1,250
SOFTWARE LICENSE/MAINTENANCE		1,500	1,500	1,500
TRASH PICKUP	617	2,000	650	2,000
TRAVEL & EDUCATION	468	2,000	5,000	2,000
UNEMPLOYMENT INSURANCE	261	356	356	370
WORK COMP INSURANCE	2,838	3,264	3,263	3,589
MEDICAL	0	300	300	300
TOOLS & EQUIPMENT	3,110	3,500	3,500	3,500
UNIFORM ALLOWANCE	500	500	500	500
SAFETY EQUIPMENT	301	750	650	770
OIL & FLUIDS	3,957	7,000	7,000	7,200
TOTAL EXPENSES	187,019	220,136	217,986	228,491

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-PUBLIC WORKS				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	131,207	143,384	143,384	160,763
OVERTIME	806	1,000	800	1,000
FICA	10,084	11,045	11,030	12,375
HEALTH INSURANCE	24,566	34,418	34,418	36,175
RETIREMENT	12,352	13,886	13,886	12,635
TELEPHONE	610	1,200	1,000	1,200
UTILITIES	3,889	7,000	5,500	7,000
SUPPLIES	1,346	2,200	1,500	2,200
SAFETY EQUIPMENT	1,252	1,500	1,500	1,500
ENGINEERING AND SURVEYS	0	1,000	1,000	1,000
ADVERTISING	721	1,650	1,300	1,650
TRAVEL AND EDUCATION	1,295	2,000	2,000	2,000
UNEMPLOYMENT INSURANCE	571	433	433	485
WORK COMP INSURANCE	6,006	6,907	6,300	7,560
DUES AND SUBSCRIPTIONS	310	350	320	350
REPAIR AND MAINT.	(164)	2,000	2,000	2,000
MEDICAL	537	1,000	1,000	1,000
TOOLS AND EQUIPMENT	1,733	2,000	2,000	2,000
GAS AND OIL	5,689	13,000	6,000	10,000
R&M VEHICLES	2,152	7,500	5,000	7,500
TIRES	4,041	9,000	5,000	9,000
UNIFORM ALLOWANCE	797	1,000	1,000	1,000
TOTAL EXPENSES	209,800	263,472	246,371	280,393

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-BUILDING				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	268,410	268,483	268,483	292,521
OVERTIME	722	3,000	4,000	3,000
FICA	19,351	20,768	20,845	22,607
HEALTH INSURANCE	44,257	53,613	50,000	63,573
RETIREMENT	24,865	26,195	24,000	22,557
TELEPHONE	600	500	500	1,000
OFFICE SUPPLIES	1,180	5,000	3,200	7,500
BOZAR PROFESSIONAL SERVICE	12,085	15,000	12,000	21,000
CONSULTING-PLAN REVIEW		6,000	0	3,000
COPIER MAINTENANCE	0	750	600	750
ADVERTISING & LEGAL	3,550	6,500	6,000	6,500
TRAVEL & ED-BOZAR	2,479	3,000	2,300	28,000
CODE BOOKS	657	1,200	300	500
TRAVEL & ED-BLDG	3,334	4,500	4,200	7,200
UNEMPLOYMENT TAX	619	814	814	887
WORK COMP INSURANCE	2,178	2,505	2,500	3,000
DUES & SUBSCRIPTIONS	545	700	700	2,100
HISTORIC PRESERVATION	1,179	3,500	100	3,500
SHED PRESERVATION	0	400	0	400
GAS AND OIL	(14)	450	400	450
R&M VEHICLES	153	500	400	500
SOFTWARE	0	1,000	1,000	5,000
ENERGY ACTION PLAN UPDATE				15,000
VACATION RENTAL NOTICES/LICENSES				10,500
TOTAL EXPENSES	386,150	424,378	402,342	521,045

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-RECREATION				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	115,961	118,830	110,830	124,790
GYMNASTIC COACHES	7,963	12,000	2,000	12,000
TUMBLE BUG EXPENSES	358	500	500	500
TENNIS INSTRUCTORS	4,841	9,900	9,000	10,000
ICE SKATING COACHES		750	338	750
INTERN WAGES	0	4,000	0	4,000
REC FACILITY EXPENSE	11,992	12,000	12,000	12,000
TEMPORARY LABOR	1,948	5,000	5,000	5,000
ZAMBONI OPERATOR	5,822	8,900	3,700	8,900
FICA	10,123	12,594	10,394	13,039
HEALTH INSURANCE	24,417	30,984	30,984	32,483
RETIREMENT	5,821	6,173	5,323	5,265
TELEPHONE	906	1,500	1,500	1,500
TELEPHONE-WRMG HOUSE	247	700	400	700
TELEPHONE-SHOP	429	700	700	700
TRASH PICKUP	6,586	6,000	6,000	6,000
UTILITIES-SHOP	3,576	5,000	5,000	5,000
UTILITIES-ICE RINK	6,829	8,000	8,000	8,000
UTILITIES-WARMING HSE	2,760	5,000	5,000	5,000
UTILITIES-PARKS	6,588	7,000	7,000	7,000
OFFICE/CLEANING SUPPLIES	2,015	1,500	1,500	1,500
SOFTWARE MAINTENANCE	3,655	3,595	3,600	3,600
BANKCARD PROCESSING	1,978	3,000	2,000	3,000
ADVERTISING	6,301	5,000	5,000	5,000
TRAVEL AND EDUCATION	1,973	5,000	5,000	5,000
UNEMPLOYMENT INSURANCE	301	449	448	467
WORK COMP INSURANCE	5,484	5,160	5,160	5,676
DUES AND SUBSCRIPTIONS	485	500	500	500
UNIFORM ALLOWANCE	545	2,500	2,500	2,500
MEDICAL	947	600	1,000	1,000
FLAG FOOTBALL	535	600	600	600

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND-RECREATION				
	2016	2017	2017	2018
	ACTUAL	BUDGET	PROJECTED	BUDGET
SOCCER EXPENSES	2,876	1,500	1,500	1,500
SOCCER COACHES	472	2,400	138	2,400
BASKETBALL	991	600	700	750
TENNIS LESSONS EXP	1,062	1,000	873	1,000
GYMNASTIC EXPENSES	2,029	1,500	7	1,500
DODGEBALL EXPENSE	0	200	0	0
VOLLEYBALL EXPENSE	485	750	750	750
SOFTBALL EXP-ADULT	9,625	10,000	10,000	10,000
JERSERYYS		3,500	3,000	3,500
ICE SKATING EXPENSE		2,500	2,493	500
SKATE PARK EXPENSE	437	500	500	500
GARDEN CAMP EXPENSE	500	500	0	0
BASEBALL EXPENSES	4,264	5,000	3,000	5,000
BASEBALL COACHES	143	1,500	85	1,500
GAS & OIL	7,440	15,000	8,000	15,000
R&M VEHICLES	11,379	8,000	8,000	8,000
TIRES	901	1,000	1,000	1,000
Warming House Fundraising				20,000
TOTAL EXPENSES	283,990	338,884	291,023	364,370

TOWN OF CRESTED BUTTE				
2018 BUDGET				
GENERAL FUND RECREATION REVENUE				
	2016	2017	2017	2018
	BUDGET	BUDGET	PROJECTED	BUDGET
GYMNASTICS	13,650	12,500	2,800	12,500
TUMBLE BUG	408	600	600	600
SOCCER FEES	5,240	6,000	6,000	6,000
BASKETBALL FEES	2,350.00	1,200	3,000	3,000
SKATEPARK FEES	0.00			1,000
ICE SKATING LESSONS	0.00	1,000	1,228	1,200
TENNIS TOURNAMENT	0.00	1,000	0	0
TENNIS LESSONS	8,515.00	10,000	15,000	15,000
SOFTBALL FEES-ADULT	12,531.00	12,000	12,000	12,000
DODGEBALL	0.00	500	0	0
VOLLEYBALL FEES	433	1,000	1,000	1,000
BASEBALL FEES	7,200	8,000	4,928	5,000
FLAG FOOTBALL	1,191	1,200	800	1,200
CHEER CAMP	495	0	0	0
GARDEN CAMP FEES	0.00	0	0	0
PARK FEES	42,796.00	34,000	37,240	37,500
TOTAL REVENUE	94,809	89,000	84,596	96,000

## 2018 Fee Schedule Changes:

### Record Request:

- Recording Fee changed to current \$13/first page and \$5 each additional based on Gunnison County charges.

### Maps:

- Reduced the 8 ½ X 11 and 11 X 17 map rates to a flat \$1.50

### Miscellaneous Fees:

- New fee for Notary service, \$5.00 per document, for documents not related to Town business
- Town Attorney fee for 3<sup>rd</sup> party billing increased from \$275 to \$405

### Business Fees:

- Elimination of the tiered late fee for business license renewals – changed to flat \$25.00 fee
- Addition of Vacation Rental License Fee -- \$750/year unlimited and \$200/year primary residence per Council resolution
- Addition of Vacation Rental License Renewal Late Fee -- \$500 per Council resolution

### Publications:

- Eliminated the fees associated with the Building/Planning depts. documents – all documents available online for free

### Special Event Fees:

- New Special Event Fee for Town Ranch Camping \$150 – available to Major Impact Special Events and Special Events that take place only at Town Ranch

### Liquor License Fees

- Art Gallery Liquor Application dropped from \$5.00 to \$3.75

### Building & Planning Fees:

- Brought all ROAH fees to the current fees as authorized by Council resolution
- Dropped FAR calculations from staff field measurements; will continue to do FARs for submitted plans; added fee for calculation on resubmittals of plans; deleted fee for producing a copy of an existing FAR calculation
- Deleted fee for non-compliance of restrictive covenant – this should be determined by the court judge
- Design Review Application & Publication – increased publication of picture fee from \$470 to \$500 and publication without picture from \$320 to \$350
- Additional DRC meeting fee increased by \$20 to \$80
- Calculation of maximum sales price for affordable housing unit – free for units that have documented costs already on file; remains \$50 for calculations for new units or units providing new receipts

#### Parks & Recreation

- New hourly fee for summer use of Big Mine Ice Arena -- \$35/hour up to 50 people, \$50/hour 50 – 100 people, \$300/day for 100 – 299 people
- New fee for Town Ranch Event Area for Private Events -- \$500/day or \$1200 for three day rental for set up and take down of large tented events
- New fee for other Town rented activity spaces -- \$25/hour for people without a recurring use contract with the Town

#### Sewer and Water:

- Updated service fees for water, sewer and tap-in fees to current
- Updated water meter pricing to be current meter price from vendor plus 10% for shipping/handling costs

## 2018 Fee Schedule

<b>Administration and Misc.</b>		
<b>Record Request Fees:</b>		
Audio Tapes, CD or DVD	\$15.00	
Agendas	No charge for copies of current agendas	
Bid Documents	Fee based on reproduction and actual cost	
Copies:	No fee for single page	This is the average cost of a copy taking into account the cost of paper, machine time, supplies and personnel time, necessary research time not to exceed 15 minutes.
	\$.25 each additional page	
	\$1.50 each color page	
Certified Copies	\$1.25 per page	
	\$2.25 for color copies	
<b>Computer Generated Reports:</b>		
Printed	\$1.00 per page	
Provided on CD	\$25.00	
E-mailed	\$.25 per page	
Faxes (local or long distance)	\$.50 per page excluding cover sheet	20 page maximum
Mailing Fees	actual cost of mailing	
Photos	\$5.00 plus cost of reproduction	
Research and Retrieval Fees	\$ 25.00 per hour for requests requiring more than 15 minutes; \$130 per hour Town Attorney Research fees	
Recording Fee	\$13.00 for 1st page and \$5.00 for each page after	Fees based on Gunnison County charges and are subject to change
Requiring Special Programming	\$75.00 per hour	
<b>Maps:</b>		
Standard Map fees:		
Zoning Map	\$20.00	
Parcel Map	\$15.00	
Open Space map	\$25.00	
A -size map (8.5" x 11")	\$1.50	Reduced from \$8
B-size map (11"x17")	\$1.50	Reduced from \$10
C-size map (17"x22")	\$15.00	
D-size map (24"x36")	\$20.00	
E-size (36"x48")	\$25.00	
Custom	\$50.00 per hour personnel; with a minimum 1 hour charge plus standard map fee	
Custom, non-profit	\$40.00 per hour	
<b>Cemetery Fees:</b>		
Large Cemetery Plot (22' X 11')	\$1,000	
Small Cemetery Plot (5.5' X 11')	\$300	
Casket Burial (Weekdays)	\$400	
Casket Burial (Winter Weekdays)	\$600	
Casket Burial (Weekends, Holidays, Emergencies)	\$550	
Casket Burial (Winter Weekends, Holidays, Emergencies)	\$750	
Cremaim Burial (Weekdays)	\$200	
Cremaim Burial (Winter Weekdays)	\$400	
Cremaim Burial (Weekends, Holidays, Emergencies)	\$350	
Cremaim Burial (Winter Weekends, Holidays, Emergencies)	\$450	
Grave Disinterment	\$600	
<b>Misc Fees:</b>		
Returned Check	\$15.00	
Lien	\$75 late fee	
Notary Service	\$5.00 per document	No fee for Town documents
Town Attorney Fee (third party bill out)	\$405.00	Hourly rate for Town Attorney time to be billed out to third parties

<b>Business Fees:</b>		
Business License	\$25.00 per year	
Occupation Tax	\$75.00 per year	
Pillow Tax	\$10.00 per pillow	
Business License Renewal-Late Fee	\$25.00	For renewals received 30 days after expiration of license (removed the ti
Sales Tax License	No charge	
Transfer of Business License	\$25.00	
Cart Vending License	\$25.00	
Farmers Market Application	\$25.00	
Street performers permit	\$25.00	
Sidewalk Seating Revocable License	\$3.00/Square Foot	
Vacation Rental License Fees:		
Unlimited Rental License	\$750/year	2 Year rolling license, the initial license will be 2 times annual fee with each annual renewal being annual year fee
Primary Residence Rental License	\$200/year	
Vacation Rental License Renewal-Late Fee	\$500.00	For renewals received 30 days after expiration of license
<b>Late Night Food Truck License:</b>		
Application Fee	\$10.00	
License	\$400.00	
<b>Marijuana Establishment License:</b>		
Transfer of permit to business entity	\$1,000.00	
Changes in members	\$200/member	
New Application	\$1,500 per license	
Renewal	\$500, 1 license/ \$750, dual license	
Modification of Premise	\$50.00	
<b>Dogs:</b>		
License, spayed or neutered	\$7.00 per year	
License, not spayed or neutered	\$15.00 per year	
Duplicate License	\$3.00	
Dog Care/Maintenance	\$10.00 per day	
Dog Redemption	\$7.50	
<b>Publications:</b>		
Town Code	\$80.00	
Town Code on CD	\$25.00	
Town Code Updates	Actual Cost	

<b>Special Event Fees:</b>		
Application Fee	\$25.00	
Late Application Fee	\$100.00	
Minimal Impact Event Permit Fee	\$0.00	
Moderate Impact Event Permit Fee	\$50.00	For recurring moderate impact events that take place 5 or more times in one calendar year: 50% reduction in permit fees
Major Impact Event Permit Fee	\$200.00	For recurring major impact events that take place 5 or more times in one calendar year: 25% reduction in permit fees
Town Ranch Camping Fee	\$150.00	Town Ranch camping available to Major Special Events and Special Events which take place at Town Ranch only
Minimal Impact Event Clean-up Deposit	\$0.00	
Moderate Impact Event Clean-up Deposit	\$50.00	
Major Impact Event Clean-up Deposit	\$200.00	
For Special Events at the Big Mine Ice Arena and Town Ranch Event Area, special Facility Use Fees will be applied in place of Special Event Permit Fees		
<b>Liquor License Fees:</b>		
Liquor Tasting Permit	\$50.00 per year	
Special Event Local Liquor License	\$25.00 per day	
Special Event State Liquor License	No Charge	
Art Gallery Liquor Application	\$3.75 per year	
All other liquor application and license fees	Maximum allowed by the State (see attached fee schedule)	
<b>Building &amp; Planning</b>		
Design Review Application and Publication		
	\$60.00	Insubstantial Design Review and Publication
	\$500.00	Publication of picture
	\$350.00	No Picture Publication
	\$500.00	additional for Special Review Classification
Additional DRC Meeting	\$80.00	per meeting for each additional meeting needed beyond the first 2
P.U.D:		
Concept Plan Submittal	\$500.00	Fees represent maximum fee dependent on complexity of the submittal. In addition, Design Review and Publication costs will be assessed plus \$300 for each full Board meeting and \$60 for each DRC meeting beyond 2 for each submittal.
General Plan Submittal	\$750.00	
Building Permit Review Submittal	\$750.00	
Combined General Plan and Building Permit Review Submittal	\$1,250.00	
Use Tax Deposit		
Performance Deposit	0.50%	Total Structure Value: building valuation multiplied by .50%
Building Permit		Total Structure Value*
	\$28.42	\$1.00 - \$500.00
	\$28.42 plus \$3.68 per \$100 of TSV or fraction thereof above \$501	\$501.00 - \$2,000.00
	\$83.74 + \$16.95 per \$1,000 of TSV or fraction thereof above \$2,001	\$2,001.00 - \$25,000.00
	\$473.79 + \$12.18 per \$1,000 of TSV or fraction thereof above \$25,001	\$25,001.00 - \$50,000.00
	\$778.58 + \$8.47 per \$1,000 of TSV or fraction thereof above \$50,001	\$50,001.00 - \$100,000.00
	\$1,202.07 + \$6.77 per \$1,000 of TSV or fraction thereof above \$100,001	\$100,001.00 - \$500,000.00
	\$3,911.05 + \$5.74 per \$1,000 of TSV or fraction thereof above \$500,001	\$500,001.00 - \$1,000,000.00
	\$6,781.04 + \$4.41 per \$1,000 of TSV or fraction thereof above \$1,000,001	\$1,000,001.00 and up
*The total Structure Value or building valuation for all permit fees shall be based on the building valuation data table of the most current issue of "Building Safety Journal" published by the International Code Council, using a regional modifier of 1.54, or other evidence of value, whichever is greater, as determined by the Building Official. Active solar installations-maximum of \$500 residential, \$1,000 commercial.		
Work without Permit	\$100 up to \$1,000 per day	Plus Applicable Permit Fee
Construction Documents Examination	60%	of Permit Fee - Commercial
	30%	of Permit Fee - Residential
Special Review and Inspections	Actual	Outside Consultants
	\$65.00/hr	Other
Request for FAR Calculation	Free	Copy of existing FAR calculation on file
	\$50.00	FAR from existing plans or submitted plans
	\$60.00	Additional calculations or resubmittals
Vested Property Right	\$75.00	
Application for amendment to Zoning	\$250.00	

<b>Building &amp; Planning (continued)</b>		
Right-of-Way Use Permit	\$40/ 25 feet of right of way per month	Minimum annual fee for use of right-of-way during construction
Tree Cutting Permit	\$25.00	
Sign Permit	\$20.00	Plus \$2/Sq Ft over 10 Sq. Ft.
Sign without Permit	\$50.00	Plus Permit Fee
Payment in Lieu of Parking	\$13,000	Per parking space
Condominium Declaration Docs + Plat Review	\$250.00	
Resident Occupied Affordable Housing		
payment assessed on newly constructed non-residential floor area in-lieu of providing ROAH units:	\$41.82	per sq. ft .
assessed on newly constructed lodging units or short-term residential accomodation units in -lieu of providing ROAH units:	\$4,445.76	per lodging unit
New Residential floor area in-lieu of providing a fraction of a ROAH unit when total size of the residential unit is within the following range:		
Unit Size Range (sq. ft.)	Annual Payment in-lieu("PIL") per Sq. Ft.	
1 -499	\$1.40	per sq. ft .
500 - 999	\$1.99	per sq. ft .
1,000 - 1,499	\$2.14	per sq. ft .
1,500 - 1,999	\$2.40	per sq. ft .
2,000 - 2,499	\$2.74	per sq. ft .
2,500 - 2,999	\$3.14	per sq. ft .
3,000 - 3,499	\$3.62	per sq. ft .
3,500 - 3,999	\$4.18	per sq. ft .
4,000 - 4,499	\$4.83	per sq. ft .
4,500 or more	\$5.50	per sq. ft .
Carbon Mitigation Fee	\$2.35	Per lbs. of CO2 emission per dept. calculation
Solid Fuel Burning Device application	\$100.00	
Solid Fuel Burning Device replacement	\$25.00	

<b>Building &amp; Planning (continued)</b>		
Mechanical Permit	\$28.43	
Supplemental Permit	\$8.77	
Furnaces up to 100,000 BTU/hr	\$17.91	Installation or Relocation
Furnaces over 100,000 BTU/hr	\$22.02	Installation or Relocation
Floor Furnace & Vent	\$17.91	Installation or Relocation
Suspended/Recessed/Wall-mount Furnace	\$17.91	Installation or Relocation
Installed Appliance Vents	\$8.77	Installation or Relocation
Repairs/Alterations of Appliances	\$16.58	
Boiler/Compressor/Absorb. System	\$17.79	3 horsepower or 100,000 BTU/hr
	\$32.85	up to 15 hp or 100,000 to 500,000 BTU/hr
	\$45.07	up to 30 hp or 500,000 to 1,000,000 BTU/hr
	\$67.09	up to 50 hp or 1,000,000 to 1,750,000 BTU/hr
	\$112.10	over 50 hp or 1,750,000 BTU/hr
Air Handler	\$12.89	up to 10 cfm or 4,719 L/s
	\$21.90	over 10 cfm or 4,719 L/s
Evaporative Coolers	\$12.89	non-portable type
Single-Duct Vent Fan	\$8.77	
Ventilation System	\$12.89	
Mechanical Exhaust Hood	\$12.89	
Domestic Incinerator	\$22.02	
Comm./Industrial Incinerator	\$17.54	
Misc. Mechanical Equipment	\$12.89	
Inspection after Business Hours	\$59.89/hour	Minimum 2 hour charge
Reinspection Fee	\$59.89	Per Inspection
Plan Review/Misc. Inspection	\$59.89	Per hour or inspection
Annexation petition processing fee		With the submission requirements for formal annexation petition or petition for annexation election: applicant delivers to the Town an executed annexation cost and expense reimbursement agreement obligating the applicant to reimburse the Town for all costs and expenses whatsoever incurred by the Town in connection with the annexation.
Concept Annexation Request processing fee	\$500.00	Per request
Subdivision Application Review Fees:		
Minor Subdivision	\$200.00	
Major Subdivision Review:		With the submittals for subdivision sketch plan: applicant delivers to the Town an executed annexation cost and expense reimbursement agreement obligating the applicant to reimburse the Town for all costs and expenses whatsoever incurred by the Town in connection with the subdivision
Site specific development		
Plan application	\$75.00	
Plat Approval	\$150.00	

<b>Building &amp; Planning (continued)</b>		
Capital Expansion Recovery System Fees for land that paid RETT		
Parks & Rec. Improvements SFR	\$2,510.20	
Parks & Rec. Improvements MFR	\$2,382.95	
Parks & Rec. Commercial Res. Unit	\$2,070.62	
Fire SFR	\$388.79	
Fire MFR	\$388.79	
Fire ea Sq. ft. business/commercial/tourist	\$0.00138	
Capital Expansion Recovery System Fees for land that did not pay RETT		
Parks & Rec. Improvements SFR	\$2,540.41	
Parks & Rec. Improvements MFR	\$2,411.63	
Parks & Rec. Commercial Res. Unit	\$2,095.55	
Fire SFR	\$388.79	
Fire MFR	\$388.79	
Fire ea. Sq. ft. business/commercial/tourist	\$0.138	
Snow Plow equipment		per sq ft of R.O.W. (right of way)
If RETT has been paid on developed land		
Single family areas	\$0.1287	
R2 zoned areas	\$0.1122	
Multi-family zoned areas	\$0.0256	
Business/Commercial Tourist areas	\$0.0468	
If RETT has not been paid on developed land		
Single family areas	\$0.1370	
R2 zoned areas	\$0.1254	
Multi-family zoned areas	\$0.0654	
Business/Commercial Tourist areas	\$0.0491	
Calculation of Affordable Housing maximum sales price - new unit	\$50.00	Administrative fee to calculate the maximum sales price of an affordable housing unit when new receipts are provided to the Town after issuance of a certificate of occupancy or when new receipts are provided after an improvement is made.
Calculation of Affordable Housing maximum sales price - existing unit	Free	Calculation is an update of a previously calculated maximum sales price with no additional receipts
<b>Parks and Recreation:</b>		
Adult Activities		Fees are established yearly using the following general policy: Fees are to cover the direct activity program costs plus 30%
Youth Activities		Fees are established yearly using the following general policy: Fees are to cover the direct activity program costs.
Early Registration Discount	\$10.00	
Cancellation/Transfer Fee	\$10.00	Subject to the Parks & Recreation Program Fee Schedule found online at <a href="http://Townofcrestedbutte.com">Townofcrestedbutte.com</a>

<b>Parks and Recreation (cont):</b>		
<b>Facility Rental Rates: All Fields, Facilities, Buildings, Pavilions and Other Recreational Amenities without private leases</b>		
Big Mine Ice Arena Winter Ice Slots	\$70/hr.	Ice slots in Big Mine Ice Arena
Big Mine Ice Arena Summer Use <50 people	\$35/hr.	Any organization, group, or individual of up to 50 people who desires to use the facility for a private rental (non-Special Event).
Big Mine Ice Arena Summer Use 50-100 people	\$50/hr.	Any organization, group, or individual of 50-100 people who desires to use the facility for a private rental (non-Special Event).
Big Mine Ice Arena Summer Use 100-299 people	\$300/day	Any organization, group, or individual of 100-199 people who desires to use the facility for a private rental (non-Special Event).
Big Mine Open Space for Summer Events	\$150/day or \$375/three day rental for set up and take down of large tented events	Any organization, group, or individual who desires to use the facility for a private or Special Event event.
Town Ranch Event Area for Private Events	\$500/day or \$1200/three day rental for set up and take down of large tented events	Any organization, group, or individual who desires to use the facility for a private event.
Town Ranch Event Area and Big Mine Ice Arena for Summer Special Events with <300 people	\$300/day or \$750/three day rental for set up and take down of large events	Any organization with a Special Event Application on file with the Town Clerk.
Big Mine Ice Arena for Summer Events with 300-499 people	\$500/day or \$1200/three day rental for set up and take down of large events	Any organization with a Special Event Application on file with the Town Clerk.
Rainbow Park Pavilion and Yelenick Pavilion	\$80/four hour time slot	Any organization, group, or individual up to 100 people who desires to use the facility. More information online.
All Other Town-Rented Activity Spaces (Jerry's Gym, Community Room, Fitness Room, Athletic Fields)	\$10.00/hour	For programs with a quarterly or yearly contract with the Town, except for Town Ranch Event Area & Big Mine Ice Arena
	\$25.00/hour	Any organization, group, or individual who does not have a Recurring Use Contract with the Town.
All Facilities	No Charge	Crested Butte Community School programs
Cancellation Policy: All Other Facilities		30 days prior to reservation: A full refund will be issued for both the deposit amount and the facility rental fee. 7 – 30 days prior to
Cancellation Policy: Town Ranch Event Area and Big Mine Ice Arena for Summer Events		90 days prior to reservation: A refund will be issued for the deposit and half of the facility rental amounts. Less than 90 days prior to reservation: Facility rental fee will not be refunded. Deposit will be refunded. Post Reservation: If the facility is reserved and not used, no refund for the facility rental fee will be issued. Deposit will be refunded.
<b>Facility Deposit Rates: All Fields, Facilities, Buildings, Pavilions and Other Recreational Amenities without private leases, except Big Mine Ice Rink</b>		
Town Hall/Key Deposits	\$50.00	Deposit for rental of any facility that requires key access, and all reservations for downstairs spaces in Town Hall.
Rainbow Park Pavilion and Yelenick Pavilion	\$100.00	*Events with less than 100 participants and a total rental time of up to four (4) hours.
Town Ranch Event Area and Big Mine Ice Arena for Summer Events with <300 people	\$150/single day or \$375/three day rental	Rules, amenities and more information online.
Big Mine Ice Arena for Summer Events with 300-499 people	\$250/single day or \$600/three day rental	Rules, amenities and more information online.
<b>Depot Facility Rental and Deposit Rates</b>		
Depot Half Day	\$150 half day up to six hours plus \$200 deposit	Maximum of 49 people in winter and 100 people in summer
Depot Full Day	\$300 for one day up to twelve hours plus \$250 deposit	Maximum of 49 people in winter and 100 people in summer
Depot Multi-day Large Events	\$750 for 3 days plus \$300 deposit	Event having 50-100 people that may include alcohol, dancing, food, small pop-up tents, weddings/receptions

<b>Police Department:</b>		
Fingerprints	\$10.00	for Residents or court ordered
	\$20.00	Non-residents
VIN Inspections	\$10.00	for Residents
	\$20.00	for non-Residents
Sex Offender Registration	\$25.00	Includes fingerprint cards, photos & paperwork)
Sex Offender Re-Registration	\$10.00	
Accident Report	\$2.00 flat fee & \$0.25/page	Free for victim (fee applies to emailed reports)
Record Request, Non-Accident	\$5.00 flat fee & \$0.25/page	Free for victim (fee applies to emailed reports)
Copy of CD/DVD	\$15.00	
Vehicle Impoundment	\$50.00	Plus towing charges
Hearing re:vehicle impoundment	\$50 admin	cost plus bond
Scofflaw list and civil penalty	\$50.00	
Review of private event noise control measures	\$250.00	Maximum fee
Review of noise supression plan	\$250.00	Maximum fee
<b>Public Works:</b>		
Construction Standards	\$25.00	
Right-of-Way Dig Permit - Minor	\$35.00	Plus minimum \$500.00 deposit
Right-of-Way Dig Permit - Major	\$70.00	Plus minimum \$1,000.00 deposit
Snow Storage Permit (commercial)	\$250.00	Plus \$250.00 deposit
Snow Storage Permit (non-commercial)	\$10.00	Per regular dump truck load (non-commercial hauler)
Snow Management Permit	\$25.00	
Snow Cat Permit	\$100.00	Plus \$500.00 deposit
Equipment	Weekly	Monthly
Labor Charges	\$35.00	per hour (Overtime rate = 1.5 x hours)
<b>Sewer and Water</b>		
Watershed Permit	\$100.00	
Pretreatment Application Fee	\$35.00	
Compulsory Refuse Collection Fee	based on contract	
<b>Base Rates:</b>		
Water	\$28.00	Per EQR- 1st 8000 gallons per EQR base rate
	Tier #	Rate Per 1,000 Gallons over base
	1	\$3.50
	2	\$3.75
	3	\$4.00
	4	\$4.25
	5	\$4.75
	6	\$5.50
Sewer	\$37.50	Per EQR
Sewer Pretreatment	\$13.75	Per EQR
Availability of service	\$18.00	
The above rates are based on 1 EQR. An EQR (Equivalent Residential Usage) is the amount of water and sewer used by a standard residential unit of 1875 square feet. The water/sewer director calculates the number of EQR's associated with a project.		

<b>Sewer and Water (cont.):</b>		
Water Meter Prices	\$298.00	5/8 inch meter
	\$328.00	3/4 inch meter
	\$429.00	1 inch meter
	\$783.00	1 1/2 inch meter
Water Meter Adapter Prices	\$10.00	small
	\$13.00	large
Tap Fees	\$8,100.00	water per EQR
	\$9,900.00	sewer per EQR
Water Shut Off Fee	\$50.00	
Water Reconnect Fee	\$25.00	
Fire Hydrant Meter	\$35.00	\$80.00
Hydrant Connection Fee	\$25.00	plus \$1,000 deposit (meter price) for commercial use
Hydrant Water Fee	\$8.45	per 1,000 gallons
BF Preventer	\$18.00	\$50.00
FH Valve	\$13.00	\$30.00
Nozzle	\$11.00	\$27.00
Jack Stand	\$5.00	\$12.00
Hose	\$5.00	\$12.00
Compost	\$20.00/cubic yard	
Compost per Pick-up truck load	\$20.00	
Septic Tank Sludge, sanitary tanks	\$30/load + \$.20/gallon	
RV Septic Tank Dump	\$10.00	
RV Water Tank Fill	\$5.00	
Non-potable Water Truck Fill Station	\$10.00	per truck fill

**MINUTES**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, September 18, 2017**  
**Council Chambers, Crested Butte Town Hall**

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

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

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

Public Works Director Rodney Due, Finance Director Lois Rozman, Parks and Recreation Director Janna Hansen, Chief Marshal Mike Reily, and Town Clerk Lynelle Stanford (for part of the meeting)

**APPROVAL OF AGENDA**

Ladoulis questioned the reason for Executive Session related to Brush Creek and what would be talked about during the Executive Session compared to the open meeting. He suggested an item be added under Other Business to discuss Brush Creek issues.

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

**CONSENT AGENDA**

**1) September 5, 2017 Regular Town Council Meeting Minutes.**

**2) Appointment of Election Commission.**

**3) Fall 2017 Creative District Grant Award.**

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

**PUBLIC COMMENT**

Robert McCarter - 1251 Skyland Drive

- On steering committee supporting Friends of Brush Creek.
- They were in support of affordable housing.
- He hadn't met anyone who supported the project in density and size.
- He asked that the Council consider a public meeting.

- Friends of Brush Creek had been working on an alternative plan to use the parcel in a way they thought made sense.

#### David Leinsdorf - 3 Treasury Hill Road/Office at 215 Elk Avenue

- Disagreed with statement in the minutes from the last meeting that was made by MacDonald regarding that Town could be outvoted by other parties in the memorandum of agreement (MOA).
- MOA required a written agreement signed by participating parties.
- To change the uses of the property to free market housing required an amendment, which had not been brought to Town. No such amendment had been agreed upon.
- Didn't agree that parties could outvote Town.

#### Hunter Baker - 418 3<sup>rd</sup> Street

- He was at an impasse with Town and the Town's use of the lot (Pitas Lot) neighboring his house.
- The Town refused to re-plant trees in the area next to the property line.
- There had not been an application to BOZAR to change the purpose of the lot.
- The industrial activity would not be permitted in other areas of Town.
- He wanted to see mitigation across his property.
- Merck moved the item for discussion under Other Business.

#### Michael Werner - 81 Mulligan Drive

- Suggested public REITs and private REITs to provide housing for workers.

### **STAFF UPDATES**

#### Janna Hansen

- Presented a thank you note from Pitkin for the Town Park playground equipment.
- Arbor Day was celebrated last week.
- Conducting phone interviews for the Recreation Supervisor position.
- Big Mine Warming House and Yelenick Playground design projects were moving along nicely.
- Irrigation had been turned off for the season.

#### Rodney Due

- They were searching to fill the position of Utilities Operator.
- Reviewed timelines for Transportation Center. It was scheduled to be opened the week of October 16<sup>th</sup>.
- The second half of the foundation work at Town Hall would continue next Monday.
- Snow fence would go up on the roof of Town Hall the week of the 2<sup>nd</sup>.
- Crew was prepping for paving at the Fire Hall.
- Mitchell mentioned the pothole at 4<sup>th</sup> and Maroon. Due explained the cause of the problem. He said it would be fixed with the paving of the Fire Hall lot.

Lynelle Stanford

- The orientation for Council and Mayoral candidates would be this Thursday at 6PM.
- The Jokerville Rededication ceremony would be on Friday, September 29<sup>th</sup> at 3PM.
- Mentioned upcoming special events.
- Staff would have a debrief meeting with the event organizers of Artumn to discuss issues that had occurred this year.

Michael Yerman

- The Center received the building permit.
- September 28<sup>th</sup> would be the discussion on paid parking and recommendations from the committee.
- Eric Treadwell would be moving to become the Short-Term Rental Inspector.
- Schmidt asked if there would be an update from the Center on their fundraising. MacDonald confirmed they would provide an update on December 4<sup>th</sup>.

Mike Reily

- The Marshals wanted everyone to have a safe Vinotok.

Dara MacDonald

- Would be in Glenwood for Community Builders to talk about housing next week.
- Town received draft sales agreement for the Brush Creek property. Council wanted to hold a public forum to help the Town with informing comments on the land use. They were looking to schedule the first week in October.
- Paradise Clean-Up would be on Saturday, October 21<sup>st</sup>.

## **NEW BUSINESS**

### **1) Ordinance No. 24, Series 2017 - An Ordinance of the Crested Butte Town Council Amending Chapter 6-2 of the Crested Butte Municipal Code Providing for a Temporary Reduction to Certain Portions of the Business and Occupation Licensing Tax for Fiscal and Calendar Year of 2018; and Providing the Automatic Repeal Thereof Effective on the First Day of January, 2019.**

Rozman explained the ordinance was ahead of budget to allow business licensing to coincide with short-term rental licensing and that it allowed Town to maintain the fee collected. She reviewed history related to TABOR.

Schmidt moved and Merck seconded a motion to set Ordinance No. 24, Series 2017 for public hearing on October 2<sup>nd</sup>, 2017. **Motion passed.**

### **2) Ordinance No. 25, Series 2017 - An Ordinance of the Crested Butte Town Council Amending the Design Guidelines of the Town of Crested Butte for Accessory Dwellings in Front Yards.**

Yerman reviewed the origination of the agenda item and details of design guidelines. Michel proposed a change in the wording of the title to use dwelling instead of building. He articulated the reason the Council was approving was for the public good. Michel wanted to communicate that Council expected the units to be viable units. It was agreed that building would be changed to dwelling throughout the document.

Petito moved and Ladoulis seconded a motion to change the title of the ordinance amending the design guidelines of the Town of Crested Butte for front yard accessory dwellings in certain residential zones and setting it for public hearing on October 2<sup>nd</sup>.

**Motion passed.**

**3) Ordinance No. 26, Series 2017 - An Ordinance of the Crested Butte Town Council Authorizing the Lease of Various Town Residential Properties (Units 2 and 3, Town Ranch Apartments, 808 9<sup>th</sup> Street, Crested Butte Colorado) to Various Town Employees.**

MacDonald affirmed there were two new leases for employees to be approved by the Town Council by ordinance.

Ladoulis moved and Merck seconded a motion to set Ordinance No. 26, Series 2017 for public hearing on October 2<sup>nd</sup>. **Motion passed.**

**4) Approval of McCormick Ditch Water Purchase Agreement.**

Yerman reminded the Council of the deal with the annexation to gain the water rights in McCormick Ditch, and he explained the details. The remaining water had been offered to the Town for \$50K. The Town could have been potentially called out of water in a drought year and would benefit from having additional rights that would assist with controlling the ditch. Town would hold the majority, but it would not guarantee all 18 historic consumptive uses.

Mason moved and Merck seconded a motion to authorize the entry into a purchase contract for the McCormick Ditch Water and authorize the expenditure of \$50,000 for its purchase. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**5) Presentation by Hilary Henry on Carbondale to Crested Butte Trail Plan.**

Hilary Henry updated on the Carbondale to Crested Butte Trail. Town Staff had been working with partners to finalize the alignment on the ground between Anthracite Creek and Erickson Springs. Michel questioned the funding. Henry said they would build the trail with volunteers and perhaps a trail crew. The construction and planning on this side would be minimal. She elaborated upon the costs to Pitkin County. Henry told the Council they would be kept updated.

**6) Resolution No. 58, Series 2017 - Resolutions of the Crested Butte Town Council Approving a Water and Sewer Service Agreement for the Slate River Development with Cypress Foothills, LP.**

Yerman explained that the agreement defined the usage of water for future homeowners. He elaborated there was a disagreement on how the 5,000 square foot restriction on primary structures and the 750 square foot restriction for accessory structures in the County portion of the development were measured. Yerman listed and described differences in how FAR (floor area ratio) was measured in Town compared to the IRC (International Residential Code). He called the Council's attention to exhibits provided that weren't included in the packet.

Michel asked if Staff had talked with Cypress about the 5,000-foot restriction. Yerman said the Staff assumed they would use the Town's calculation when the agreement was made between the Town and Cypress. He recognized intricate details were not hammered out. Michel questioned the importance. Yerman said that when Town adopted the regulation and guidelines, they were to create efficiency in design, but also to minimize massing.

Yerman acknowledged there had to be some type of plan review that went through Town. Michel asked Yerman to explain background on the agenda item. He outlined agreements and what Town gained from them. Through the County planning process, the County directed the applicant to come back to Town for water. There were items that made the development comparable to a Town user of water. Michel recognized it was a great amenity for the developer to have access to Town sewer and water. Yerman responded to Merck's questions pertaining to massing, view corridors, and water usage and efficiency.

Cameron Aderhold, Vice-President of Cypress Equities, introduced himself. He told the Council that the restriction would impact the design. He described issues that potential homeowners would have between the Town and County's FAR calculations. He presented an option to the calculation that would entail a fee, instead of forcing the homeowner to re-design. It would discourage massing, and it softened the conflict between the two FAR calculations.

Cypress's attorney, Marcus Lock, highlighted the reasons the calculation was an important issue to Cypress. The Town wanted to apply the calculation within the zoning provision, rather than the municipal utilities section of the Code. Also, the properties were in the County. The problem existed because the lots were located in the County, and the County would use its methodology. If they used something different, they had homeowners taking into account three different methodologies. They were talking about a water and sewer service agreement, which was the context in which it was being negotiated. The pre-annexation agreement required that the sewer connection agreement be substantially similar to agreements used in the past. They were concerned there was an impact on developability and marketability. Cypress asked Town to compromise with them, including on the section of the Town Code applied for the measurement.

Michel expected floor area to be calculated the same way as Town. He thought Town's calculation was one of the great geniuses of Town. He stated Cypress would measure the way they did in Town if they wanted Town water and sewer extended. Petito suggested that they design around the most stringent standard. Michel clarified they were concerned about the built environment, the Crested Butte vernacular, that was valued greatly. He confirmed they were at an impasse. Ladoulis recognized the spirit of the Town's measurement was to keep the mass smaller. He asked them to help keep the mass smaller, and there might be a more Town-friendly design. Michel told them Council could approve the resolution if Cypress agreed to the 5,000 square foot measurement as calculated by the Town. Aderhold agreed to calculate according to Town's requirements. Michel confirmed with Sullivan that he agreed with moving forward with approval.

Merck moved and Mitchell seconded a motion approving Resolution No. 58, Series 2017, Resolution of the Crested Butte Town Council approving a Water and Sewer Agreement for the Slate River Development with Cypress Foothills, add in section 4 of the water and sewer agreement under plan review the sentence, structure size shall be evaluated in accordance with the methodology for determining square footage set forth in Section 16-1-20 of the Town Code and also add two exhibits, Exhibit B, Gross Water Demand, and Exhibit A, a plat map of this development. A roll call vote was taken with all voting, "Yes," except Petito voted, "No." **Motion passed.**

### **LEGAL MATTERS**

Michel asked MacDonald about the meeting on the mine. MacDonald explained they were working to re-engage discussions on the evaluation of the site, plans to go forward, and how Town could support. They did not think the withdrawal would be the most recent action.

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

Paul Merck

- Updated on the Creative District. They launched a new website, which included a blog feature. District would be partnering with the Center for the Arts with an interactive exhibit at the entrance to the Center. They published a walking map for the District and funded a mural inside of KBUT.
- Working with Cold Harbour to get ORE type of involvement.
- The Center was moving along well.

Roland Mason

- Attended a Mountain Express meeting. Ridership was up 14% YTD. They had three new busses for this winter.
- CB South service would run again. Michel confirmed CB South contributed financially.

- Schmidt questioned the service to Gothic. Mason said it had stopped for this year. He reported on ridership numbers for the year.
- Mason mentioned the RTA's CNG bus. It was determined that the fuel was causing misfires. They would try to adjust software.

Chris Ladoulis

- Attended Tourism Association meeting. They were taking focus away from print media to digital. They had intentional radio silence in July and August. He suggested they update the Council. Michel agreed communication was good.

Jackson Petito

- He would attend a Housing Foundation meeting this week.
- He took ownership of lack of attendance at Parking Committee meetings.

Jim Schmidt

- He reminded the Council of the Jokerville ceremony. There were concerns with parking.
- Attended a Housing meeting. There was discussion on the issue not making it on the ballot. There was a suggestion by Jennifer Kermodé that the County list the Housing Authority as a referral agency on the Brush Creek parcel.

Paul Merck

- Attended skate park event, and it was done very well.

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

Ladoulis didn't think the optics were good that they were discussing Brush Creek in Executive Session to presumably instruct negotiators. He didn't know what they were negotiating. Michel agreed they had to listen to constituents to inform how they approached the issue as leaders. They would discuss scheduling a meeting to open the topic up to the public for the Council to listen. Petito was encouraged by the public engagement. He appreciated when people presented alternatives. Schmidt thought the offer was seductive to the County. He was having problems reconciling going forward. He agreed they needed to have Executive Session to learn options for moving forward. Michel hoped it gave solace they would schedule a meeting for the public to speak and express concerns. Mason wanted to shed light on what the Council's role was, but it made sense to go into Executive Session to learn proprietary information. Michel said the goal at the public meeting was to inform their opinions. Ladoulis questioned the purpose of the Executive Session that was scheduled for tonight. MacDonald explained the land use process. There was also the sale of the land, which they would discuss in Executive Session. The purchase and sale agreement was different from the entitlement. They wanted to talk about the appropriate provisions and the Town's role for options if it didn't go forward. The discussion tonight was not about entitlements. Ladoulis saw a problem if the County wanted to move before the public meeting. Merck agreed it was important to be as transparent as possible. The ship had not sailed. He encouraged

people to stay involved. Michel said they would do what the Town could do, but the real process to engage was with the Gunnison County Planning Commission.

Michel allowed David Leinsdorf to speak:

David Leinsdorf

- What concerned them was the lack of transparency.
- He heard concerns about the project from Councilors.
- He asked them to record the MOA that would make Town a player in the sale.
- Slow down the process of negotiating the sale.
- They were trying to empower the Council to be a player.

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

- Monday, October 2, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, October 16, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, November 6, 2017 - 6:00PM Work Session - 7:00PM Regular Council

MacDonald said they were looking at October 4<sup>th</sup> or October 5<sup>th</sup> for the Brush Creek work session. She was looking for Council feedback on scheduling and the venue. Schmidt preferred the 5<sup>th</sup> at the Center. Staff would propose that Staff present, giving Council a chance to take in comments after the presentation. It was decided to hold the work session at the Center for the Arts on October 5<sup>th</sup> at 6PM. Michel confirmed it would be a work session, and public would be allowed to speak to inform the Town of Crested Butte's opinion moving forward.

### **OTHER BUSINESS TO COME BEFORE THE COUNCIL CON'T**

The Council returned to the discussion of the usage of the Pitas Lot. Merck recognized a homeowner wasn't satisfied with the process around the property. He wondered if they could come to an agreement to come to some aesthetic solution. He could work with Baker to fix the problem to plant a few more trees. MacDonald reminded the Council the Town purchased the lot for snow storage and parking. It was approved in the budget to pave the lot for parking. Town significantly reduced the pavement on the property and reduced parking, already. Town replanted trees on the property. Staff looked at the possibility of planting more trees, which would inhibit snow storage because of snow shed from the roof. Town would lose snow storage space to allow trees on the property line. Town offered to build a fence, which Baker did not want. Schmidt wanted to see a staff report and pictures of what had happened. Michel recalled the cost of the parcel and the source of money used to purchase the lot. Michel said they did the greater good a disservice. The Town owned the parcel and bought it for parking and snow storage. Town did go above and beyond. Michel recognized they already conceded half of the lot.

Merck wanted to be as transparent as they could be. Mason thought from what was originally planned to the configuration now was a good compromise. Mitchell was hearing that Baker wanted a better neighbor. Ladoulis recapped history of the issue. It wasn't worth second-guessing themselves, and he was not willing to second-guess Staff.

Mason suggested Baker have input:

Hunter Baker

- Saw a doubling of the impact on his house.
- He wanted some mitigation.
- His studio was vibrating from a water truck.
- The Town engaged very well on parking. They didn't have a meeting on the planting scheme.
- Keep trucks further away, plant trees, and he would accept a BOZAR approved fence.
- Town was using property out of compliance with zoning regulations. It was an industrial activity.

Mason confirmed the things they were doing were allowed. The sounds of snow removal were part of living in Town. Ladoulis said sometimes they had to let Staff work it out. Petito admired a citizen coming in seeking regress. The Council did not take action.

### **EXECUTIVE SESSION**

Michel 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 sale of the Brush Creek Parcel.

Schmidt moved and Mason seconded a motion to go into Executive Session. A roll call vote was taken with all voting, "Yes," except Ladoulis voted, "No." **Motion passed.**

The Council went into Executive Session at 9:49PM. The Council returned to open meeting at 10:49PM. Mayor Michel made the required announcement before returning to open meeting.

**ADJOURNMENT**

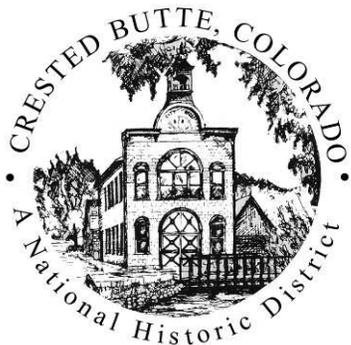
Mayor Michel adjourned the meeting at 10:50PM.

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Glenn Michel, Mayor

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Lynelle Stanford, Town Clerk (SEAL)



## Staff Report

October 2, 2017

**To:** Mayor Michel and Town Council

**Thru:** Dara MacDonald, Town Manager

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

**Subject:** Resolution No. 59, Series 2017 - Resolutions of the Crested Butte Town Council Approving the Contract for Use of the Big Mine Ice Arena by Gunnison Valley Hockey Association for the 2017/2018 Winter Season

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**Background:**

Gunnison Valley Hockey Association, dba West Elk Hockey Association (WEHA) has used Big Mine Ice Arena to provide community hockey programs for the past three years. The contract between the Town and WEHA outlines the obligations, fees and other requirements for WEHA's use of Big Mine Ice Arena for the 2017-2018 ice hockey season. The Department supports WEHA and recognizes the importance of a successful hockey program in the valley. As such, the low rate of \$45/hour for ice time has been offered to WEHA for the 2017-2018 season. This rate has not changed from the 2016-2017 season and WEHA understands that rates will likely go up upon completion of the Big Mine Warming House Project. The Parks and Recreation Department fully supports WEHA and their mission to continue to provide hockey to the West Elk region.

**Recommendation:**

Staff recommends approving Resolution No. 59, Series 2017.

**RESOLUTION NO. 59****SERIES 2017****RESOLUTIONS OF THE CRESTED BUTTE TOWN  
COUNCIL APPROVING THE CONTRACT FOR USE  
OF THE BIG MINE HOCKEY ARENA BY  
GUNNISON VALLEY HOCKEY ASSOCIATION**

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;

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

WHEREAS, pursuant to Section 713(c), when the term of such lease or use rights is one year or less, the Town Council may approve such lease or use rights by resolutions of the Town Council; and

WHEREAS, the Town Council finds hereby that approving a contract for a right of use of Big Mine Hockey Arena for use by the Gunnison Valley Hockey Association in its business 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 Town Council hereby finds that granting a right of use of Big Mine Hockey Arena for use by Gunnison Valley Hockey Association in its business is in the best interest of the Town and the general public.

2. **Authorization of the Town Manager**. Based on the foregoing, the Town Council hereby authorizes the Town Manager to execute the contract with Gunnison valley Hockey Association in substantially the same form as attached hereto as **Exhibit "A"**. Any changes thereto that do not increase the obligations of the Town thereunder may be made only following written approval by the Town Attorney.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL  
THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2017.

TOWN OF CRESTED BUTTE

By: \_\_\_\_\_  
Glenn Michel, Mayor

ATTEST

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

(SEAL)

**EXHIBIT "A"**

**Contract for Use of the Big Mine Hockey Arena**

[attach form contract here]

**CONTRACT BETWEEN THE TOWN OF CRESTED BUTTE AND  
GUNNISON VALLEY HOCKEY ASSOCIATION FOR  
USE OF THE BIG MINE ICE ARENA FOR THE 2017-2018 SEASON**

This CONTRACT is made and entered into by and between the TOWN OF CRESTED BUTTE, COLORADO, a Colorado home rule municipality located and doing business at 507 Maroon Avenue, P.O. Box 39, Crested Butte, CO 81224 (the "TOWN"), and the GUNNISON VALLEY HOCKEY ASSOCIATION, a Colorado non-profit corporation, dba West Elk Hockey Association ("WEHA") located and doing business at 515 W. Tomichi Avenue, P.O. Box 1697 Gunnison, CO 81230.

In consideration of the mutual obligations contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**1. Recitals**

- 1.1 The parties recognize the mutual benefits of WEHA operating a hockey program (the "PROGRAM") on TOWN property. It is the parties' intention that this CONTRACT define the duties, obligations, terms and conditions with respect to the use of the Big Mine Ice Arena and associated facilities and equipment (the "FACILITY").
- 1.2 Execution of this CONTRACT shall constitute issuance of a permit to WEHA to use the FACILITY for the conduct of PROGRAM. This CONTRACT grants the right, and imposes the duty on WEHA, to use property owned by TOWN as described herein for the purpose of operating the PROGRAM from on or about November 20, 2017 through on or about March 15, 2018.

**2. Facility**

Location: Big Mine Ice Arena, Crested Butte, CO  
 Dates: On or about November 20, 2017 through on or about March 15, 2018 (the "TERM").  
 Fee: \$45.00 per hour of use. WEHA will receive monthly invoices from the TOWN before the 15<sup>th</sup> of the calendar month following use. WEHA agrees to pay to Town as rent for the FACILITY during the TERM, payable by the last day of the calendar month after use. WEHA shall pay a \$25.00 late fee and interest at a rate of one and one-half percent (1 ½%) per month (18% per year) on rental or other payments which are not paid when due.

**3. WEHA'S Obligations**

- 3.1 WEHA designates John Collins as the primary contact for communicating with the TOWN regarding the PROGRAM. In the event John Collins is not available, Wendy Buckhanan shall be the alternative designated contact. The primary phone

number for Karen Stock is 970-349-5261 and the primary phone number for Wendy Buckhanan is 970-596-7098.

- 3.2 WEHA shall obtain written approval from the TOWN prior to using the FACILITY for dates and times not specified in the parties' agreed upon written schedule. Such usage shall be at the TOWN's sole and absolute discretion. WEHA acknowledges that the FACILITY is a public facility and may be used by other persons, the public and the TOWN as the TOWN sees fit from time to time in its sole and absolute discretion.
- 3.3 WEHA understands the FACILITY may need maintenance and/or repairs and agrees to cancel any dates as required by the Parks and Recreation Director or its designee to accommodate these needs.
- 3.4 WEHA shall provide trained supervision during scheduled practices and games to ensure the TOWN and USA Hockey policies are being followed.
- 3.5 WEHA shall operate the PROGRAM in accordance with all USA Hockey, Colorado Amateur Hockey Association (CAHA) and league rules, regulations, policies and guidelines.
- 3.6 WEHA shall schedule practice slots and game slots for all PROGRAM activities within the allocated blocks of time as designated by the TOWN.
- 3.7 WEHA shall put all existing FACILITY equipment back in its original location after use.
- 3.8 PROGRAM participants shall pick up their trash and leave the FACILITY in good clean condition.
- 3.9 WEHA shall be responsible for communicating scheduling changes with all affected parties and shall be responsible for ensuring that the TOWN is kept up to date with the most current schedule.
- 3.10 Subject to Section 3.3 above, WEHA will be granted ten (10) schedule changes per month with no additional fees. Changes must be received within seven (7) days of activity date. More than ten (10) schedule changes a month or schedule changes received within seven (7) days of activity date will be charged a \$5.00 per change administrative fee. Cancellations received less than seven (7) days prior to the activity date shall not be refunded. WEHA shall not be charged by the TOWN for cancellations made pursuant to the terms contained in this CONTRACT, and if payments were previously made by WEHA, the TOWN shall provide a refund or a credit to WEHA for such unused ice slots that were properly cancelled pursuant to the terms in this CONTRACT.

- 3.11 WEHA shall make no alterations, repairs, or improvements to the FACILITY without the prior written permission of the TOWN. WEHA shall leave the FACILITY in good condition and repair at the expiration or earlier termination of this CONTRACT.
- 3.12 WEHA shall not condone any smoking, alcohol consumption or use of controlled substances within the FACILITY when in use by WEHA. Animals are not allowed within the FACILITY. WEHA shall not construct temporary or permanent structures on the inside or outside of the FACILITY for recreational or other purposes. WEHA shall not use the FACILITY to further any discrimination based on race, sex, creed, sexual orientation or national origin.
- 3.13 WEHA property shall at all times be secured so as to avoid any undesired use of such personal property; all usage of personal property at the FACILITY shall be in the presence and at the direction of WEHA personnel; and, all personal property shall be disassembled, broken down, locked down and neatly stored away when not in use at the FACILITY. The location of such storage shall be as agreed to with the TOWN.
- 3.14 WEHA shall communicate primarily with TOWN's Parks and Recreation Director or her designee relative to all matters contemplated in this CONTRACT.
- 3.15 WEHA agrees to pay to the TOWN any and all increased costs and expenses attributable to WEHA's occupation of the FACILITY.

#### **4. TOWN's Obligations**

- 4.1 TOWN shall be responsible for all operations and maintenance of the FACILITY.
- 4.2 TOWN shall create and provide the following schedules for the FACILITY that shall be the basis upon which WEHA's use of the FACILITY shall be coordinated:
- ❖ Season availability schedule
  - ❖ Game availability schedule
  - ❖ Daily schedule for a two week period during ice season
- 4.3 TOWN shall update rink schedules in accordance with TOWN approved schedule and WEHA updates as per the above conditions.

#### **5. Licenses, Permits, and Fees**

WEHA shall adhere to all local and state requirements regarding the conduct of its business as a sanctioned hockey organization, business licenses, taxes, vending, and special event permits and policies.

## 6. Security Deposit

Security Deposit Amount \$1,000.00 Due 11/15/17 (16/17 deposit retained for 17/18 year). WEHA shall pay the TOWN the above sum to be used as security for WEHA's faithful performance of the terms and obligations of this CONTRACT. Said amount shall be paid at the time of WEHA's execution of this CONTRACT. This deposit shall be held by the TOWN during the TERM. Within thirty (30) days following the expiration of the TERM or earlier termination of this CONTRACT, the TOWN shall either return the security deposit or, provide WEHA with a written statement setting forth the reason for the retention of any portion thereof together with the payment of the difference, if any, between the amount of the security deposit and the damages claimed by the TOWN.

## 9. Cancellation of Program

The TOWN Manager or his /her designee may cancel the PROGRAM and WEHA's use of the FACILITY, if the terms of this CONTRACT are not substantially fulfilled in a timely manner, or in the event of an unforeseen catastrophic event. In the event of such cancellation, TOWN shall remit to WEHA all damage deposits minus any expenditure incurred by TOWN. Upon expiration or earlier termination of this CONTRACT, WEHA shall quit and surrender the FACILITY in its original condition and promptly remove all personal property therefrom. TOWN shall not be liable to WEHA for, and WEHA hereby waives, any lost revenues or consequential damages in the event of such cancellation.

## 10. Additional Requirements

- 10.1 Except as otherwise provided for herein, the Town Manager and Parks and Recreation Director or his/her designee shall be the sole representatives of TOWN responsible for administering the provisions of this CONTRACT.
- 10.2 WEHA agrees that it will abide by any additional requirements as may be found necessary to insure the health and safety of PROGRAM participants and the public. WEHA shall pay for all damages to public or private property, connected to the PROGRAM.
- 10.3 In consideration for the TOWN allowing the use of the FACILITY and the grant of permit thereto under this CONTRACT, WEHA, its members, managers, officers and directors (collectively, "Releasor/Idemnitor") hereby acknowledge and agree to the following: (a) Releasor/Idemnitor hereby assumes all risk of claims, liabilities, injuries, losses, demands or damages, whether related to bodily injury, personal injury, sickness, disease, death, property loss or damage

(including attorneys' fees, costs and expenses) (collectively, "Claims") arising out of, directly or indirectly, the use of the FACILITY by WEHA; (b) Releasor/Indemnitor hereby waives any claims, and hereby releases, the TOWN, its elected officials, officers, employees, agents, insurers, insurance pools, attorneys, representatives, contractors and subcontractors (collectively, "Releasee/Indemnitee") against and from any and all Claims arising out of, directly or indirectly, the use of the FACILITY by WEHA; and (c) WEHA shall indemnify, defend and hold harmless Releasee/Indemnitee from and against any and all Claims of any third party arising out of WEHA's use of the FACILITY.

- 10.4 WEHA understands and agrees that the TOWN is relying on, and does not waive or intend to waive by any provision of this CONTRACT, the monetary limitations (currently \$350,000 per person and \$990,000 per occurrence) or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, § 24-10-101, *et seq.*, C.R.S., as from time to time amended, or otherwise available to the TOWN, its elected officials or its employees.
- 10.5 WEHA shall cause all participants, staff and volunteers participating in the PROGRAM to execute a liability waiver assuming the risk in connection with the PROGRAM activities and waiving any and all claims against the TOWN as the property owner in connection therewith.
- 10.6 At its sole cost and expense, WEHA shall obtain and keep in force during and through the TERM "all-risk" property coverage naming the TOWN and WEHA as their interests may appear.

At its sole expense, WEHA shall obtain and keep in force during and through the TERM commercial general liability insurance with a combined single limit of not less than \$2,000,000.00 for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring the TOWN and WEHA, including, without limitation, coverage for contractual liability, broad form property damage and non-owned automobile liability, with respect to the FACILITY. The insurance shall be noncontributing with any insurance that may be carried by TOWN and shall contain a provision that TOWN, although named as an insured, shall nevertheless be entitled to recover under the policy for any loss, injury, cost or damage to TOWN, or the property of the same.

All insurance required herein and all renewals thereof shall be issued by companies authorized to transact business in the State of Colorado and rated at least A+ Class X by Best's Insurance Reports (property liability) or otherwise approved by TOWN in writing. All insurance policies shall be subject to approval by TOWN as to form and substance, shall expressly provide that the policies shall not be canceled without 30 days' prior written notice to TOWN and shall provide that no act or omission of TOWN that would otherwise result in forfeiture or reduction of the insurance shall affect or limit the obligation of the

insurance company to pay the amount of any loss sustained. Lessee may satisfy its obligation under this Section by appropriate endorsements of its blanket insurance policies.

All policies of liability insurance that WEHA is obligated to maintain according to this CONTRACT (other than any policy of workmen's compensation insurance) shall name TOWN as an additional insured. Originals or copies of original policies (together with copies of the endorsements naming TOWN as an additional insured) and evidence of the payment of all premiums of such policies shall be made available to TOWN on the date first written above. All public liability, property damage liability and casualty policies maintained by TOWN shall be written as primary policies, not contributing with and not in excess of coverage that TOWN may carry.

The parties waive all rights to recover against each other, or against the elected and appointed officials, employees, contractors, agents, advisors, attorneys, insurers, insurance pools, shareholders, directors, members, managers, officers, suppliers, agents or servants of each other, for any loss or damage arising from any cause covered by any insurance required to be carried by each of them pursuant to this Section or any other insurance actually carried by each of them. WEHA shall cause its insurer to issue an appropriate waiver of subrogation rights endorsements to all policies of insurance carried in connection with WEHA's operations and TOWN's operations and property failure of the TOWN to insist in any one or more instances upon strict compliance of any of the obligations, covenants, and agreements herein contained, or the failure of the TOWN in any one or more instances to exercise any option, privilege, or right herein contained shall in no way be construed as constituting a waiver of such default or option by the TOWN.

- 10.7 It is agreed that if the enforcement, interpretation or construction of this CONTRACT becomes necessary or advisable, the prevailing party in such effort shall be entitled to reasonable attorneys' fees, as well as all related costs and expenses.
- 10.8 If any provision, covenant, clause or agreement contained in this CONTRACT or the application hereof shall be found to be invalid, such invalidity shall not affect the validity of the remaining provisions, covenants, clauses, agreements, or the validity of the this CONTRCAT as a whole

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;  
SIGNATURE PAGE(S) TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this CONTRACT effective as of the date first set forth above.

TOWN:

TOWN OF CRESTED BUTTE,  
COLORADO,  
a Colorado home rule municipality

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

ATTEST:

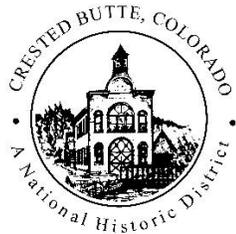
By: \_\_\_\_\_  
Lynelle Stanford, Town Clerk

(SEAL)

WEHA:

GUNNISON VALLEY HOCKEY  
ASSOCIATION

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



## Staff Report

October 2, 2017

**To:** Mayor Michel and Town Council

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

**From:** Hilary Henry, Open Space/Creative District Coordinator

**Subject:** **Crested Butte Land Trust Letter of Support for Gunsight Bridge Replacement Grant Application**

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### **Background:**

The Crested Butte Land Trust (Land Trust) is requesting a letter of support from the Town of Crested Butte for their application to Colorado Parks and Wildlife's State Non-motorized Trails Grant. They are applying for \$200,000 in funding to replace Gunsight Bridge.

The Land Trust owns the Gunsight Bridge Open Space, where the bridge is located, and the Town holds the conservation easement. The replacement of the Gunsight Bridge is consistent with the conservation easement for the Gunsight Bridge property.

The Town Council has authorized the Mayor to sign three letters of support for outside grant funding in the past for the replacement of the bridge to the Upper Gunnison River Water Conservancy District (6/17), the Laura Jane Musser Fund (3/17), and Colorado Parks and Wildlife (10/16). The Crested Butte Land Trust briefed the Town Council on the project during the July 25, 2017 Town Council Meeting.

The Land Trust also plans to submit an application to the Town of Crested Butte's Community Grants Program for \$20,000, to serve as about 25% of the cash match required for this Colorado State Trails Grant. At this time, the Land Trust is only asking for a letter of support for their application to the Colorado State Trails Grant. Their matching funds request will be considered through our Community Grants program in the future.

The state trails grant would provide the majority of the funding (\$200,000 of the estimated \$300,000 total cost) for the Gunsight Bridge Replacement Project.

### **Staff Recommendation:**

Staff recommends the Council makes a motion to authorize the mayor to sign the attached letter of support for the Crested Butte Land Trust's application to the Non-motorized State Trails grant.

October 2, 2017

Colorado Parks and Wildlife  
State Trails Program  
13787 S. Highway 85  
Littleton, CO 80125

Re: Trail Grant Opportunity

To Whom It May Concern,

I'm writing to express the Town of Crested Butte's ("Town") support of the Crested Butte Land Trust's ("Land Trust") construction grant application for replacement of Gunsight Bridge.

As the Conservation Easement holder for the Gunsight Bridge property, the Town is in full support of replacing this imperiled pedestrian bridge. This past summer, one of the bridge abutments was ripped off by the powerful force of the Slate River, causing concern for the public. The current condition of the bridge leaves it extremely vulnerable to erosion and severe degradation, placing visitors and residents in danger. The need for this project has only grown stronger since the Land Trust applied for the planning grant to replace the bridge in last year.

After their successful planning phase this past summer, please strongly consider funding the construction segment of this project.

The Town is in full support of this grant application, as replacing the bridge accomplishes several shared regional goals with the Land Trust, including protecting access to conserved open space, improving safety and enhancing riparian habitat along the Slate River. As a location where people move and visit specifically for the outstanding recreational opportunities close to Town, the bridge is critical for supporting our outdoor based industries, and promoting healthy lifestyles for residents. The Town has partnered with the Land Trust on the preservation of more than 1,000 acres with a focus on recreation and open space projects in the Crested Butte region. To continue enhancing these important objectives, please strongly consider this construction grant.

Thank you for your consideration,

Glenn Michel  
Mayor  
Town of Crested Butte



## Staff Report

September 27, 2017

**To:** Mayor and Town Council  
**Thru:** Dara MacDonald, Town Manager  
**From:** Lois Rozman, Finance Director

**Subject: Ordinance No. 24 Setting Business & Occupation License Tax (BOLT) for 2018 (Temporary Reduction to Certain Portions of the Business and Occupation Licensing Tax)**

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**Summary:** Ordinance No. 24, Series 2017 sets the Business and Occupation License Tax (“BOLT”) for 2018 to \$100.00, \$25.00 if the business has paid BOLT in Mt. Crested Butte. Voters passed a significantly higher BOLT tax ranging from \$100.00 up to \$1,500 based on the number of employees a business had. In an effort to get more business to join the Chamber, both Crested Butte and Mt. Crested Butte annually lower the BOLT to \$100.00 per year. To comply with Amendment 1 (“TABOR”) regulations and preserve the higher voter approved BOLT rate, the Council must adopt the lower BOLT rate annually. Of the \$100.00 collected, \$25.00 stays with the Town for the business license and the remaining \$75.00 goes to the Chamber to operate the Visitor Center and market the area.

In previous years, the business license renewal process opened up in mid-December for the next business year. In an effort to coincide with the new Vacation Rental Licensing process, Staff will be opening up the license renewal process under BOLT regulations to begin in early November of each year.

**Recommendation:** Staff recommends approving Ordinance No. 24, Series 2017.

**Possible Motion:** I move to approve Ordinance No. 24, Series 2017.

**ORDINANCE NO. 24  
SERIES 2017**

**AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL  
AMENDING CHAPTER 6-2 OF THE CRESTED BUTTE MUNICIPAL  
CODE PROVIDING FOR A TEMPORARY REDUCTION TO CERTAIN  
PORTIONS OF THE BUSINESS AND OCCUPATION LICENSING TAX  
FOR FISCAL AND CALENDAR YEAR OF 2018; AND PROVIDING THE  
AUTOMATIC REPEAL THEREOF EFFECTIVE ON THE FIRST DAY  
OF JANUARY, 2019.**

**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 Council of the Town of Crested Butte wishes to encourage businesses subject to the various provisions of the Town Code pertaining to the licensing of businesses within the Town, and, specifically, Section 6-2-40 of the Town Code pertaining to the required payments of the Business and Occupation Licensing Tax, to participate in the Chamber of Commerce in order to more effectively market and promote the Town of Crested Butte as a year-around resort and tourist destination, and promote activities and events beneficial to the business community; and,

**WHEREAS**, the Town Council finds that temporarily amending the Business Occupation and Licensing Tax for the calendar and fiscal year 2018 is in the best interest of the businesses within the Town of Crested Butte;

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

**Section 1. Amending the Ordinance.** Section 6-2-40 of the Crested Butte Municipal Code is temporarily amended to read as follows: “A Business Occupation Licensing Tax is hereby levied and there shall be collected and paid on any person doing business in the Town of Crested Butte, Colorado in the amount as set forth in Appendix A to this Code, in the calendar and fiscal year 2018.

**Section 2. Amending Appendix A.** Chapter 6 Business Licenses is hereby amended to change the effective date to Calendar Year 2018 and adding provision for additional fees due to late payment of business license renewals. Appendix A is hereby attached as “Exhibit A.”

**Section 3. Effective Date.** The provisions of this Ordinance amending Section 6-2-40 of the Town Code shall take effect at 12:01 A.M. on January 1, 2018, and shall expire at 12:00 Midnight on December, 31, 2018 without further action by the Town Council of the Town of Crested Butte, Colorado. Upon expiration of the terms of this Ordinance, the provisions of Section 6-2-40, of the Town Code of the Town of Crested Butte, Colorado as enacted prior to the

effective date hereof shall be in full force and effect.

**Section 4. Savings Clause.** Except as hereby amended, the Crested Butte Municipal Code shall remain valid, and in full force and effect. Any provision of any ordinance previously adopted by the Town of Crested Butte which is in conflict with this Ordinance is hereby repealed as of the enforcement date thereof.

**Section 5. 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. If any Section, provision, clause, phrase, word or other provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application thereof to other persons or circumstances shall not be affected thereby.

**INTRODUCED, AND FIRST READ BEFORE THE TOWN COUNCIL THIS  
EIGHTEENTH DAY OF SEPTEMBER, 2017.**

**ADOPTED BY THE TOWN COUNCIL UPON SECOND READING AND  
PUBLIC HEARING THIS \_\_\_\_\_ DAY OF OCTOBER, 2017.**

TOWN OF CRESTED BUTTE, COLORADO

By: \_\_\_\_\_  
Glenn Michel, Mayor

ATTEST:

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

(SEAL)

**“Exhibit A”****APPENDIX A****Fee Schedule**

<b>CHAPTER 6</b> <i>Business Licenses</i>			
<i>Code Section</i>	<i>Description</i>	<i>Effective Dates</i>	<i>Fee</i>
6-2-40	Business license occupation license	Calendar Year 2018	\$100.00
6-2-40	Late fee for renewals after January 31 <sup>st</sup> additional fee	Calendar Year 2018	\$25.00



## Staff Report

October 2, 2017

**To:** Mayor Michel and Town Council

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

**Subject:** Ordinance No. 25, Series 2017, Amending the Design Guidelines of the Town of Crested Butte for Front Yard Accessory Dwellings in Certain Circumstances in Residential zones.

**Date:** October 2, 2017

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### SUMMARY:

The Board of Zoning and Architectural Review (BOZAR) made a recommendation to the Town Council at the August 29, 2017 meeting to amend the Design Guidelines that adds a provision to allow front yard accessory buildings in residential zones under specific circumstances.

During the September 18<sup>th</sup> Council meeting, the Council requested that the Ordinance be changed to reflect the intent of the building to contain a dwelling and therefore be classified throughout the Ordinance as an Accessory Dwelling. This change is reflected throughout the Ordinance.

### DISCUSSION:

Accessory buildings are classified as detached buildings. They are constructed primarily for garages, or garage with a dwelling unit or an office/studio. The Design Guidelines convey that detached buildings should be located in the rear yards and appear subordinate in scale to the primary building *and minimize the overall density*, meaning they are not allowed in the front yard.

Several property owners whose residences are situated at the rear of their lot have approached the BOZAR with requests to allow an accessory building in the front yard. Their primary desire is to have a garage together with either a dwelling unit or an office. The BOZAR met in July following a regular BOZAR meeting to gather information about the incidence of residences situated in the rear of the property where it is not possible to construct a detached building. They found that three to four properties appear to be affected and felt that accommodations should be made available. Because siting a detached building in the front yard runs counter to the Town's historic grid system development (street facing residences with detached buildings in the rear) the Board added requirements that includes incorporating an accessory dwelling unit into the building that generates a long term residential rental unit. They also limited the placement of garage doors to the side or rear that will adhere to guidelines that do not allow street primary street-facing garage doors.

## **New guideline:**

### 2.29.5

In limited situations an accessory Dwelling may be placed in the front yard of residential zones if all of the following criteria must be met.

- a. The primary residence existing on site was constructed prior to 2012, is situated in the rear of the lot in such a manner that a detached building is not possible.
- b. The square footage of the existing residence exceeds 1,000 sf.
- c. The existing residence was not approved or classified as an accessory dwelling by the BOZAR.
- d. The proposed building must contain a dwelling unit and classified as an accessory dwelling.
- e. The dwelling shall be subordinate in height to the primary residence.
- f. The structure should have an entry door facing the street.
- g. A garage door cannot face the street, but side facing garage doors could be considered if access from the rear of the building is not possible.
- h. No more than one garage structure can be contained on the site.
- i. A substantial amount of landscaping is added to minimize the appearance of the building.
- j. The siding materials must meet the requirements for a single family residence.
- k. The setbacks for the site must be met.

### RECOMMENDATION:

A Town Council member make a motion followed by a second to approve Ordinance No. 25, Series 2017 amending the Design Guidelines of the Town of Crested Butte for Front Yard Accessory Dwellings in Certain Circumstances in Residential zones.

**ORDINANCE NO. 25**

**SERIES 2017**

**AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL AMENDING THE DESIGN GUIDELINES OF THE TOWN OF CRESTED BUTTE FOR FRONT YARD ACCESSORY DWELLINGS IN CERTAIN CIRCUMSTANCES IN RESIDENTIAL ZONES**

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

WHEREAS, the Design Guidelines for the Town of Crested Butte (“**Guidelines**”) were adopted by Ordinance No. 41, Series 1995 discourage the placement of accessory dwellings in front yards;

WHEREAS, on August 29, 2017 the Board of Zoning and Architectural Review reviewed new guidelines to allow the placement of accessory dwellings in the front yard with certain circumstances and recommended new a new section be added to the Guidelines;

WHEREAS, the addition of Section 2.29.5 to the Guidelines ensures new accessory dwellings in front yards protects the scale and massing of residential zone districts;

WHEREAS, the Town Council finds that allowing accessory dwellings with certain conditions can be built without adversely impacting neighboring properties; and

WHEREAS, the Town Council finds that amending the Guidelines for accessory dwellings in front yards in certain circumstances is in the best interest of the health, safety and general welfare of the residents and visitors of the Town.

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

**Section 1. Adding Section 2.29.5 to the Guidelines.** Subsection 2.29.5 of the Design Guidelines for the Town of Crested Butte is hereby amended by adding the following:  
2.29.5

In limited situations an accessory dwellings may be placed in the front yard of residential zones if all of the following criteria must are met.

- a. The primary residence existing on site was constructed prior to 2012, is situated in the rear of the lot in such a manner that a detached building is not possible.
- b. The square footage of the existing residence exceeds 1,000 sf.
- c. The existing residence was not approved or classified as an accessory dwelling by the BOZAR.
- d. The proposed building must contain a dwelling unit and classified as an accessory dwelling.

- e. The dwelling shall be subordinate in height to the primary residence.
- f. The structure should have an entry door facing the street.
- g. A garage door cannot face the street, but side facing garage doors could be considered if access from the rear of the building is not possible.
- h. No more than one garage structure can be contained on the site.
- i. A substantial amount of landscaping is added to minimize the appearance of the building.
- j. The siding materials must meet the requirements for a single family residence.
- k. The setbacks for the site must be met.

**Section 2. 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 shall stand notwithstanding the invalidity of any section, sentence, clause, phrase, word or other provision.

**Section 3. Savings Clause.** Except as amended hereby, the Guidelines of the Town of Crested Butte, as amended, shall remain valid and in full force and effect. Any provision of any ordinance previously adopted by the Town which is in conflict with this ordinance is hereby repealed as of the enforcement date hereof.

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS 18<sup>th</sup> DAY OF SEPTEMBER 2017.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN PUBLIC HEARING THIS 2<sup>nd</sup> DAY OF OCTOBER, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: \_\_\_\_\_  
Glenn Michel, Mayor

ATTEST:

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

[SEAL]



## Staff Report

October 2, 2017

**To:** Mayor and Town Council  
**From:** Dara MacDonald, Town Manager  
**Subject:** Ordinance 2017-26, Town Employee Lease Agreements

**Summary:** The Town has seven rental units that are currently occupied by municipal employees. This ordinance allows for the approval of two of the leases.

**Background:** The Town has been proactive for many years in constructing and maintaining rental units to ensure that there is some opportunity for affordable housing in Town for municipal employees. The attached leases incorporate the rental rate increase for each unit established with the 2017 budget as well as annual increases for future years.

C.R.S. 31-15-713(1)(c) states that the governing body of a municipality has the power to lease any real estate owned by the municipality when deemed to be in the best interest of the municipality. It further requires that leases for more than one year be approved by ordinance.

Affordable housing remains a top priority for the Town of Crested Butte and providing housing for employees is one of the many strategies utilized by the Town to address housing needs and ensure that the services expected from the Town can be met. As housing costs continue to escalate in the Crested Butte community it has become increasingly difficult for employees to afford to make their homes within the community. Having employees living within Town has many benefits for the community including ensuring responsiveness, encouraging longer tenure, and fostering a greater commitment to the community.

Annual rental rate escalations have been built into each lease so that these will not have to be brought back before the Council for additional approvals unless there is a change in the tenant in the future. The leases will automatically renew each year unless terminated by either party. Employees must vacate these rental units within 60 days of the end of their employment with the Town.

**Financial Implications:** The Town does incur some expense each year with utilities and maintenance of these properties. The rental income derived from these properties is reinvested in the affordable housing fund.

**Proposed Motion:** "I move to approve Ordinance 2017-26."

**ORDINANCE NO. 26**

**SERIES 2017**

**AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL AUTHORIZING THE LEASE OF VARIOUS TOWN RESIDENTIAL PROPERTIES (UNITS 2 AND 3, TOWN RANCH APARTMENTS, 808 9TH STREET CRESTED BUTTE, COLORADO) TO VARIOUS TOWN EMPLOYEES**

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;

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;

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 finds hereby that approving leases of various Town properties for use by certain Town employees 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 Town Council hereby finds that granting leases of various Town properties for use by certain Town employees is in the best interest of the Town.

2. **Authorization of Town Manager.** Based on the foregoing, the Town Council hereby authorizes the Town Manager to execute leases in substantially the same form as attached hereto as **Exhibit “A”** for the following properties to the employees described in such leases.

- A-1. Unit 2, Town Ranch Apartments;
- A-2. Unit 3, Town Ranch Apartments.

Ordinance 2017-26  
Employee leases

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS \_\_\_\_ DAY  
OF \_\_\_\_\_, 2017.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN  
PUBLIC HEARING THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: \_\_\_\_\_  
Glenn Michel, Mayor

ATTEST

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

(SEAL)

**EXHIBIT "A"**

**Employee Lease Agreements**

[attach form leases agreements here]

## LEASEHOLD AGREEMENT

**THIS AGREEMENT**, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the TOWN OF CRESTED BUTTE, a Colorado Home Rule Municipal Corporation (hereafter referred to as the “Town”) and Ian Baird, an employee of the Town of Crested Butte (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 1st day of October, 2017, for a period of one year, ending on the 30<sup>th</sup> day of September, 2018 at midnight. Thereafter, this agreement shall automatically renew annually from year to year. During the term of this Lease, Lessee must remain in the employment of the Town. Should Lessee’s employment with the Town end for any reason during the term of this Lease, Lessee, and any additional room-mate(s) or temporary visitor(s) must vacate the premises within 60 days from the end date of employment. Any extension of the vacation date must be mutually agreed upon in writing by both parties. Should the Lessee desire to move out prior to the expiration of the Lease, Lessee will give the Town no less than a 30 day notice of intention to move out.
  
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:
 

808 Ninth Street, Town Ranch, Unit 2, Crested Butte, Colorado (a two bedroom residential dwelling that is a portion of a Town owned triplex)
  
3. **RENT/OCCUPANTS:** The Lessee agrees to pay to Town as rent for the premises listed above the sum of \$670.00 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 automatic renewal every year the rental rate shall increase by \$15 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 not in connection with Lessee's employment with the Town is prohibited unless agreed upon in writing by both parties. Further, Lessee shall:
- a. Properly maintain the premises, fixtures, and furnishings located therein, to include the changing of light bulbs, cleaning, mowing and weeding, snow removal upon and around entrances and parking areas, yard cleanliness and maintenance, and other such minor work.
  - b. At its sole cost and labor make all necessary day to day repairs needed to preserve the quality of the interior walls, floor, ceiling, and doors of the premises, and maintain the fixtures and furnishings in good working order and condition. Any and all such repairs or replacements shall be of a like kind and quality, and shall be done in a good and thorough workmanlike manner.
  - c. Make no alterations, repairs, or improvements to the premises without prior written permission of the Town. Lessee shall secure the premises with a lock, and insure that the Town has a key to said lock. Lessee shall return the premises to the Town clean and in good order and condition including any carpets, wood flooring, paint, furnishings and appliances, and plumbing facilities at the termination of this Lease, ordinary wear and tear excepted.
  - d. Not use the premises in any fashion that would increase the risk of fire, explosion, or any physical damage or destruction to the premises, or create hazardous conditions for other tenants or neighbors. Not use the premise in any fashion contrary to the laws of the Town, the State of Colorado, or the United States government. Except by prior arrangement and written permission from the Town, limitations on the use of the premises includes a prohibition on smoking tobacco products, and the unlawful storage, consumption, or transfer of alcoholic beverages and/or controlled substances.
  - e. Lessee shall not use the premises to further any discriminatory or derogatory practices based on race, sex religious belief, sexual orientation or national origin.
  - f. Lessee understands and agrees that the leased premise is a part of a triplex building, the adjacent portion of which is a similar rental unit occupied by an employee of the Town. Lessee agrees that the tenant(s) in the other portion of the building are entitled to the quiet enjoyment of their residence, and the Lessee agrees to refrain from behaviors or practices that may un-necessarily disturb or damage the adjacent Lease-holder.
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. **LIENS:** Lessee agrees to keep the premises free and clear of liens of any kind caused by the action or inaction of Lessee.
  10. **SECURITY AND DAMAGE DEPOSIT:** Lessee has paid 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.
  11. **TAXES:** The Town shall pay any and all real and personal property taxes and special assessments which may be levied upon the premises, except those personal property taxes levied specifically upon the personal property of the Lessee.
  12. **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.

13. **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.
14. **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.
15. **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.
16. **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.
17. **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.
18. **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.

19. **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: Ian Baird  
PO Box 4232  
808 Ninth Street, Town Ranch, Unit 2  
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.

20. **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.
21. **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.
22. **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.
23. **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.
24. **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.

25. **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: \_\_\_\_\_  
Ian Baird

## LEASEHOLD AGREEMENT

**THIS AGREEMENT**, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the TOWN OF CRESTED BUTTE, a Colorado Home Rule Municipal Corporation (hereafter referred to as the “Town”) and Kyle Thomas, an employee of the Town of Crested Butte (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 November, 2017, for a period of one year, ending on the 31<sup>st</sup> day of October, 2018 at midnight. Thereafter, this agreement shall automatically renew annually from year to year. During the term of this Lease, Lessee must remain in the employment of the Town. Should Lessee’s employment with the Town end for any reason during the term of this Lease, Lessee, and any additional room-mate(s) or temporary visitor(s) must vacate the premises within 60 days from the end date of employment. Any extension of the vacation date must be mutually agreed upon in writing by both parties. Should the Lessee desire to move out prior to the expiration of the Lease, Lessee will give the Town no less than a 30 day notice of intention to move out.
  
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:
 

808 Ninth Street, Town Ranch, Unit 3, Crested Butte, Colorado (a one bedroom residential dwelling that is a portion of a Town owned triplex)
  
3. **RENT/OCCUPANTS:** The Lessee agrees to pay to Town as rent for the premises listed above the sum of \$550.00 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 automatic renewal every year the rental rate shall increase by \$10 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 not in connection with Lessee's employment with the Town is prohibited unless agreed upon in writing by both parties. Further, Lessee shall:
- a. Properly maintain the premises, fixtures, and furnishings located therein, to include the changing of light bulbs, cleaning, mowing and weeding, snow removal upon and around entrances and parking areas, yard cleanliness and maintenance, and other such minor work.
  - b. At its sole cost and labor make all necessary day to day repairs needed to preserve the quality of the interior walls, floor, ceiling, and doors of the premises, and maintain the fixtures and furnishings in good working order and condition. Any and all such repairs or replacements shall be of a like kind and quality, and shall be done in a good and thorough workmanlike manner.
  - c. Make no alterations, repairs, or improvements to the premises without prior written permission of the Town. Lessee shall secure the premises with a lock, and insure that the Town has a key to said lock. Lessee shall return the premises to the Town clean and in good order and condition including any carpets, wood flooring, paint, furnishings and appliances, and plumbing facilities at the termination of this Lease, ordinary wear and tear excepted.
  - d. Not use the premises in any fashion that would increase the risk of fire, explosion, or any physical damage or destruction to the premises, or create hazardous conditions for other tenants or neighbors. Not use the premise in any fashion contrary to the laws of the Town, the State of Colorado, or the United States government. Except by prior arrangement and written permission from the Town, limitations on the use of the premises includes a prohibition on smoking tobacco products, and the unlawful storage, consumption, or transfer of alcoholic beverages and/or controlled substances.
  - e. Lessee shall not use the premises to further any discriminatory or derogatory practices based on race, sex religious belief, sexual orientation or national origin.
  - f. Lessee understands and agrees that the leased premise is a part of a triplex building, the adjacent portion of which is a similar rental unit occupied by an employee of the Town. Lessee agrees that the tenant(s) in the other portion of the building are entitled to the quiet enjoyment of their residence, and the Lessee agrees to refrain from behaviors or practices that may un-necessarily disturb or damage the adjacent Lease-holder.
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. **LIENS:** Lessee agrees to keep the premises free and clear of liens of any kind caused by the action or inaction of Lessee.
  10. **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.
  11. **TAXES:** The Town shall pay any and all real and personal property taxes and special assessments which may be levied upon the premises, except those personal property taxes levied specifically upon the personal property of the Lessee.
  12. **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.

13. **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.
14. **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.
15. **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.
16. **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.
17. **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.
18. **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.

19. **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: Kyle Thomas  
PO Box 2111  
808 Ninth Street, Town Ranch, Unit 3  
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.

20. **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.
21. **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.
22. **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.
23. **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.
24. **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.

25. **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: \_\_\_\_\_  
Kyle Thomas



## Staff Report

October 2, 2017

**To:** Mayor and Town Council  
**From:** Dara MacDonald, Town Manager  
**Subject:** Resolution 2017-60 – Indigenous Peoples’ Day

**Summary:** Council is being asked to consider declaring the second Monday of October as Indigenous Peoples’ Day.

**Background:** At the request of Jeremy Rubingh, Mayor Michel and Jackson Petito requested that the attached resolution be placed on the Council’s agenda for consideration.

The following background information is collected from Wikipedia.com:

The second Monday of October is a federal holiday in America which celebrates the anniversary of Christopher Columbus’ arrival in the Americas on October 12, 1492. Five U.S. states do not recognize Columbus Day at all. Hawaii celebrates Discoverer’s Day, which commemorates the Polynesian discoverers of Hawaii on the same date, the second Monday of October. Similarly, in 2016, Vermont started celebrating Indigenous Peoples’ Day instead of Columbus Day, however this is not a reoccurring event. South Dakota celebrates the day as an official state holiday known as Native American Day. California and Texas have removed the day as a paid holiday for government workers while still maintaining it either as a day of recognition, or a legal holiday for other purposes.

The city of Berkeley, California, has replaced Columbus Day with Indigenous Peoples’ Day since 1992, a move which has been followed by multiple other localities including Sebastopol and Santa Cruz, California; Dane County, Wisconsin; Minneapolis-Saint Paul, Minnesota; Seattle, Washington; Missoula, Montana; Cambridge, Massachusetts; Denver, Colorado; Phoenix, Arizona; and Los Angeles, California. Various tribal governments in Oklahoma designate the day Native American Day, or name the day after their own tribe.

There is also lengthy discussion on Wikipedia.com about observance of and opposition to Columbus Day: [https://en.wikipedia.org/wiki/Columbus\\_Day](https://en.wikipedia.org/wiki/Columbus_Day)

**Discussion:** The resolution presented by Jeremy Rubingh makes some assertions that staff recommends the Council consider prior to adoption.

1. The resolution title states that the Town is “reaffirming” its commitment to promote the well-being and recognition of Colorado’s American Indian and Indigenous community. Staff is unaware of previous assertions of this commitment and suggests that this word be removed and replaced with “affirming.”
2. The fourth Whereas clause states that it is the responsibility of the municipality to oppose the systematic racism towards Indigenous people in the United States... Staff would suggest changing this to state that the Town opposes the systematic racism towards Indigenous people in the United States...
3. Section 2 affirms that it is the Town policy to participate in the annual Indigenous Peoples’ Day celebrations and activities. Staff is unaware of such a policy and suggests striking this Section.
4. Section 3 strongly encourages the Crested Butte Community School to include the teaching of indigenous people’s history. Staff would recommend that the Council strike this Section as the Council does not typically get involved in suggesting education policy to the school district.
5. Section 5 states that the Town “firmly commits to continue its efforts to promote the well-being and recognition of Colorado’s American Indian and Indigenous community.” Staff is unaware of these efforts and suggests rewording this to supporting efforts to promote the well-being...

**Recommendation:** Staff recommends the Council approve the resolution with the changes suggested above.

**Proposed Motion:** To approve Resolution 2017-60 with the changes suggested in numbers (insert which suggestions Council would like to adopt) above.

**RESOLUTION NO. 60  
SERIES 2017**

**A RESOLUTION OF THE CRESTED BUTTE TOWN COUNCIL RELATING TO INDIGENOUS PEOPLES' DAY; DECLARING THE SECOND MONDAY IN OCTOBER AS INDIGENOUS PEOPLES' DAY IN THE TOWN OF CRESTED BUTTE; ENCOURAGING OTHER INSTITUTIONS TO RECOGNIZE THE DAY; AND REAFFIRMING THE TOWN'S COMMITMENT TO PROMOTE THE WELL-BEING AND RECOGNITION OF COLORADO'S AMERICAN INDIAN AND INDIGENOUS COMMUNITY**

WHEREAS, the Town of Crested Butte, in the County of Gunnison and State of Colorado (the "Town"), is a home rule municipal corporation duly organized and existing under laws of the State of Colorado and the Town Charter (the "Charter"); and

WHEREAS, the Town of Crested Butte recognizes that the Indigenous Peoples of the lands that would later become known as the Americas have occupied these lands since time immemorial; and

WHEREAS, the Town recognizes the fact that Crested Butte is built upon the ancestral seasonal homelands and villages of the Indigenous Peoples of this region; and

WHEREAS, the Town of Crested Butte has a responsibility to oppose the systematic racism towards Indigenous people in the United States, which perpetuates high rates of poverty and income inequality, exacerbating disproportionate health, education, and social crises; and

WHEREAS, the Town promotes the closing of the equity gap for Indigenous Peoples through policies and practices that reflect the experiences of Indigenous Peoples, ensure greater access and opportunity, and honor our nation's indigenous roots, history, and contributions; and

WHEREAS, Indigenous Peoples' Day was first proposed in 1977 by a delegation of Native Nations to the United Nations sponsored International Conference on Discrimination Against Indigenous Populations in the Americas.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, IN THE COUNTY OF GUNNISON AND THE STATE OF COLORADO:

Section 1. The Town of Crested Butte strongly supports the proposition that Indigenous Peoples' Day shall be an opportunity to celebrate the thriving cultures and values of the Indigenous Peoples of our region.

Section 2. The Town of Crested Butte affirms that it is Town policy to participate in the annual Indigenous Peoples' Day celebrations and activities.

Section 3. The Town of Crested Butte strongly encourages the Crested Butte Community School to include the teaching of indigenous people's history.

Section 4. The Town Crested Butte encourages other businesses, organizations, and public institutions to recognize Indigenous Peoples' Day.

Section 5. The Town of Crested Butte firmly commits to continue its efforts to promote the well-being and recognition of Colorado's American Indian and Indigenous community.

Section 6. The Town Council of the Town of Crested Butte declare the second Monday in October as Indigenous Peoples' Day in the Town of Crested Butte.

Resolution 2017-60  
Indigenous Peoples' Day

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL  
THIS 2<sup>nd</sup> DAY OF OCTOBER, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: \_\_\_\_\_  
Glenn Michel, Mayor

(SEAL)

ATTEST:

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



## Staff Report

October 2, 2017

**To:** Mayor and Town Council

**From:** Dara MacDonald, Town Manager

**Subject:** Ordinance 2017-27, An ordinance of the Crested Butte Town Council approving the lease of a portion of the property at 308 Third Street to the Crested Butte Fire Protection District

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**Summary:** The Crested Butte Fire Protection District (“CBFPD”) has been a long-term tenant of the Town. Their most recent lease expired in 2002. The Council directed staff to review all of the expired leases of town property and to bring forward new leases for those entities. Staff recommends entering into a new lease with CBFPD.

**Previous Council Action:** In January of 2017, with Resolution 2017-02, the Council approved a policy regarding the leasing of non-residential municipal property.

**Background:** With the creation of a facility manager position a couple of years ago, the Town has begun to get a handle on the maintenance status of the many buildings the Town own and has begun investing in building improvements and deferred maintenance.

As of January, 2017 the Town had 18 tenants with expired or non-existent leases. All of the tenants are current with payments based upon the terms of the expired leases. Staff began reaching out to all of our non-residential tenants with expired leases in February and March to make them aware that the Town would like to enter into new leases. In some cases this also included new proposed lease rates. Since then Dale Hoots has met with each of the Town’s tenants to understand their needs, discuss management of the facility and further negotiate the lease rate. He has also become aware of some immediate maintenance needs which have been addressed and begun making longer term plans for maintenance of each building.

Based upon the policy adopted by the Council, staff generated a sliding lease rate based first upon the size of the space rented with the goal of getting all of the tenants to \$2 - \$6 per square foot, per year for non-profits. There is no increase proposed for any tenants in 2017.

**Discussion:** The space that CBFPD leases is approximately 515 sq. ft. They have been paying \$7,200 per year. The lease rate proposed would remain the same for three years. Beginning in 2020 the lease rate would increase 1% per year. The rental term is for 5 years with an automatic 5 year renewal.

In researching the policy last winter and in speaking with local property managers, town staff found comps for commercial office space in the range of \$2.25 sq. ft. to \$11.00 sq. ft. per year. We found comps for retail space on Elk Ave to range from \$12.00 sq. ft. to \$27.00 sq. ft.

**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 CBFPD.

**Proposed Motion:** Motion and a second to set Ordinance No. 27, Series 2017 to public hearing at the October 16<sup>th</sup> Council meeting.

**ORDINANCE NO. 27****SERIES 2017****AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL APPROVING THE LEASE OF A PORTION OF THE PROPERTY AT 308 THIRD STREET TO THE CRESTED BUTTE FIRE PROTECTION DISTRICT**

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 31-15-713 (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 last entered into a lease with the Crested Butte Fire Protection District (“CBFPD”) on December 1, 2001 for units within property owned by the Town and located within the building at 308 Maroon Ave; and

WHEREAS, the term of that lease expired on June 30, 2002; and

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

WHEREAS the Town Council finds hereby that approving leases of various Town properties for use by certain 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**. Based on the foregoing, the Town Council hereby authorizes the Town Manager 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 \_\_\_\_\_, 2017.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN  
PUBLIC HEARING THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: \_\_\_\_\_  
Glenn Michel, Mayor

ATTEST

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

(SEAL)

**EXHIBIT "A"**

**Lease Agreement**

[attach form lease agreement here]

## BUSINESS LEASE

THIS BUSINESS LEASE (this "**Lease**") is entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, with an effective date of November 1, 2017 (the "**Effective Date**") by and between the TOWN OF CRESTED BUTTE, COLORADO ("**Landlord**"), a Colorado home rule municipality and the CRESTED BUTTE FIRE PROTECTION DISTRICT, a Colorado special district ("**Tenant**").

### AGREEMENT:

1. **Premises.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon and subject to the terms and conditions as set forth herein, the real property and improvements thereon, as more particularly described as follows:

308 3<sup>rd</sup> Street  
Units A, B & C  
Town of Crested Butte,  
County of Gunnison,  
State of Colorado

and commonly known as 308 3<sup>rd</sup> Street, Units A, B & C (the "**Premises**").

Tenant has inspected the Premises and accepts the same in its "as is" condition.

2. **Use; Parking; Maintenance; Utilities; Signage.**

(a) Tenant may use and occupy the Premises solely for office space and related purposes in keeping with the mission of the Tenant. Any other uses shall be following Landlord's prior written consent.

(b) All parking, pedestrian and public facilities on the Premises shall be utilized as directed by Landlord and not restricted by Tenant.

(c) During the Term (as defined below), Tenant shall provide routine maintenance and care respecting the Premises, including, without limitation, regular cleaning and general cosmetic care (collectively, "**Projects**"). All such maintenance and care shall be performed at Tenant's sole cost and expense.

(d) Without limiting Tenant's obligation respecting such maintenance and care of the Premises, Landlord shall provide regular grounds maintenance (e.g., lawn care, snow removal) on and adjacent to the Premises. Landlord shall keep and maintain all sidewalks and drives adjacent to the Premises in a neat, clean and sanitary condition and reasonably free of litter, dirt, debris, obstructions, ice and snow. Tenant is responsible for snow removal on the small walkway and steps.

(e) Landlord shall pay the expenses for water, sewer and trash/recycling services for the Premises during the Term.

(f) Tenant shall pay for communications services used by Tenant on the Premises during the Term.

(g) All exterior signage and signage in the shared areas of the building shall be installed only upon prior approval of Landlord.

(h) Tenant shall maintain and keep in good condition and repair the interior of the improvements situate on the Premises against ordinary wear and tear. Landlord shall make reasonable structural repairs to the Premises in a reasonable amount of time following notice from Tenant of the need for such repairs.

### 3. **Term.**

(a) Provided that Tenant is not in default under any term or condition of this Lease, Tenant shall have and hold the Premises for a five (5) year period (the "**Term**") that shall commence on the Effective Date hereof and expire five (5) years following the commencement of the Term. The Term shall automatically be extended for an additional five (5) years, unless the Lease is terminated in writing by either party at least 90 days prior to the expiration of the initial Term.

(b) At the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in broom clean, good order and condition, in the same condition and repair as Tenant initially took occupancy of the Property on the Effective Date, ordinary wear and tear excepted. Tenant shall fully repair any damage occasioned by the removal of any trade fixtures, equipment, furniture, alterations, additions and improvements. All trade fixtures, equipment, furniture, alterations, additions and improvements not so removed shall conclusively be deemed to have been abandoned by Tenant and may be appropriated, sold, stored, destroyed or otherwise disposed of by Landlord without notice to Tenant or to any other person and without obligation to account therefor. Tenant shall pay Landlord all expenses incurred in connection with Landlord's disposition of such property, including the cost of repairing any damage to any improvements or the Premises caused by such removal. Tenant's obligation to observe and perform the foregoing requirements shall survive the expiration or earlier termination this Lease.

### 4. **Rent; Additional Rent; Security Deposit.**

(a) Tenant shall pay Landlord \$600.00 on the Effective Date of this Lease and each month thereafter during the first three years of the Term (the "**Rent**"). Rent shall increase annually as follows:

Rent shall thenceforth increase 1% each year as follows:

3<sup>rd</sup> anniversary (2020):           \$7,272.00 annually / \$606.00 per month

4 <sup>th</sup> anniversary (2021):	\$7,344.72 annually / \$612.06 per month
5 <sup>th</sup> anniversary (2022):	\$7,418.17 annually / \$618.18 per month
6 <sup>th</sup> anniversary (2023):	\$7,492.35 annually / \$624.36 per month
7 <sup>th</sup> anniversary (2024):	\$7,567.27 annually / \$630.61 per month
8 <sup>th</sup> anniversary (2025):	\$7,642.95 annually/ \$636.91 per month
9 <sup>th</sup> anniversary (2026):	\$7,719.37 annually / \$643.28 per month
10 <sup>th</sup> anniversary (2027):	\$7,796.57 annually / \$649.71 per month

(b) Any Rent that is paid late shall accrue interest at a rate of 1.5% of such unpaid Rent per month. Rent shall be prorated for any partial month.

(c) Rent, any additional rent and any other amounts due Landlord under this Lease shall be paid at Landlord's address specified herein for notices, without prior demand and without any abatement, deduction or setoff.

(d) To secure the faithful performance by Tenant of all of Tenant's covenants, conditions, and agreements in this Lease to be observed and performed, Tenant shall deposit with Landlord a security deposit (the "**Security Deposit**") within one (1) year of execution of the Lease. Tenant's security deposit shall be \$500.00. The Landlord acknowledges that they already hold a deposit of \$145.00 at the execution of the Lease. The Security Deposit may also be used in the event of termination of the Lease by re-entry, eviction, or otherwise. The parties agree that the Security Deposit or any portion thereof, may be applied to any Event of Default (as defined below) that may exist, and/or payment of subsequent damages and costs incurred by Landlord, without prejudice to any other remedy or remedies that Landlord may have on account thereof. If Tenant shall perform all of its respective covenants and agreements in the Lease, the Security Deposit, or the portion thereof not previously applied pursuant to the provisions of the Lease, together with a statement, shall be returned to Tenant without interest, no later than sixty (60) days after the expiration of the Term, or any renewal or extension thereof (or such earlier time if required by applicable law), provided Tenant has vacated the Premises and surrendered possession thereof to Landlord.

(e) This lease will maintain Tenant at an annual lease rate of \$13.98 per sq. ft. with 1% annual increases beginning in 2020.

5. **Landlord's Access.** Landlord, its agents, employees and contractors may, at their sole risk, enter the Premises at any time in response to an emergency, and at other reasonable time upon reasonable prior notice to Tenant, without limitation, (a) inspect the Premises, (b) determine whether Tenant is complying with its obligations under this Lease, (c) supply any other service that Landlord is required to provide, (d) post notices of non-responsibility or similar notices, or (e) make repairs which this Lease requires Landlord or Tenant to make. All work of Landlord shall be performed as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible, at all times taking into account the nature and extent of such work. Landlord shall at all times have a key with which to unlock all of the doors to the Premises (excluding Tenant's vaults, safes and similar areas designed in writing by Tenant in advance).

6. **No Alterations.** Without limiting Tenant's obligations to maintain, repair, restore and replace the Premises and any portion thereof, Tenant shall not make any alterations, additions, repairs, restorations or improvements to the Premises without at least seven (7) days of notice to Landlord and Landlord's written consent. All improvements made by Tenant which are so attached to the Premises that they cannot be removed without material injury to the Premises shall become the property of Landlord upon installation.

7. **Compliance with Laws.**

(a) Tenant shall not use or occupy, or permit any portion of the Premises to be used or occupied in violation of any law, ordinance, order, rule, regulation, certificate of occupancy or other governmental requirement.

(b) Tenant and the Premises shall remain in compliance with all applicable laws, ordinances and regulations (including consent decrees and administrative orders) relating to public health and safety and protection of the environment, including those statutes, laws, regulations and ordinances, all as amended and modified from time to time..

8. **No Unsightliness.** Tenant covenants and agrees that no unsightliness shall be permitted on the Premises. Without limiting the generality of the foregoing, no vehicles, machinery, equipment, tools, refuse, scrap, debris, garbage, trash, bulk materials, used vehicle parts or waste shall be kept, stored or allowed to accumulate on the Premises at any time. The Tenant shall have the right to tow vehicles from the Premises and place signage on the Premises to enforce the above provisions.

9. **Insurance.**

(a) At its sole expense, Tenant shall obtain and keep in force during the Term commercial general liability insurance with a combined single limit of not less than One Million Dollars (\$1,000,000.00) for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring against any and all liability of Landlord and Tenant, including coverage for contractual liability, broad form property damage, and non-owned automobile liability, with respect to the Premises or arising out of the maintenance, use or occupancy of the Premises. The insurance shall be noncontributing with any insurance that may be carried by Landlord and shall contain a provision that Landlord, although named as an insured, shall nevertheless be entitled to recover under the policy for any loss, injury, or damage to Landlord, its agents, and employees, or the property of such persons.

(b) Upon receipt of written notification from the Town, at Tenant's sole expense, Tenant shall obtain and keep in force, during the Term, "all-risk" coverage naming Landlord and Tenant as their interests may appear and other parties that Landlord or Tenant may designate as additional insureds in the customary form for buildings and improvements of similar character, on all buildings and improvements now or hereinafter located on the Premises. Such coverage shall include, without limitation, the historic replacement value of the Premises building structure. The amount of the insurance shall be designated by Landlord no more frequently than once every twelve (12) months, shall be set forth on an "agreed amount

endorsement” to the policy of insurance and shall not be less than the value of the buildings and improvements.

(c) All insurance required in this Section and all renewals of it shall be issued by companies authorized to transact business in the State of Colorado, and rated at least A+ Class X by Best’s Insurance Reports (property liability) or approved by Landlord. All insurance policies shall be subject to approval by Landlord and any lender as to form and substance, said approval not to be unreasonably withheld or delayed; shall expressly provide that the policies shall not be canceled or altered without thirty (30) days’ prior written notice to Landlord and any lender, and to Landlord in the case of general liability insurance; and shall, to the extent obtainable without additional premium expense, provide that no act or omission of Tenant which would otherwise result in forfeiture or reduction of the insurance shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained. Tenant may satisfy its obligation under this Section by appropriate endorsements of its blanket insurance policies.

(d) All policies of liability insurance that Tenant is obligated to maintain according to this Lease (other than any policy of workmen’s compensation insurance) shall name Landlord and such other persons or firms as Landlord specifies from time to time as additional insureds provided such other persons have an insurable interest and does not result in any additional premium expenses. Original or copies of original policies (together with copies of the endorsements naming Landlord, and any others specified by Landlord, as additional insureds) and evidence of the payment of all premiums of such policies shall be made available to Landlord prior to Tenant’s occupancy of the Premises and from time to time at least thirty (30) days’ prior to the expiration of the term of each policy. All public liability, property damage liability, and casualty policies maintained by Tenant shall be written as primary policies, not contributing with and not in excess of coverage that Landlord may carry. No insurance required to be maintained by Tenant by this Section shall be subject to any deductible in excess of \$20,000.00 without Landlord’s prior written consent.

(e) Landlord and Tenant waive all rights to recover against each other, or against the officers, elected officials, directors, shareholders, members, partners, joint venturers, employees, agents, customers, invitees, or business visitors of each of theirs, for any loss or damage arising from any cause covered by any insurance required to be carried by each of them pursuant to this Section or any other insurance actually carried by each of them. Tenant shall cause its insurer to issue an appropriate waiver of subrogation rights endorsements to all policies of insurance carried in connection with the Premises and any personal property located on the same. Tenant shall cause all other occupants of the Premises claiming by, under, or through Tenant to execute and deliver to Landlord a waiver of claims similar to the waiver in this Section and to obtain such waiver of subrogation rights endorsements.

#### 10. **Indemnification; Tenant Waiver and Release.**

(a) Tenant shall indemnify Landlord, its elected officials, officers, employees, agents, contractor, attorneys, insurers and insurance pools (collectively, the “**Landlord Parties**”); as applicable, each an “**Indemnitee**”) against, and hold each Indemnitee harmless from, any and all demands, claims, causes of action, fines, penalties, damages (including consequential

damages), losses, liabilities, judgments, and expenses (including attorneys' fees and court costs) incurred in connection with or arising from: (i) the use or occupancy of the Premises by Tenant or any person or entity claiming under Tenant, the employees, agents, contractors, guests, invitees or visitors of Tenant or any person or entity (each, a "**Tenant Related Person**"); (ii) any activity, work, or thing done or permitted or suffered by a Tenant Related Person in or about the Premises; (iii) any acts, omissions, or negligence of any Tenant Related Person; (iv) any breach, violation, or nonperformance by any Tenant Related Person of any term, covenant, or provision of this Lease or any law, ordinance or governmental requirement of any kind; or (v) except for loss of use of all or any portion of the Premises or Tenant's property located within the Premises that is proximately caused by or results proximately from the gross negligence of Landlord, any injury or damage to the person, property or business of a Tenant Related Person entering upon the Premises under the express or implied invitation of Tenant. If any action or proceeding is brought against an Indemnitee by reason of any claim solely arising out of subparagraphs (i) through (v) above, upon notice from Landlord, Tenant shall defend the claim at Tenant's expense with counsel reasonably satisfactory to Landlord.

(b) Tenant waives and releases all claims against Indemnitees with respect to any loss, injury, death, or damage (including consequential damages) to persons, property, or Tenant's business occasioned by, without limitation, theft; act of God; public enemy; injunction; riot; strike; insurrection; war; court order; requisition; order of governmental body or authority; fire; explosion; falling objects; steam, water, rain or snow; leak or flow of water (including water from the elevator system), rain or snow from the Premises or into the Premises or from the roof, street, subsurface, or from any other place, or by dampness, or from the breakage, leakage, obstruction, or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning, or lighting fixtures of the building; or from construction, repair, or alteration of the Premises or from any acts or omissions of any visitor of the Premises; or from any cause beyond Landlord's control.

#### 11. **Default Provisions.**

(a) If Tenant fails to perform any of its obligations under this Lease, then Landlord, after ten (10) days' written notice to Tenant (or, in case of any emergency, upon notice or without notice as may be reasonable under the circumstances) and without waiving any of its rights under this Lease, may (but shall not be required to) pay the amount or perform the obligation. All amounts so paid by Landlord and all costs and expenses incurred by Landlord in connection with the performance of any obligations (together with interest at the prime rate from the date of Landlord's payment of the amount or incurring of each cost or expense until the date of full repayment by Tenant) shall be payable by Tenant to Landlord on demand and as additional rent. In the proof of any damages that Landlord may claim against Tenant arising out of Tenant's failure to maintain insurance that is required by terms of this Lease, Landlord shall not be limited to the amount of the unpaid insurance premium but shall also be entitled to recover as damages for the breach the amount of any uninsured loss (to the extent of any deficiency in the insurance required by the provisions of this Lease), damages, costs and expenses of suit, including attorneys' fees, arising out of damage to, or destruction of, the Premises occurring during any period for which Tenant has failed to provide the insurance.

(b) The following occurrences are “**Events of Default**”: (i) Tenant defaults in the due and punctual payment of rent or any other amount due under this Lease, and the default continues for five (5) days after notice from Landlord; (ii) Tenant defaults in the performance of any other obligation under this Lease that is not cured after ten (10) days’ written notice to Tenant (or, in case of any emergency, upon notice or without notice as may be reasonable under the circumstances); or (iii) Tenant vacates or abandons the Premises.

(c) If any one or more Events of Default occurs, then Landlord may, at its election, give Tenant written notice of its intention to terminate this Lease on the date of the notice or on any later date specified in the notice, and, on the date specified in the notice, Tenant’s right to possession of the Premises shall cease and this Lease shall be terminated. In addition, landlord shall have all other rights available at law and in equity, including, without limitation, recovery of actual damages, costs and expenses, including reasonable attorneys’ fees. All remedies may be cumulatively and concurrently applied and enforced.

12. **Assignment.** Tenant may not assign this Lease, or sublet the Premises, in whole or in part, without Landlord’s prior written consent.

13. **Notices.** All notices, demands, and requests required to be given by either party to the other shall be in writing, and with a copy given to counsel for each such party as provided below. All notices, demands, and requests shall be delivered personally or sent by electronic mail (e-mail), nationally recognized overnight courier, certified or registered mail, return receipt requested, postage prepaid, or via facsimile, addressed to the parties at the addresses set forth below or at such other addresses as the parties may designate in writing delivered pursuant to the provisions hereof. Any notice when given as provided herein shall be deemed to have been delivered on the day of delivery if delivered personally, on the first business day following the confirmation of sending of an e-mail when sent by electronic mail, on the first business day following deposit with the courier service when delivered by overnight courier, three business (3) days subsequent to the date that said notice was deposited with the United States Postal Service, or on the first business day following the date of confirmation of receipt when delivered by facsimile.

To Landlord:                      Town of Crested Butte  
    P.O. Box 39  
    507 Maroon Avenue  
    Crested Butte, CO 81224  
    Facsimile: (970) 349-6626  
    Attn: Town Manager

To Tenant:                              Crested Butte Fire Protection District  
    P.O. Box 1009  
    Crested Butte, CO 81224

14. **No Waiver.** No waiver of any condition or agreement in this Lease by either Landlord or Tenant shall imply or constitute a further waiver by such party of the same or any other condition or agreement.

15. **Attorneys' Fees.** In case a dispute between the parties shall arise in connection with this Lease, the prevailing party shall be entitled to recover and shall be awarded (in addition to other relief granted) all reasonable attorneys' fees and costs in connection with such dispute from the non-prevailing party.

16. **Severability.** If any sentence, paragraph or article of this Lease is held to be illegal or invalid, this shall not affect in any manner those other portions of the Lease not illegal or invalid and this Lease shall continue in full force and effect as to those remaining provisions.

17. **Successors and Assigns.** The conditions and provisions hereof shall inure to the benefit of, and shall be binding upon, Landlord, Tenant and their respective personal representatives, successors and permitted assigns.

18. **Immigration Compliance.** Tenant certifies that it has complied, and during the term of this Lease will continue to comply, with the Immigration Reform and Control Act of 1986. The signature of Tenant on this Lease: (1) certifies that Tenant is not a natural person unlawfully present in the United States; and (2) also certifies the statements below if this is a public contract for services as defined in Colo. Rev. Stat. § 8-17.5-101, et seq., and Tenant utilizes subcontractors or employees in Tenant's business. Tenant shall not:

(a) knowingly employ or contract with an illegal alien to perform work under this Lease; or

(b) enter into a contract with a subcontractor that fails to certify to Tenant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Lease.

Tenant has confirmed the employment eligibility of all employees and subcontractors who are newly hired for employment to perform work under this Lease through participation in either the e-verify program or the department program (as defined in Colo. Rev. Stat. § 8-17.5-101, et seq.). Tenant may not use either the e-verify program or the department program procedures to undertake pre-employment screening of job applicants while this Lease is being performed. If Tenant obtains actual knowledge that a subcontractor performing work under this Lease knowingly employs or contracts with an illegal alien, Tenant shall:

(i) notify the subcontractor and the Landlord within three (3) days that Tenant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(ii) terminate the subcontract with the subcontractor if within three (3) days of receiving the notice required pursuant to sub-subparagraph (a) of this subparagraph the subcontractor does not stop employing or contracting with the illegal alien; except that Tenant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Tenant shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to state law. Tenant acknowledges that in the event Tenant violates any of the provisions of the foregoing the Town may terminate this Lease for breach of contract. No notice need be given of said termination. If this Lease is so terminated, Tenant shall be liable for actual and consequential damages to the Landlord.

19. **Obligation to Report.** Tenant shall report any material damage to the Premises or disturbances therein or thereon to Landlord as soon as it becomes aware of any such damages or disturbances.

20. **Miscellaneous Provisions.**

(a) Each party represents and warrants that it has obtained any and all approvals necessary to enter into and perform the obligations contained in this Lease, if any.

(b) This Lease shall be construed and enforced in accordance with the laws of the State of Colorado.

(c) This Lease is entered into at Crested Butte, Colorado, and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease will be in the District Court of Gunnison County, Colorado.

(d) This Lease may be executed in multiple counterparts each of which shall constitute an original, and both of which when taken together shall constitute one and the same document. The parties hereby agree to accept facsimile or electronic copies of signatures as original signatures

(e) An recordation of this Lease or any record thereof, or the recordation of any encumbrance against the Premises and/or the Improvements by any person, including, without limitation, any mortgagee of Tenant, except Landlord and any mortgagee of Landlord, shall be void *ab initio* and a default under this Lease.

(f) This Lease constitutes the entire and exclusive agreement between the parties relating to the specific matters covered herein. Any other agreements between the parties, whether written or oral are hereby merged herein and of no further force and effect.

(g) Unless otherwise provided in the Lease, the Lease may be amended, modified, or terminated only by a written instrument executed by Landlord and Tenant.

[Remainder of Page Intentionally Left Blank;  
Signature Page(s) to Follow]

IN WITNESS WHEREOF, Landlord and Tenant have executed Lease by their duly authorized officials effective as of the Effective Date first written above.

LANDLORD:

TOWN OF CRESTED BUTTE, COLORADO

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

ATTEST:

\_\_\_\_\_ [Seal]  
Lynelle Stanford, Town Clerk

TENANT:

CRESTED BUTTE FIRE PROTECTION DISTRICT, a Colorado special district

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_



## Staff Report

October 2, 2017

**To:** Mayor and Town Council

**From:** Dara MacDonald, Town Manager

**Subject:** Ordinance 2017-28, An ordinance of the Crested Butte Town Council approving the lease of a portion of the property at 308 Third Street to the Crested Butte Land Trust

**Summary:** The Crested Butte Land Trust (“CBLT”) has been a long-term tenant of the Town. Their most recent lease expired in 2002. The Council directed staff to review all of the expired leases of town property and to bring forward new leases for those entities. Staff recommends entering into a new lease with CBLT.

**Previous Council Action:** In January of 2017, with Resolution 2017-02, the Council approved a policy regarding the leasing of non-residential municipal property.

**Background:** With the creation of a facility manager position a couple of years ago, the Town has begun to get a handle on the maintenance status of the many buildings the Town own and has begun investing in building improvements and deferred maintenance.

As of January, 2017 the Town had 18 tenants with expired or non-existent leases. All of the tenants are current with payments based upon the terms of the expired leases. Staff began reaching out to all of our non-residential tenants with expired leases in February and March to make them aware that the Town would like to enter into new leases. In some cases this also included new proposed lease rates. Since then Dale Hoots has met with each of the Town’s tenants to understand their needs, discuss management of the facility and further negotiate the lease rate. He has also become aware of some immediate maintenance needs which have been addressed and begun making longer term plans for maintenance of each building.

Based upon the policy adopted by the Council, staff generated a sliding lease rate based first upon the size of the space rented with the goal of getting all of the tenants to \$2 - \$6 per square foot, per year for non-profits. There is no increase proposed for any tenants in 2017.

**Discussion:** The space that CBLT leases is approximately 667 sq. ft. They have been paying \$2,550 per year. The lease rate proposed is as follows:

2017	\$2,550	\$3.82 sq. ft.
2018	\$3,335	\$5.00 sq. ft.
2019	\$4,002	\$6.00 sq. ft.

Beginning in 2020 the lease rate would increase 1% per year. The rental term is for 5 years with an automatic 5 year renewal.

In researching the policy last winter and in speaking with local property managers, town staff found comps for commercial office space in the range of \$2.25 sq. ft. to \$11.00 sq. ft. per year. We found comps for retail space on Elk Ave to range from \$12.00 sq. ft. to \$27.00 sq. ft.

For comparison on possible annual lease rates for this space:

\$5.00	\$3,335.00
\$7.50	\$5,002.50
\$10.00	\$6,670.00

Section 3(e) of the lease includes an acknowledgement that the lease rate is substantially below market rates in support of the community benefit provided by CBLT as a local non-profit.

**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 CBLT.

**Proposed Motion:** Motion and a second to set Ordinance No. 28, Series 2017 to public hearing at the October 16<sup>th</sup> Council meeting.

**ORDINANCE NO. 28****SERIES 2017****AN ORDINANCE OF THE CRESTED BUTTE TOWN  
COUNCIL APPROVING THE LEASE OF A  
PORTION OF THE PROPERTY AT 308 THIRD  
STREET TO THE CRESTED BUTTE LAND TRUST**

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 31-15-713 (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 last entered into leases with the Crested Butte Land Trust ("CBLT") on July 1, 2001 and February 1, 2012 for units within property owned by the Town and located within the building at 308 Maroon Ave; and

WHEREAS, the terms of that leases expired on June 30, 2002 and January 1, 2013, respectively; and

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

WHEREAS the Town Council finds hereby that approving leases of various Town properties for use by certain 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**. Based on the foregoing, the Town Council hereby authorizes the Town Manager 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 \_\_\_\_\_, 2017.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN  
PUBLIC HEARING THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: \_\_\_\_\_  
Glenn Michel, Mayor

ATTEST

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

(SEAL)

**EXHIBIT "A"**

**Lease Agreement**

[attach form lease agreement here]

## BUSINESS LEASE

THIS BUSINESS LEASE (this "Lease") is entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, with an effective date of November 1, 2017 (the "Effective Date") by and between the TOWN OF CRESTED BUTTE, COLORADO ("Landlord"), a Colorado home rule municipality and the CRESTED BUTTE LAND TRUST, a Colorado nonprofit corporation ("Tenant").

### AGREEMENT:

1. **Premises.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon and subject to the terms and conditions as set forth herein, the real property and improvements thereon, as more particularly described as follows:

308 3<sup>rd</sup> Street  
Second Floor, South & East Units  
Town of Crested Butte,  
County of Gunnison,  
State of Colorado

and commonly known as 308 3<sup>rd</sup> Street, Second Floor, South & East Units (the "Premises").

Tenant has inspected the Premises and accepts the same in its "as is" condition.

2. **Use; Parking; Maintenance; Utilities; Signage.**

(a) (a) Tenant may use and occupy the Premises solely for office space and related purposes in keeping with the mission of the Tenant. Any other uses shall be following Landlord's prior written consent.

(b) All parking, pedestrian and public facilities on the Premises shall be utilized as directed by Landlord and not restricted by Tenant.

(c) During the Term (as defined below), Tenant shall provide routine maintenance and care respecting the Premises, including, without limitation, regular cleaning and general cosmetic care (collectively, "Projects"). All such maintenance and care shall be performed at Tenant's sole cost and expense.

(d) Without limiting Tenant's obligation respecting such maintenance and care of the Premises, Landlord shall provide regular grounds maintenance (e.g., lawn care, snow removal) on and adjacent to the Premises. Landlord shall keep and maintain all sidewalks and drives adjacent to the Premises in a neat, clean and sanitary condition and reasonably free of litter, dirt, debris, obstructions, ice and snow. Tenant is responsible for snow removal on the small walkway and steps.

(e) Landlord shall pay the expenses for water, sewer and trash/recycling services for the Premises during the Term.

(f) Tenant shall pay for communications services used by Tenant on the Premises during the Term.

(g) All exterior signage and signage in the shared areas of the building shall be installed only upon prior approval of Landlord.

(h) Tenant shall maintain and keep in good condition and repair the interior of the improvements situate on the Premises against ordinary wear and tear. Landlord shall make reasonable structural repairs to the Premises in a reasonable amount of time following notice from Tenant of the need for such repairs.

### 3. **Term.**

(a) Provided that Tenant is not in default under any term or condition of this Lease, Tenant shall have and hold the Premises for a five (5) year period (the "**Term**") that shall commence on the Effective Date hereof and expire five (5) years following the commencement of the Term. The Term shall automatically be extended for an additional five (5) years, unless the Lease is terminated in writing by either party at least 90 days prior to the expiration of the initial Term.

(b) At the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in broom clean, good order and condition, in the same condition and repair as Tenant initially took occupancy of the Property on the Effective Date, ordinary wear and tear excepted. Tenant shall fully repair any damage occasioned by the removal of any trade fixtures, equipment, furniture, alterations, additions and improvements. All trade fixtures, equipment, furniture, alterations, additions and improvements not so removed shall conclusively be deemed to have been abandoned by Tenant and may be appropriated, sold, stored, destroyed or otherwise disposed of by Landlord without notice to Tenant or to any other person and without obligation to account therefor. Tenant shall pay Landlord all expenses incurred in connection with Landlord's disposition of such property, including the cost of repairing any damage to any improvements or the Premises caused by such removal. Tenant's obligation to observe and perform the foregoing requirements shall survive the expiration or earlier termination this Lease.

### 4. **Rent; Additional Rent; Security Deposit.**

(a) Tenant shall pay Landlord \$212.50 on the Effective Date of this Lease and each month thereafter during the first year of the Term (the "**Rent**"). If the Tenant chooses they make pay the full amount for the coming year on the Effective Date and subsequent anniversaries. Rent shall increase annually as follows:

1 <sup>st</sup> anniversary (2018):	\$3,335.00 annually / \$277.92 per month
2 <sup>nd</sup> anniversary (2019):	\$4,002.00 annually / \$333.50 per month

Rent shall thenceforth increase 1% each year as follows:

3 <sup>rd</sup> anniversary (2020):	\$4,042.02 annually / \$336.84 per month
4 <sup>th</sup> anniversary (2021):	\$4,082.44 annually / \$340.20 per month
5 <sup>th</sup> anniversary (2022):	\$4,123.26 annually / \$343.61 per month
6 <sup>th</sup> anniversary (2023):	\$4,164.50 annually / \$347.04 per month
7 <sup>th</sup> anniversary (2024):	\$4,206.14 annually / \$350.51 per month
8 <sup>th</sup> anniversary (2025):	\$4,248.20 annually / \$354.02 per month
9 <sup>th</sup> anniversary (2026):	\$4,290.69 annually / \$357.56 per month
10 <sup>th</sup> anniversary (2027):	\$4,333.59 annually / \$361.13 per month

(b) Any Rent that is paid late shall accrue interest at a rate of 1.5% of such unpaid Rent per month. Rent shall be prorated for any partial month.

(c) Rent, any additional rent and any other amounts due Landlord under this Lease shall be paid at Landlord's address specified herein for notices, without prior demand and without any abatement, deduction or setoff.

(d) To secure the faithful performance by Tenant of all of Tenant's covenants, conditions, and agreements in this Lease to be observed and performed, Tenant shall deposit with Landlord a security deposit (the "**Security Deposit**") within one (1) year of execution of the Lease. Tenant's security deposit shall be of \$500.00. The Landlord acknowledges that they already hold a deposit of \$250.00 at the execution of the Lease. The Security Deposit may also be used in the event of termination of the Lease by re-entry, eviction, or otherwise. The parties agree that the Security Deposit or any portion thereof, may be applied to any Event of Default (as defined below) that may exist, and/or payment of subsequent damages and costs incurred by Landlord, without prejudice to any other remedy or remedies that Landlord may have on account thereof. If Tenant shall perform all of its respective covenants and agreements in the Lease, the Security Deposit, or the portion thereof not previously applied pursuant to the provisions of the Lease, together with a statement, shall be returned to Tenant without interest, no later than sixty (60) days after the expiration of the Term, or any renewal or extension thereof (or such earlier time if required by applicable law), provided Tenant has vacated the Premises and surrendered possession thereof to Landlord.

(e) Tenant acknowledges that the lease rate proposed is substantially below market value for leasing of office space in Crested Butte at the time of the Effective Date. This lease will get Tenant to an annual lease rate of \$6.00 per sq. ft. by 2019 with 1% annual increases in subsequent years. Below market lease rates are being offered in support of the community benefit provided by Tenant as a local non-profit. The following is provided for comparison on possible annual lease rates for this space:

\$5.00 per sq. ft.	\$3,335.00
\$7.50 per sq. ft.	\$5,002.50
\$10.00 per sq. ft.	\$6,670.00

5. **Landlord's Access.** Landlord, its agents, employees and contractors may, at their sole risk, enter the Premises at any time in response to an emergency, and at other reasonable

time upon reasonable prior notice to Tenant, without limitation, (a) inspect the Premises, (b) determine whether Tenant is complying with its obligations under this Lease, (c) supply any other service that Landlord is required to provide, (d) post notices of non-responsibility or similar notices, or (e) make repairs which this Lease requires Landlord or Tenant to make. All work of Landlord shall be performed as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible, at all times taking into account the nature and extent of such work. Landlord shall at all times have a key with which to unlock all of the doors to the Premises (excluding Tenant's vaults, safes and similar areas designed in writing by Tenant in advance).

6. **No Alterations.** Without limiting Tenant's obligations to maintain, repair, restore and replace the Premises and any portion thereof, Tenant shall not make any alterations, additions, repairs, restorations or improvements to the Premises without at least seven (7) days of notice to Landlord and Landlord's written consent. All improvements made by Tenant which are so attached to the Premises that they cannot be removed without material injury to the Premises shall become the property of Landlord upon installation.

7. **Compliance with Laws.**

(a) Tenant shall not use or occupy, or permit any portion of the Premises to be used or occupied in violation of any law, ordinance, order, rule, regulation, certificate of occupancy or other governmental requirement.

(b) Tenant and the Premises shall remain in compliance with all applicable laws, ordinances and regulations (including consent decrees and administrative orders) relating to public health and safety and protection of the environment, including those statutes, laws, regulations and ordinances, all as amended and modified from time to time..

8. **No Unsightliness.** Tenant covenants and agrees that no unsightliness shall be permitted on the Premises. Without limiting the generality of the foregoing, no vehicles, machinery, equipment, tools, refuse, scrap, debris, garbage, trash, bulk materials, used vehicle parts or waste shall be kept, stored or allowed to accumulate on the Premises at any time. The Tenant shall have the right to tow vehicles from the Premises and place signage on the Premises to enforce the above provisions.

9. **Insurance.**

(a) At its sole expense, Tenant shall obtain and keep in force during the Term commercial general liability insurance with a combined single limit of not less than One Million Dollars (\$1,000,000.00) for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring against any and all liability of Landlord and Tenant, including coverage for contractual liability, broad form property damage, and non-owned automobile liability, with respect to the Premises or arising out of the maintenance, use or occupancy of the Premises. The insurance shall be noncontributing with any insurance that may be carried by Landlord and shall contain a provision that Landlord,

although named as an insured, shall nevertheless be entitled to recover under the policy for any loss, injury, or damage to Landlord, its agents, and employees, or the property of such persons.

(b) Upon receipt of written notification from the Town, at Tenant's sole expense, Tenant shall obtain and keep in force, during the Term, "all-risk" coverage naming Landlord and Tenant as their interests may appear and other parties that Landlord or Tenant may designate as additional insureds in the customary form for buildings and improvements of similar character, on all buildings and improvements now or hereinafter located on the Premises. Such coverage shall include, without limitation, the historic replacement value of the Premises building structure. The amount of the insurance shall be designated by Landlord no more frequently than once every twelve (12) months, shall be set forth on an "agreed amount endorsement" to the policy of insurance and shall not be less than the value of the buildings and improvements.

(c) All insurance required in this Section and all renewals of it shall be issued by companies authorized to transact business in the State of Colorado, and rated at least A+ Class X by Best's Insurance Reports (property liability) or approved by Landlord. All insurance policies shall be subject to approval by Landlord and any lender as to form and substance, said approval not to be unreasonably withheld or delayed; shall expressly provide that the policies shall not be canceled or altered without thirty (30) days' prior written notice to Landlord and any lender, and to Landlord in the case of general liability insurance; and shall, to the extent obtainable without additional premium expense, provide that no act or omission of Tenant which would otherwise result in forfeiture or reduction of the insurance shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained. Tenant may satisfy its obligation under this Section by appropriate endorsements of its blanket insurance policies.

(d) All policies of liability insurance that Tenant is obligated to maintain according to this Lease (other than any policy of workmen's compensation insurance) shall name Landlord and such other persons or firms as Landlord specifies from time to time as additional insureds provided such other persons have an insurable interest and does not result in any additional premium expenses. Original or copies of original policies (together with copies of the endorsements naming Landlord, and any others specified by Landlord, as additional insureds) and evidence of the payment of all premiums of such policies shall be made available to Landlord prior to Tenant's occupancy of the Premises and from time to time at least thirty (30) days' prior to the expiration of the term of each policy. All public liability, property damage liability, and casualty policies maintained by Tenant shall be written as primary policies, not contributing with and not in excess of coverage that Landlord may carry. No insurance required to be maintained by Tenant by this Section shall be subject to any deductible in excess of \$20,000.00 without Landlord's prior written consent.

(e) Landlord and Tenant waive all rights to recover against each other, or against the officers, elected officials, directors, shareholders, members, partners, joint venturers, employees, agents, customers, invitees, or business visitors of each of theirs, for any loss or damage arising from any cause covered by any insurance required to be carried by each of them pursuant to this Section or any other insurance actually carried by each of them. Tenant shall cause its insurer to issue an appropriate waiver of subrogation rights endorsements to all policies

of insurance carried in connection with the Premises and any personal property located on the same. Tenant shall cause all other occupants of the Premises claiming by, under, or through Tenant to execute and deliver to Landlord a waiver of claims similar to the waiver in this Section and to obtain such waiver of subrogation rights endorsements.

10. **Indemnification; Tenant Waiver and Release.**

(a) Tenant shall indemnify Landlord, its elected officials, officers, employees, agents, contractor, attorneys, insurers and insurance pools (collectively, the “**Landlord Parties**”); as applicable, each an “**Indemnitee**”) against, and hold each Indemnitee harmless from, any and all demands, claims, causes of action, fines, penalties, damages (including consequential damages), losses, liabilities, judgments, and expenses (including attorneys’ fees and court costs) incurred in connection with or arising from: (i) the use or occupancy of the Premises by Tenant or any person or entity claiming under Tenant, the employees, agents, contractors, guests, invitees or visitors of Tenant or any person or entity (each, a “**Tenant Related Person**”); (ii) any activity, work, or thing done or permitted or suffered by a Tenant Related Person in or about the Premises; (iii) any acts, omissions, or negligence of any Tenant Related Person; (iv) any breach, violation, or nonperformance by any Tenant Related Person of any term, covenant, or provision of this Lease or any law, ordinance or governmental requirement of any kind; or (v) except for loss of use of all or any portion of the Premises or Tenant’s property located within the Premises that is proximately caused by or results proximately from the gross negligence of Landlord, any injury or damage to the person, property or business of a Tenant Related Person entering upon the Premises under the express or implied invitation of Tenant. If any action or proceeding is brought against an Indemnitee by reason of any claim solely arising out of subparagraphs (i) through (v) above, upon notice from Landlord, Tenant shall defend the claim at Tenant’s expense with counsel reasonably satisfactory to Landlord.

(b) Tenant waives and releases all claims against Indemnitees with respect to any loss, injury, death, or damage (including consequential damages) to persons, property, or Tenant’s business occasioned by, without limitation, theft; act of God; public enemy; injunction; riot; strike; insurrection; war; court order; requisition; order of governmental body or authority; fire; explosion; falling objects; steam, water, rain or snow; leak or flow of water (including water from the elevator system), rain or snow from the Premises or into the Premises or from the roof, street, subsurface, or from any other place, or by dampness, or from the breakage, leakage, obstruction, or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning, or lighting fixtures of the building; or from construction, repair, or alteration of the Premises or from any acts or omissions of any visitor of the Premises; or from any cause beyond Landlord’s control.

11. **Default Provisions.**

(a) If Tenant fails to perform any of its obligations under this Lease, then Landlord, after ten (10) days’ written notice to Tenant (or, in case of any emergency, upon notice or without notice as may be reasonable under the circumstances) and without waiving any of its rights under this Lease, may (but shall not be required to) pay the amount or perform the obligation. All amounts so paid by Landlord and all costs and expenses incurred by Landlord in

connection with the performance of any obligations (together with interest at the prime rate from the date of Landlord's payment of the amount or incurring of each cost or expense until the date of full repayment by Tenant) shall be payable by Tenant to Landlord on demand and as additional rent. In the proof of any damages that Landlord may claim against Tenant arising out of Tenant's failure to maintain insurance that is required by terms of this Lease, Landlord shall not be limited to the amount of the unpaid insurance premium but shall also be entitled to recover as damages for the breach the amount of any uninsured loss (to the extent of any deficiency in the insurance required by the provisions of this Lease), damages, costs and expenses of suit, including attorneys' fees, arising out of damage to, or destruction of, the Premises occurring during any period for which Tenant has failed to provide the insurance.

(b) The following occurrences are "**Events of Default**": (i) Tenant defaults in the due and punctual payment of rent or any other amount due under this Lease, and the default continues for five (5) days after notice from Landlord; (ii) Tenant defaults in the performance of any other obligation under this Lease that is not cured after ten (10) days' written notice to Tenant (or, in case of any emergency, upon notice or without notice as may be reasonable under the circumstances); or (iii) Tenant vacates or abandons the Premises.

(c) If any one or more Events of Default occurs, then Landlord may, at its election, give Tenant written notice of its intention to terminate this Lease on the date of the notice or on any later date specified in the notice, and, on the date specified in the notice, Tenant's right to possession of the Premises shall cease and this Lease shall be terminated. In addition, landlord shall have all other rights available at law and in equity, including, without limitation, recovery of actual damages, costs and expenses, including reasonable attorneys' fees. All remedies may be cumulatively and concurrently applied and enforced.

12. **Assignment.** Tenant may not assign this Lease, or sublet the Premises, in whole or in part, without Landlord's prior written consent.

13. **Notices.** All notices, demands, and requests required to be given by either party to the other shall be in writing, and with a copy given to counsel for each such party as provided below. All notices, demands, and requests shall be delivered personally or sent by electronic mail (e-mail), nationally recognized overnight courier, certified or registered mail, return receipt requested, postage prepaid, or via facsimile, addressed to the parties at the addresses set forth below or at such other addresses as the parties may designate in writing delivered pursuant to the provisions hereof. Any notice when given as provided herein shall be deemed to have been delivered on the day of delivery if delivered personally, on the first business day following the confirmation of sending of an e-mail when sent by electronic mail, on the first business day following deposit with the courier service when delivered by overnight courier, three business (3) days subsequent to the date that said notice was deposited with the United States Postal Service, or on the first business day following the date of confirmation of receipt when delivered by facsimile.

To Landlord:                      Town of Crested Butte  
    P.O. Box 39  
    507 Maroon Avenue

Crested Butte, CO 81224  
 Facsimile: (970) 349-6626  
 Attn: Town Manager

To Tenant: Crested Butte Land Trust  
 P.O. Box 2224  
 Crested Butte, CO 81224  
 Attn: Executive Director

14. **No Waiver.** No waiver of any condition or agreement in this Lease by either Landlord or Tenant shall imply or constitute a further waiver by such party of the same or any other condition or agreement.

15. **Attorneys' Fees.** In case a dispute between the parties shall arise in connection with this Lease, the prevailing party shall be entitled to recover and shall be awarded (in addition to other relief granted) all reasonable attorneys' fees and costs in connection with such dispute from the non-prevailing party.

16. **Severability.** If any sentence, paragraph or article of this Lease is held to be illegal or invalid, this shall not affect in any manner those other portions of the Lease not illegal or invalid and this Lease shall continue in full force and effect as to those remaining provisions.

17. **Successors and Assigns.** The conditions and provisions hereof shall inure to the benefit of, and shall be binding upon, Landlord, Tenant and their respective personal representatives, successors and permitted assigns.

18. **Immigration Compliance.** Tenant certifies that it has complied, and during the term of this Lease will continue to comply, with the Immigration Reform and Control Act of 1986. The signature of Tenant on this Lease: (1) certifies that Tenant is not a natural person unlawfully present in the United States; and (2) also certifies the statements below if this is a public contract for services as defined in Colo. Rev. Stat. § 8-17.5-101, et seq., and Tenant utilizes subcontractors or employees in Tenant's business. Tenant shall not:

(a) knowingly employ or contract with an illegal alien to perform work under this Lease; or

(b) enter into a contract with a subcontractor that fails to certify to Tenant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Lease.

Tenant has confirmed the employment eligibility of all employees and subcontractors who are newly hired for employment to perform work under this Lease through participation in either the e-verify program or the department program (as defined in Colo. Rev. Stat. § 8-17.5-101, et seq.). Tenant may not use either the e-verify program or the department program procedures to undertake pre-employment screening of job applicants while this Lease is being performed. If Tenant obtains actual knowledge that a subcontractor performing work under this Lease

knowingly employs or contracts with an illegal alien, Tenant shall:

- (i) notify the subcontractor and the Landlord within three (3) days that Tenant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- (ii) terminate the subcontract with the subcontractor if within three (3) days of receiving the notice required pursuant to sub-subparagraph (a) of this subparagraph the subcontractor does not stop employing or contracting with the illegal alien; except that Tenant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Tenant shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to state law. Tenant acknowledges that in the event Tenant violates any of the provisions of the foregoing the Town may terminate this Lease for breach of contract. No notice need be given of said termination. If this Lease is so terminated, Tenant shall be liable for actual and consequential damages to the Landlord.

19. **Obligation to Report.** Tenant shall report any material damage to the Premises or disturbances therein or thereon to Landlord as soon as it becomes aware of any such damages or disturbances.

20. **Miscellaneous Provisions.**

- (a) Each party represents and warrants that it has obtained any and all approvals necessary to enter into and perform the obligations contained in this Lease, if any.
- (b) This Lease shall be construed and enforced in accordance with the laws of the State of Colorado.
- (c) This Lease is entered into at Crested Butte, Colorado, and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease will be in the District Court of Gunnison County, Colorado.
- (d) This Lease may be executed in multiple counterparts each of which shall constitute an original, and both of which when taken together shall constitute one and the same document. The parties hereby agree to accept facsimile or electronic copies of signatures as original signatures
- (e) An recordation of this Lease or any record thereof, or the recordation of any encumbrance against the Premises and/or the Improvements by any person, including, without limitation, any mortgagee of Tenant, except Landlord and any mortgagee of Landlord, shall be void *ab initio* and a default under this Lease.
- (f) This Lease constitutes the entire and exclusive agreement between the

parties relating to the specific matters covered herein. Any other agreements between the parties, whether written or oral are hereby merged herein and of no further force and effect.

(g) Unless otherwise provided in the Lease, the Lease may be amended, modified, or terminated only by a written instrument executed by Landlord and Tenant.

[Remainder of Page Intentionally Left Blank;  
Signature Page(s) to Follow]

IN WITNESS WHEREOF, Landlord and Tenant have executed Lease by their duly authorized officials effective as of the Effective Date first written above.

LANDLORD:

TOWN OF CRESTED BUTTE, COLORADO

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

ATTEST:

\_\_\_\_\_ [Seal]  
Lynelle Stanford, Town Clerk

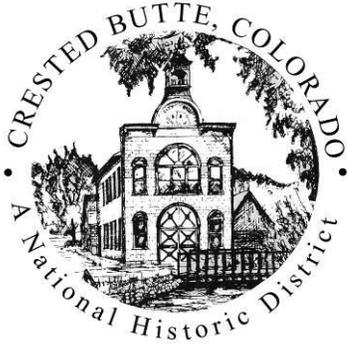
TENANT:

Crested Butte Land Trust, a  
Colorado nonprofit corporation

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_



## Staff Report

October 2, 2017

**To:** Mayor and Town Council

**From:** Dara MacDonald, Town Manager

**Subject:** Ordinance 2017-29, An ordinance of the Crested Butte Town Council approving the lease of a portion of the property at 308 Third Street to the Windsor Refrigeration

**Summary:** Neil Windsor of Windsor Refrigeration has been a long-term tenant of the Town. Their most recent lease expired in 2011. The Council directed staff to review all of the expired leases of town property and to bring forward new leases for those entities. Staff recommends entering into a new lease with Windsor Refrigeration.

**Previous Council Action:** In January of 2017, with Resolution 2017-02, the Council approved a policy regarding the leasing of non-residential municipal property.

**Background:** With the creation of a facility manager position a couple of years ago, the Town has begun to get a handle on the maintenance status of the many buildings the Town own and has begun investing in building improvements and deferred maintenance.

As of January, 2017 the Town had 18 tenants with expired or non-existent leases. All of the tenants are current with payments based upon the terms of the expired leases. Staff began reaching out to all of our non-residential tenants with expired leases in February and March to make them aware that the Town would like to enter into new leases. In some cases this also included new proposed lease rates. Since then Dale Hoots has met with each of the Town's tenants to understand their needs, discuss management of the facility and further negotiate the lease rate. He has also become aware of some immediate maintenance needs which have been addressed and begun making longer term plans for maintenance of each building.

Based upon the policy adopted by the Council, staff generated a sliding lease rate based first upon the size of the space rented with the goal of getting all of the tenants to \$2 - \$6 per square foot, per year for non-profits. Lease rates for individuals or for profit entities should be set at an average of comparable market rates. There is no increase proposed for any tenants in 2017.

**Discussion:** The space that Windsor Refrigeration leases is approximately 400 sq. ft. They have been paying \$1,800 per year. The lease rate proposed is as follows:

2017	\$1,800	\$ 4.50 sq. ft.
2018	\$2,520	\$ 6.30 sq. ft.

2019 \$4,320 \$10.80 sq. ft.

The rental term is for 3 years. The adopted policy states that leases to individuals or for profits should be advertised every three years to see if there is a non-profit that is interested in leasing the space.

In researching the policy last winter and in speaking with local property managers, town staff found comps for commercial office space in the range of \$2.25 sq. ft. to \$11.00 sq. ft. per year. We found comps for retail space on Elk Ave to range from \$12.00 sq. ft. to \$27.00 sq. ft.

For comparison on possible annual lease rates for this space:

\$5.00 per sq. ft.	\$2,000.00
\$7.50 per sq. ft.	\$3,000.00
\$10.00 per sq. ft.	\$4,000.00
\$12.00 per sq. ft.	\$4,800.00

**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 Windsor Refrigeration.

**Proposed Motion:** Motion and a second to set Ordinance No. 29, Series 2017 to public hearing at the October 16<sup>th</sup> Council meeting.

**ORDINANCE NO. 29****SERIES 2017****AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL APPROVING THE LEASE OF A PORTION OF THE PROPERTY AT 308 THIRD STREET TO WINDSOR REFRIGERATION**

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 31-15-713 (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 last entered into a lease with Neil Windsor on September 9, 2010 for a unit within property owned by the Town and located within the building at 308 Maroon Ave; and

WHEREAS, the term of that lease expired on August 31, 2011; and

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

WHEREAS the Town Council finds hereby that approving leases of various Town properties for use by certain 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**. Based on the foregoing, the Town Council hereby authorizes the Town Manager 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 \_\_\_\_\_, 2017.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN  
PUBLIC HEARING THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: \_\_\_\_\_  
Glenn Michel, Mayor

ATTEST

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

(SEAL)

**EXHIBIT "A"**

**Lease Agreement**

[attach form lease agreement here]

## BUSINESS LEASE

THIS BUSINESS LEASE (this "**Lease**") is entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, with an effective date of November 1, 2017 (the "**Effective Date**") by and between the TOWN OF CRESTED BUTTE, COLORADO ("**Landlord**"), a Colorado home rule municipality and WINDSOR REFRIGERATION, LLC, a Colorado limited liability company ("**Tenant**").

### AGREEMENT:

1. **Premises.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon and subject to the terms and conditions as set forth herein, the real property and improvements thereon, as more particularly described as follows:

308 3<sup>rd</sup> Street, Unit K  
Town of Crested Butte,  
County of Gunnison,  
State of Colorado

and commonly known as 308 3<sup>rd</sup> Street, Unit K (the "**Premises**").

Tenant has inspected the Premises and accepts the same in its "as is" condition.

2. **Use; Parking; Maintenance; Utilities; Signage.**

(a) Tenant may use and occupy the Premises solely for office/studio space and related purposes in keeping with the mission of the Tenant. Any other uses shall be following Landlord's prior written consent.

(b) All parking, pedestrian and public facilities on the Premises shall be utilized as directed by Landlord and not restricted by Tenant.

(c) During the Term (as defined below), Tenant shall provide routine maintenance and care respecting the Premises, including, without limitation, regular cleaning and general cosmetic care (collectively, "**Projects**"). All such maintenance and care shall be performed at Tenant's sole cost and expense.

(d) Without limiting Tenant's obligation respecting such maintenance and care of the Premises, Landlord shall provide regular grounds maintenance (e.g., lawn care, snow removal) on and adjacent to the Premises. Landlord shall keep and maintain all sidewalks and drives adjacent to the Premises in a neat, clean and sanitary condition and reasonably free of litter, dirt, debris, obstructions, ice and snow.

(e) Landlord shall pay the expenses for water, sewer and trash/recycling services for the Premises during the Term.

(f) Tenant shall pay for communications services used by Tenant on the Premises during the Term.

(g) All exterior signage and signage in the shared areas of the building shall be installed only upon prior approval of Landlord.

(h) Tenant shall maintain and keep in good condition and repair the interior of the improvements situate on the Premises against ordinary wear and tear. Landlord shall make reasonable structural repairs to the Premises in a reasonable amount of time following notice from Tenant of the need for such repairs.

### 3. **Term.**

(a) Provided that Tenant is not in default under any term or condition of this Lease, Tenant shall have and hold the Premises for a three (3) year period (the "**Term**") that shall commence on the Effective Date hereof and expire three (3) years following the commencement of the Term.

(b) Lease may be terminated by Tenant at any time without cause with 60 days notice to Landlord.

(c) At the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in broom clean, good order and condition, in the same condition and repair as Tenant initially took occupancy of the Property on the Effective Date, ordinary wear and tear excepted. Tenant shall fully repair any damage occasioned by the removal of any trade fixtures, equipment, furniture, alterations, additions and improvements. All trade fixtures, equipment, furniture, alterations, additions and improvements not so removed shall conclusively be deemed to have been abandoned by Tenant and may be appropriated, sold, stored, destroyed or otherwise disposed of by Landlord without notice to Tenant or to any other person and without obligation to account therefor. Tenant shall pay Landlord all expenses incurred in connection with Landlord's disposition of such property, including the cost of repairing any damage to any improvements or the Premises caused by such removal. Tenant's obligation to observe and perform the foregoing requirements shall survive the expiration or earlier termination this Lease.

### 4. **Rent; Additional Rent; Security Deposit.**

(a) Tenant shall pay Landlord \$150.00 on the Effective Date of this Lease and each month thereafter during the first year of the Term (the "**Rent**"). If the Tenant chooses they make pay the full amount for the coming year on the Effective Date and subsequent anniversaries. Rent shall increase annually as follows:

1 <sup>st</sup> anniversary (2018):	\$2,520.00 annually / \$210.00 per month
2 <sup>nd</sup> anniversary (2019):	\$4,320.00 annually / \$360.00 per month

(b) Any Rent that is paid late shall accrue interest at a rate of 1.5% of such unpaid Rent per month. Rent shall be prorated for any partial month.

(c) Rent, any additional rent and any other amounts due Landlord under this Lease shall be paid at Landlord's address specified herein for notices, without prior demand and without any abatement, deduction or setoff.

(d) To secure the faithful performance by Tenant of all of Tenant's covenants, conditions, and agreements in this Lease to be observed and performed, Tenant shall deposit with Landlord a security deposit (the "**Security Deposit**") within one (1) year of execution of the Lease. Tenant's security deposit shall be \$500.00. The Landlord acknowledges that they already hold a deposit of \$250.00 at the execution of the Lease. The Security Deposit may also be used in the event of termination of the Lease by re-entry, eviction, or otherwise. The parties agree that the Security Deposit or any portion thereof, may be applied to any Event of Default (as defined below) that may exist, and/or payment of subsequent damages and costs incurred by Landlord, without prejudice to any other remedy or remedies that Landlord may have on account thereof. If Tenant shall perform all of its respective covenants and agreements in the Lease, the Security Deposit, or the portion thereof not previously applied pursuant to the provisions of the Lease, together with a statement, shall be returned to Tenant without interest, no later than sixty (60) days after the expiration of the Term, or any renewal or extension thereof (or such earlier time if required by applicable law), provided Tenant has vacated the Premises and surrendered possession thereof to Landlord.

(e) Tenant acknowledges that the lease rate proposed is substantially below market value for leasing of office space in Crested Butte at the time of the Effective Date. This lease will get Tenant to an annual lease rate of \$10.80 per sq. ft. by 2019. Below market lease rates are being offered in support of the community benefit provided by Tenant as a local non-profit. The following is provided for comparison on possible annual lease rates for this space:

\$5.00 per sq. ft.	\$2,000.00
\$7.50 per sq. ft.	\$3,000.00
\$10.00 per sq. ft.	\$4,000.00
\$12.00 per sq. ft.	\$4,800.00

5. **Landlord's Access.** Landlord, its agents, employees and contractors may, at their sole risk, enter the Premises at any time in response to an emergency, and at other reasonable time upon reasonable prior notice to Tenant, without limitation, (a) inspect the Premises, (b) determine whether Tenant is complying with its obligations under this Lease, (c) supply any other service that Landlord is required to provide, (d) post notices of non-responsibility or similar notices, or (e) make repairs which this Lease requires Landlord or Tenant to make. All work of Landlord shall be performed as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible, at all times taking into account the nature and extent of such work. Landlord shall at all times have a key with which to unlock all of the doors to the Premises (excluding Tenant's vaults, safes and similar areas designed in writing by Tenant in advance).

6. **No Alterations.** Without limiting Tenant's obligations to maintain, repair, restore and replace the Premises and any portion thereof, Tenant shall not make any alterations, additions, repairs, restorations or improvements to the Premises without at least seven (7) days of

notice to Landlord and Landlord's written consent. All improvements made by Tenant which are so attached to the Premises that they cannot be removed without material injury to the Premises shall become the property of Landlord upon installation.

7. **Compliance with Laws.**

(a) Tenant shall not use or occupy, or permit any portion of the Premises to be used or occupied in violation of any law, ordinance, order, rule, regulation, certificate of occupancy or other governmental requirement.

(b) Tenant and the Premises shall remain in compliance with all applicable laws, ordinances and regulations (including consent decrees and administrative orders) relating to public health and safety and protection of the environment, including those statutes, laws, regulations and ordinances, all as amended and modified from time to time..

8. **No Unsightliness.** Tenant covenants and agrees that no unsightliness shall be permitted on the Premises. Without limiting the generality of the foregoing, no vehicles, machinery, equipment, tools, refuse, scrap, debris, garbage, trash, bulk materials, used vehicle parts or waste shall be kept, stored or allowed to accumulate on the Premises at any time. The Tenant shall have the right to tow vehicles from the Premises and place signage on the Premises to enforce the above provisions.

9. **Insurance.**

(a) At its sole expense, Tenant shall obtain and keep in force during the Term commercial general liability insurance with a combined single limit of not less than One Million Dollars (\$1,000,000.00) for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring against any and all liability of Landlord and Tenant, including coverage for contractual liability, broad form property damage, and non-owned automobile liability, with respect to the Premises or arising out of the maintenance, use or occupancy of the Premises. The insurance shall be noncontributing with any insurance that may be carried by Landlord and shall contain a provision that Landlord, although named as an insured, shall nevertheless be entitled to recover under the policy for any loss, injury, or damage to Landlord, its agents, and employees, or the property of such persons.

(b) Upon receipt of written notification from the Town, at Tenant's sole expense, Tenant shall obtain and keep in force, during the Term, "all-risk" coverage naming Landlord and Tenant as their interests may appear and other parties that Landlord or Tenant may designate as additional insureds in the customary form for buildings and improvements of similar character, on all buildings and improvements now or hereinafter located on the Premises. Such coverage shall include, without limitation, the historic replacement value of the Premises building structure. The amount of the insurance shall be designated by Landlord no more frequently than once every twelve (12) months, shall be set forth on an "agreed amount endorsement" to the policy of insurance and shall not be less than the value of the buildings and improvements.

(c) All insurance required in this Section and all renewals of it shall be issued by companies authorized to transact business in the State of Colorado, and rated at least A+ Class X by Best's Insurance Reports (property liability) or approved by Landlord. All insurance policies shall be subject to approval by Landlord and any lender as to form and substance, said approval not to be unreasonably withheld or delayed; shall expressly provide that the policies shall not be canceled or altered without thirty (30) days' prior written notice to Landlord and any lender, and to Landlord in the case of general liability insurance; and shall, to the extent obtainable without additional premium expense, provide that no act or omission of Tenant which would otherwise result in forfeiture or reduction of the insurance shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained. Tenant may satisfy its obligation under this Section by appropriate endorsements of its blanket insurance policies.

(d) All policies of liability insurance that Tenant is obligated to maintain according to this Lease (other than any policy of workmen's compensation insurance) shall name Landlord and such other persons or firms as Landlord specifies from time to time as additional insureds provided such other persons have an insurable interest and does not result in any additional premium expenses. Original or copies of original policies (together with copies of the endorsements naming Landlord, and any others specified by Landlord, as additional insureds) and evidence of the payment of all premiums of such policies shall be made available to Landlord prior to Tenant's occupancy of the Premises and from time to time at least thirty (30) days' prior to the expiration of the term of each policy. All public liability, property damage liability, and casualty policies maintained by Tenant shall be written as primary policies, not contributing with and not in excess of coverage that Landlord may carry. No insurance required to be maintained by Tenant by this Section shall be subject to any deductible in excess of \$20,000.00 without Landlord's prior written consent.

(e) Landlord and Tenant waive all rights to recover against each other, or against the officers, elected officials, directors, shareholders, members, partners, joint venturers, employees, agents, customers, invitees, or business visitors of each of theirs, for any loss or damage arising from any cause covered by any insurance required to be carried by each of them pursuant to this Section or any other insurance actually carried by each of them. Tenant shall cause its insurer to issue an appropriate waiver of subrogation rights endorsements to all policies of insurance carried in connection with the Premises and any personal property located on the same. Tenant shall cause all other occupants of the Premises claiming by, under, or through Tenant to execute and deliver to Landlord a waiver of claims similar to the waiver in this Section and to obtain such waiver of subrogation rights endorsements.

#### 10. **Indemnification; Tenant Waiver and Release.**

(a) Tenant shall indemnify Landlord, its elected officials, officers, employees, agents, contractor, attorneys, insurers and insurance pools (collectively, the "**Landlord Parties**"; as applicable, each an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all demands, claims, causes of action, fines, penalties, damages (including consequential damages), losses, liabilities, judgments, and expenses (including attorneys' fees and court costs) incurred in connection with or arising from: (i) the use or occupancy of the Premises by Tenant or any person or entity claiming under Tenant, the employees, agents, contractors, guests,

invitees or visitors of Tenant or any person or entity (each, a “**Tenant Related Person**”); (ii) any activity, work, or thing done or permitted or suffered by a Tenant Related Person in or about the Premises; (iii) any acts, omissions, or negligence of any Tenant Related Person; (iv) any breach, violation, or nonperformance by any Tenant Related Person of any term, covenant, or provision of this Lease or any law, ordinance or governmental requirement of any kind; or (v) except for loss of use of all or any portion of the Premises or Tenant’s property located within the Premises that is proximately caused by or results proximately from the gross negligence of Landlord, any injury or damage to the person, property or business of a Tenant Related Person entering upon the Premises under the express or implied invitation of Tenant. If any action or proceeding is brought against an Indemnitee by reason of any claim solely arising out of subparagraphs (i) through (v) above, upon notice from Landlord, Tenant shall defend the claim at Tenant’s expense with counsel reasonably satisfactory to Landlord.

(b) Tenant waives and releases all claims against Indemnitees with respect to any loss, injury, death, or damage (including consequential damages) to persons, property, or Tenant’s business occasioned by, without limitation, theft; act of God; public enemy; injunction; riot; strike; insurrection; war; court order; requisition; order of governmental body or authority; fire; explosion; falling objects; steam, water, rain or snow; leak or flow of water (including water from the elevator system), rain or snow from the Premises or into the Premises or from the roof, street, subsurface, or from any other place, or by dampness, or from the breakage, leakage, obstruction, or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning, or lighting fixtures of the building; or from construction, repair, or alteration of the Premises or from any acts or omissions of any visitor of the Premises; or from any cause beyond Landlord’s control.

#### 11. **Default Provisions.**

(a) If Tenant fails to perform any of its obligations under this Lease, then Landlord, after ten (10) days’ written notice to Tenant (or, in case of any emergency, upon notice or without notice as may be reasonable under the circumstances) and without waiving any of its rights under this Lease, may (but shall not be required to) pay the amount or perform the obligation. All amounts so paid by Landlord and all costs and expenses incurred by Landlord in connection with the performance of any obligations (together with interest at the prime rate from the date of Landlord’s payment of the amount or incurring of each cost or expense until the date of full repayment by Tenant) shall be payable by Tenant to Landlord on demand and as additional rent. In the proof of any damages that Landlord may claim against Tenant arising out of Tenant’s failure to maintain insurance that is required by terms of this Lease, Landlord shall not be limited to the amount of the unpaid insurance premium but shall also be entitled to recover as damages for the breach the amount of any uninsured loss (to the extent of any deficiency in the insurance required by the provisions of this Lease), damages, costs and expenses of suit, including attorneys’ fees, arising out of damage to, or destruction of, the Premises occurring during any period for which Tenant has failed to provide the insurance.

(b) The following occurrences are “**Events of Default**”: (i) Tenant defaults in the due and punctual payment of rent or any other amount due under this Lease, and the default continues for five (5) days after notice from Landlord; (ii) Tenant defaults in the performance of

any other obligation under this Lease that is not cured after ten (10) days' written notice to Tenant (or, in case of any emergency, upon notice or without notice as may be reasonable under the circumstances); or (iii) Tenant vacates or abandons the Premises.

(c) If any one or more Events of Default occurs, then Landlord may, at its election, give Tenant written notice of its intention to terminate this Lease on the date of the notice or on any later date specified in the notice, and, on the date specified in the notice, Tenant's right to possession of the Premises shall cease and this Lease shall be terminated. In addition, landlord shall have all other rights available at law and in equity, including, without limitation, recovery of actual damages, costs and expenses, including reasonable attorneys' fees. All remedies may be cumulatively and concurrently applied and enforced.

12. **Assignment.** Tenant may not assign this Lease, or sublet the Premises, in whole or in part, without Landlord's prior written consent.

13. **Notices.** All notices, demands, and requests required to be given by either party to the other shall be in writing, and with a copy given to counsel for each such party as provided below. All notices, demands, and requests shall be delivered personally or sent by electronic mail (e-mail), nationally recognized overnight courier, certified or registered mail, return receipt requested, postage prepaid, or via facsimile, addressed to the parties at the addresses set forth below or at such other addresses as the parties may designate in writing delivered pursuant to the provisions hereof. Any notice when given as provided herein shall be deemed to have been delivered on the day of delivery if delivered personally, on the first business day following the confirmation of sending of an e-mail when sent by electronic mail, on the first business day following deposit with the courier service when delivered by overnight courier, three business (3) days subsequent to the date that said notice was deposited with the United States Postal Service, or on the first business day following the date of confirmation of receipt when delivered by facsimile.

To Landlord:           Town of Crested Butte  
P.O. Box 39  
507 Maroon Avenue  
Crested Butte, CO 81224  
Facsimile: (970) 349-6626  
Attn: Town Manager

To Tenant:             Neil Windsor  
P.O. Box 1132  
Crested Butte, CO 81224

14. **No Waiver.** No waiver of any condition or agreement in this Lease by either Landlord or Tenant shall imply or constitute a further waiver by such party of the same or any other condition or agreement.

15. **Attorneys' Fees.** In case a dispute between the parties shall arise in connection with this Lease, the prevailing party shall be entitled to recover and shall be awarded (in addition

to other relief granted) all reasonable attorneys' fees and costs in connection with such dispute from the non-prevailing party.

16. **Severability**. If any sentence, paragraph or article of this Lease is held to be illegal or invalid, this shall not affect in any manner those other portions of the Lease not illegal or invalid and this Lease shall continue in full force and effect as to those remaining provisions.

17. **Successors and Assigns**. The conditions and provisions hereof shall inure to the benefit of, and shall be binding upon, Landlord, Tenant and their respective personal representatives, successors and permitted assigns.

18. **Immigration Compliance**. Tenant certifies that it has complied, and during the term of this Lease will continue to comply, with the Immigration Reform and Control Act of 1986. The signature of Tenant on this Lease: (1) certifies that Tenant is not a natural person unlawfully present in the United States; and (2) also certifies the statements below if this is a public contract for services as defined in Colo. Rev. Stat. § 8-17.5-101, et seq., and Tenant utilizes subcontractors or employees in Tenant's business. Tenant shall not:

(a) knowingly employ or contract with an illegal alien to perform work under this Lease; or

(b) enter into a contract with a subcontractor that fails to certify to Tenant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Lease.

Tenant has confirmed the employment eligibility of all employees and subcontractors who are newly hired for employment to perform work under this Lease through participation in either the e-verify program or the department program (as defined in Colo. Rev. Stat. § 8-17.5-101, et seq.). Tenant may not use either the e-verify program or the department program procedures to undertake pre-employment screening of job applicants while this Lease is being performed. If Tenant obtains actual knowledge that a subcontractor performing work under this Lease knowingly employs or contracts with an illegal alien, Tenant shall:

(i) notify the subcontractor and the Landlord within three (3) days that Tenant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(ii) terminate the subcontract with the subcontractor if within three (3) days of receiving the notice required pursuant to sub-subparagraph (a) of this subparagraph the subcontractor does not stop employing or contracting with the illegal alien; except that Tenant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Tenant shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to state law. Tenant acknowledges that in the event Tenant violates any of the provisions of the foregoing the

Town may terminate this Lease for breach of contract. No notice need be given of said termination. If this Lease is so terminated, Tenant shall be liable for actual and consequential damages to the Landlord.

19. **Obligation to Report.** Tenant shall report any material damage to the Premises or disturbances therein or thereon to Landlord as soon as it becomes aware of any such damages or disturbances.

20. **Miscellaneous Provisions.**

(a) Each party represents and warrants that it has obtained any and all approvals necessary to enter into and perform the obligations contained in this Lease, if any.

(b) This Lease shall be construed and enforced in accordance with the laws of the State of Colorado.

(c) This Lease is entered into at Crested Butte, Colorado, and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease will be in the District Court of Gunnison County, Colorado.

(d) This Lease may be executed in multiple counterparts each of which shall constitute an original, and both of which when taken together shall constitute one and the same document. The parties hereby agree to accept facsimile or electronic copies of signatures as original signatures

(e) An recordation of this Lease or any record thereof, or the recordation of any encumbrance against the Premises and/or the Improvements by any person, including, without limitation, any mortgagee of Tenant, except Landlord and any mortgagee of Landlord, shall be void *ab initio* and a default under this Lease.

(f) This Lease constitutes the entire and exclusive agreement between the parties relating to the specific matters covered herein. Any other agreements between the parties, whether written or oral are hereby merged herein and of no further force and effect.

(g) Unless otherwise provided in the Lease, the Lease may be amended, modified, or terminated only by a written instrument executed by Landlord and Tenant.

[Remainder of Page Intentionally Left Blank;  
Signature Page(s) to Follow]

IN WITNESS WHEREOF, Landlord and Tenant have executed Lease by their duly authorized officials effective as of the Effective Date first written above.

LANDLORD:

TOWN OF CRESTED BUTTE, COLORADO

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

ATTEST:

\_\_\_\_\_ [Seal]  
Lynelle Stanford, Town Clerk

TENANT:

WINDSOR REFRIGERATION, LLC, a  
Colorado limited liability company

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_



## Staff Report

October 2, 2017

**To:** Mayor and Town Council

**From:** Dara MacDonald, Town Manager

**Subject:** Ordinance 2017-30, An ordinance of the Crested Butte Town Council approving the lease of a portion of the property at 308 Third Street to the Crested Butte Land Trust

**Summary:** The Crested Butte Land Trust (“CBLT”) has been a long-term tenant of the Town. Their most recent lease expired in 2012. The Council directed staff to review all of the expired leases of town property and to bring forward new leases for those entities. Staff recommends entering into a new lease with CBLT.

**Previous Council Action:** In January of 2017, with Resolution 2017-02, the Council approved a policy regarding the leasing of non-residential municipal property.

**Background:** With the creation of a facility manager position a couple of years ago, the Town has begun to get a handle on the maintenance status of the many buildings the Town own and has begun investing in building improvements and deferred maintenance.

As of January, 2017 the Town had 18 tenants with expired or non-existent leases. All of the tenants are current with payments based upon the terms of the expired leases. Staff began reaching out to all of our non-residential tenants with expired leases in February and March to make them aware that the Town would like to enter into new leases. In some cases this also included new proposed lease rates. Since then Dale Hoots has met with each of the Town’s tenants to understand their needs, discuss management of the facility and further negotiate the lease rate. He has also become aware of some immediate maintenance needs which have been addressed and begun making longer term plans for maintenance of each building.

Based upon the policy adopted by the Council, staff generated a sliding lease rate based first upon the size of the space rented with the goal of getting all of the tenants to \$2 - \$6 per square foot, per year for non-profits. There is no increase proposed for any tenants in 2017.

**Discussion:** The space that CBLT leases is approximately 667 sq. ft. They have been paying \$2,550 per year. The lease rate proposed is as follows:

2017	\$2,550	\$3.82 sq. ft.
2018	\$3,335	\$5.00 sq. ft.
2019	\$4,002	\$6.00 sq. ft.

Beginning in 2020 the lease rate would increase 1% per year. The rental term is for 5 years with an automatic 5 year renewal.

In researching the policy last winter and in speaking with local property managers, town staff found comps for commercial office space in the range of \$2.25 sq. ft. to \$11.00 sq. ft. per year. We found comps for retail space on Elk Ave to range from \$12.00 sq. ft. to \$27.00 sq. ft.

For comparison on possible annual lease rates for this space:

\$5.00	\$3,335.00
\$7.50	\$5,002.50
\$10.00	\$6,670.00

Section 3(e) of the lease includes an acknowledgement that the lease rate is substantially below market rates in support of the community benefit provided by CBLT as a local non-profit.

**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 CBLT.

**Proposed Motion:** Motion and a second to set Ordinance No. 28, Series 2017 to public hearing at the October 16<sup>th</sup> Council meeting.

**ORDINANCE NO. 30****SERIES 2017****AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL APPROVING THE LEASE OF A PORTION OF THE PROPERTY AT 308 THIRD STREET TO LESLIE LOCKLEAR**

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 31-15-713 (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 last entered into a lease with Leslie Locklear on September 1, 2010 for a unit within property owned by the Town and located within the building at 308 Maroon Ave; and

WHEREAS, the term of that lease expired on August 31, 2011; and

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

WHEREAS the Town Council finds hereby that approving leases of various Town properties for use by certain 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**. Based on the foregoing, the Town Council hereby authorizes the Town Manager 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 \_\_\_\_\_, 2017.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN  
PUBLIC HARING THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: \_\_\_\_\_  
Glenn Michel, Mayor

ATTEST

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

(SEAL)

**EXHIBIT "A"**

**Lease Agreement**

[attach form lease agreement here]

## BUSINESS LEASE

THIS BUSINESS LEASE (this "Lease") is entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, with an effective date of November 1, 2017 (the "Effective Date") by and between the TOWN OF CRESTED BUTTE, COLORADO ("Landlord"), a Colorado home rule municipality and LESLIE LOCKLEAR, a private individual ("Tenant").

### AGREEMENT:

1. **Premises.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon and subject to the terms and conditions as set forth herein, the real property and improvements thereon, as more particularly described as follows:

308 3<sup>rd</sup> Street, Unit G  
Town of Crested Butte,  
County of Gunnison,  
State of Colorado

and commonly known as 308 3<sup>rd</sup> Street, Unit G (the "Premises").

Tenant has inspected the Premises and accepts the same in its "as is" condition.

2. **Use; Parking; Maintenance; Utilities; Signage.**

(a) Tenant may use and occupy the Premises solely for office space and related purposes in keeping with the mission of the Tenant. Any other uses shall be following Landlord's prior written consent.

(b) All parking, pedestrian and public facilities on the Premises shall be utilized as directed by Landlord and not restricted by Tenant.

(c) During the Term (as defined below), Tenant shall provide routine maintenance and care respecting the Premises, including, without limitation, regular cleaning and general cosmetic care (collectively, "Projects"). All such maintenance and care shall be performed at Tenant's sole cost and expense.

(d) Without limiting Tenant's obligation respecting such maintenance and care of the Premises, Landlord shall provide regular grounds maintenance (e.g., lawn care, snow removal) on and adjacent to the Premises. Landlord shall keep and maintain all sidewalks and drives adjacent to the Premises in a neat, clean and sanitary condition and reasonably free of litter, dirt, debris, obstructions, ice and snow.

(e) Landlord shall pay the expenses for water, sewer and trash/recycling services for the Premises during the Term.

(f) Tenant shall pay for communications services used by Tenant on the

Premises during the Term.

(g) All exterior signage and signage in the shared areas of the building shall be installed only upon prior approval of Landlord.

(h) Tenant shall maintain and keep in good condition and repair the interior of the improvements situate on the Premises against ordinary wear and tear. Landlord shall make reasonable structural repairs to the Premises in a reasonable amount of time following notice from Tenant of the need for such repairs.

### 3. **Term.**

(a) Provided that Tenant is not in default under any term or condition of this Lease, Tenant shall have and hold the Premises for a three (3) year period (the "**Term**") that shall commence on the Effective Date hereof and expire three (3) years following the commencement of the Term.

(b) At the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in broom clean, good order and condition, in the same condition and repair as Tenant initially took occupancy of the Property on the Effective Date, ordinary wear and tear excepted. Tenant shall fully repair any damage occasioned by the removal of any trade fixtures, equipment, furniture, alterations, additions and improvements. All trade fixtures, equipment, furniture, alterations, additions and improvements not so removed shall conclusively be deemed to have been abandoned by Tenant and may be appropriated, sold, stored, destroyed or otherwise disposed of by Landlord without notice to Tenant or to any other person and without obligation to account therefor. Tenant shall pay Landlord all expenses incurred in connection with Landlord's disposition of such property, including the cost of repairing any damage to any improvements or the Premises caused by such removal. Tenant's obligation to observe and perform the foregoing requirements shall survive the expiration or earlier termination this Lease.

### 4. **Rent; Additional Rent; Security Deposit.**

(a) Tenant shall pay Landlord \$135.00 on the Effective Date of this Lease and each month thereafter during the first year of the Term (the "**Rent**"). If the Tenant chooses they make pay the full amount for the coming year on the Effective Date and subsequent anniversaries. Rent shall increase annually as follows:

1 <sup>st</sup> anniversary (2018):	\$1,736.00 annually / \$144.67 per month
2 <sup>nd</sup> anniversary (2019):	\$1,860.00 annually / \$155.00 per month

(b) Any Rent that is paid late shall accrue interest at a rate of 1.5% of such unpaid Rent per month. Rent shall be prorated for any partial month.

(c) Rent, any additional rent and any other amounts due Landlord under this Lease shall be paid at Landlord's address specified herein for notices, without prior demand and without any abatement, deduction or setoff.

(d) To secure the faithful performance by Tenant of all of Tenant's covenants, conditions, and agreements in this Lease to be observed and performed, Tenant shall deposit with Landlord a security deposit (the "**Security Deposit**") within one (1) year of execution of the Lease. Tenant's security deposit shall be \$500.00. The Landlord acknowledges that they already hold a deposit of \$135.00 at the execution of the Lease. The Security Deposit may also be used in the event of termination of the Lease by re-entry, eviction, or otherwise. The parties agree that the Security Deposit or any portion thereof, may be applied to any Event of Default (as defined below) that may exist, and/or payment of subsequent damages and costs incurred by Landlord, without prejudice to any other remedy or remedies that Landlord may have on account thereof. If Tenant shall perform all of its respective covenants and agreements in the Lease, the Security Deposit, or the portion thereof not previously applied pursuant to the provisions of the Lease, together with a statement, shall be returned to Tenant without interest, no later than sixty (60) days after the expiration of the Term, or any renewal or extension thereof (or such earlier time if required by applicable law), provided Tenant has vacated the Premises and surrendered possession thereof to Landlord.

(e) Tenant acknowledges that the lease rate proposed is substantially below market value for leasing of office space in Crested Butte at the time of the Effective Date. This lease will get Tenant to an annual lease rate of \$15.00 per sq. ft. by 2019. Below market lease rates are being offered in support of the community benefit provided by Tenant as a local non-profit. The following is provided for comparison on possible annual lease rates for this space:

\$7.50 per sq. ft.	\$ 930.00
\$10.00 per sq. ft.	\$1,240.00
\$12.00 per sq. ft.	\$1,488.00
\$15.00 per sq. ft.	\$1,860.00

5. **Landlord's Access.** Landlord, its agents, employees and contractors may, at their sole risk, enter the Premises at any time in response to an emergency, and at other reasonable time upon reasonable prior notice to Tenant, without limitation, (a) inspect the Premises, (b) determine whether Tenant is complying with its obligations under this Lease, (c) supply any other service that Landlord is required to provide, (d) post notices of non-responsibility or similar notices, or (e) make repairs which this Lease requires Landlord or Tenant to make. All work of Landlord shall be performed as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible, at all times taking into account the nature and extent of such work. Landlord shall at all times have a key with which to unlock all of the doors to the Premises (excluding Tenant's vaults, safes and similar areas designed in writing by Tenant in advance).

6. **No Alterations.** Without limiting Tenant's obligations to maintain, repair, restore and replace the Premises and any portion thereof, Tenant shall not make any alterations, additions, repairs, restorations or improvements to the Premises without at least seven (7) days of notice to Landlord and Landlord's written consent. All improvements made by Tenant which are

so attached to the Premises that they cannot be removed without material injury to the Premises shall become the property of Landlord upon installation.

7. **Compliance with Laws.**

(a) Tenant shall not use or occupy, or permit any portion of the Premises to be used or occupied in violation of any law, ordinance, order, rule, regulation, certificate of occupancy or other governmental requirement.

(b) Tenant and the Premises shall remain in compliance with all applicable laws, ordinances and regulations (including consent decrees and administrative orders) relating to public health and safety and protection of the environment, including those statutes, laws, regulations and ordinances, all as amended and modified from time to time..

8. **No Unsightliness.** Tenant covenants and agrees that no unsightliness shall be permitted on the Premises. Without limiting the generality of the foregoing, no vehicles, machinery, equipment, tools, refuse, scrap, debris, garbage, trash, bulk materials, used vehicle parts or waste shall be kept, stored or allowed to accumulate on the Premises at any time. The Tenant shall have the right to tow vehicles from the Premises and place signage on the Premises to enforce the above provisions.

9. **Insurance.**

(a) At its sole expense, Tenant shall obtain and keep in force during the Term commercial general liability insurance with a combined single limit of not less than One Million Dollars (\$1,000,000.00) for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring against any and all liability of Landlord and Tenant, including coverage for contractual liability, broad form property damage, and non-owned automobile liability, with respect to the Premises or arising out of the maintenance, use or occupancy of the Premises. The insurance shall be noncontributing with any insurance that may be carried by Landlord and shall contain a provision that Landlord, although named as an insured, shall nevertheless be entitled to recover under the policy for any loss, injury, or damage to Landlord, its agents, and employees, or the property of such persons.

(b) Upon receipt of written notification from the Town, at Tenant's sole expense, Tenant shall obtain and keep in force, during the Term, "all-risk" coverage naming Landlord and Tenant as their interests may appear and other parties that Landlord or Tenant may designate as additional insureds in the customary form for buildings and improvements of similar character, on all buildings and improvements now or hereinafter located on the Premises. Such coverage shall include, without limitation, the historic replacement value of the Premises building structure. The amount of the insurance shall be designated by Landlord no more frequently than once every twelve (12) months, shall be set forth on an "agreed amount endorsement" to the policy of insurance and shall not be less than the value of the buildings and improvements.

(c) All insurance required in this Section and all renewals of it shall be issued by companies authorized to transact business in the State of Colorado, and rated at least A+ Class X by Best's Insurance Reports (property liability) or approved by Landlord. All insurance policies shall be subject to approval by Landlord and any lender as to form and substance, said approval not to be unreasonably withheld or delayed; shall expressly provide that the policies shall not be canceled or altered without thirty (30) days' prior written notice to Landlord and any lender, and to Landlord in the case of general liability insurance; and shall, to the extent obtainable without additional premium expense, provide that no act or omission of Tenant which would otherwise result in forfeiture or reduction of the insurance shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained. Tenant may satisfy its obligation under this Section by appropriate endorsements of its blanket insurance policies.

(d) All policies of liability insurance that Tenant is obligated to maintain according to this Lease (other than any policy of workmen's compensation insurance) shall name Landlord and such other persons or firms as Landlord specifies from time to time as additional insureds provided such other persons have an insurable interest and does not result in any additional premium expenses. Original or copies of original policies (together with copies of the endorsements naming Landlord, and any others specified by Landlord, as additional insureds) and evidence of the payment of all premiums of such policies shall be made available to Landlord prior to Tenant's occupancy of the Premises and from time to time at least thirty (30) days' prior to the expiration of the term of each policy. All public liability, property damage liability, and casualty policies maintained by Tenant shall be written as primary policies, not contributing with and not in excess of coverage that Landlord may carry. No insurance required to be maintained by Tenant by this Section shall be subject to any deductible in excess of \$20,000.00 without Landlord's prior written consent.

(e) Landlord and Tenant waive all rights to recover against each other, or against the officers, elected officials, directors, shareholders, members, partners, joint venturers, employees, agents, customers, invitees, or business visitors of each of theirs, for any loss or damage arising from any cause covered by any insurance required to be carried by each of them pursuant to this Section or any other insurance actually carried by each of them. Tenant shall cause its insurer to issue an appropriate waiver of subrogation rights endorsements to all policies of insurance carried in connection with the Premises and any personal property located on the same. Tenant shall cause all other occupants of the Premises claiming by, under, or through Tenant to execute and deliver to Landlord a waiver of claims similar to the waiver in this Section and to obtain such waiver of subrogation rights endorsements.

#### 10. **Indemnification; Tenant Waiver and Release.**

(a) Tenant shall indemnify Landlord, its elected officials, officers, employees, agents, contractor, attorneys, insurers and insurance pools (collectively, the "**Landlord Parties**"; as applicable, each an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all demands, claims, causes of action, fines, penalties, damages (including consequential damages), losses, liabilities, judgments, and expenses (including attorneys' fees and court costs) incurred in connection with or arising from: (i) the use or occupancy of the Premises by Tenant or any person or entity claiming under Tenant, the employees, agents, contractors, guests,

invitees or visitors of Tenant or any person or entity (each, a “**Tenant Related Person**”); (ii) any activity, work, or thing done or permitted or suffered by a Tenant Related Person in or about the Premises; (iii) any acts, omissions, or negligence of any Tenant Related Person; (iv) any breach, violation, or nonperformance by any Tenant Related Person of any term, covenant, or provision of this Lease or any law, ordinance or governmental requirement of any kind; or (v) except for loss of use of all or any portion of the Premises or Tenant’s property located within the Premises that is proximately caused by or results proximately from the gross negligence of Landlord, any injury or damage to the person, property or business of a Tenant Related Person entering upon the Premises under the express or implied invitation of Tenant. If any action or proceeding is brought against an Indemnitee by reason of any claim solely arising out of subparagraphs (i) through (v) above, upon notice from Landlord, Tenant shall defend the claim at Tenant’s expense with counsel reasonably satisfactory to Landlord.

(b) Tenant waives and releases all claims against Indemnitees with respect to any loss, injury, death, or damage (including consequential damages) to persons, property, or Tenant’s business occasioned by, without limitation, theft; act of God; public enemy; injunction; riot; strike; insurrection; war; court order; requisition; order of governmental body or authority; fire; explosion; falling objects; steam, water, rain or snow; leak or flow of water (including water from the elevator system), rain or snow from the Premises or into the Premises or from the roof, street, subsurface, or from any other place, or by dampness, or from the breakage, leakage, obstruction, or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning, or lighting fixtures of the building; or from construction, repair, or alteration of the Premises or from any acts or omissions of any visitor of the Premises; or from any cause beyond Landlord’s control.

#### 11. **Default Provisions.**

(a) If Tenant fails to perform any of its obligations under this Lease, then Landlord, after ten (10) days’ written notice to Tenant (or, in case of any emergency, upon notice or without notice as may be reasonable under the circumstances) and without waiving any of its rights under this Lease, may (but shall not be required to) pay the amount or perform the obligation. All amounts so paid by Landlord and all costs and expenses incurred by Landlord in connection with the performance of any obligations (together with interest at the prime rate from the date of Landlord’s payment of the amount or incurring of each cost or expense until the date of full repayment by Tenant) shall be payable by Tenant to Landlord on demand and as additional rent. In the proof of any damages that Landlord may claim against Tenant arising out of Tenant’s failure to maintain insurance that is required by terms of this Lease, Landlord shall not be limited to the amount of the unpaid insurance premium but shall also be entitled to recover as damages for the breach the amount of any uninsured loss (to the extent of any deficiency in the insurance required by the provisions of this Lease), damages, costs and expenses of suit, including attorneys’ fees, arising out of damage to, or destruction of, the Premises occurring during any period for which Tenant has failed to provide the insurance.

(b) The following occurrences are “**Events of Default**”: (i) Tenant defaults in the due and punctual payment of rent or any other amount due under this Lease, and the default continues for five (5) days after notice from Landlord; (ii) Tenant defaults in the performance of

any other obligation under this Lease that is not cured after ten (10) days' written notice to Tenant (or, in case of any emergency, upon notice or without notice as may be reasonable under the circumstances); or (iii) Tenant vacates or abandons the Premises.

(c) If any one or more Events of Default occurs, then Landlord may, at its election, give Tenant written notice of its intention to terminate this Lease on the date of the notice or on any later date specified in the notice, and, on the date specified in the notice, Tenant's right to possession of the Premises shall cease and this Lease shall be terminated. In addition, landlord shall have all other rights available at law and in equity, including, without limitation, recovery of actual damages, costs and expenses, including reasonable attorneys' fees. All remedies may be cumulatively and concurrently applied and enforced.

12. **Assignment.** Tenant may not assign this Lease, or sublet the Premises, in whole or in part, without Landlord's prior written consent.

13. **Notices.** All notices, demands, and requests required to be given by either party to the other shall be in writing, and with a copy given to counsel for each such party as provided below. All notices, demands, and requests shall be delivered personally or sent by electronic mail (e-mail), nationally recognized overnight courier, certified or registered mail, return receipt requested, postage prepaid, or via facsimile, addressed to the parties at the addresses set forth below or at such other addresses as the parties may designate in writing delivered pursuant to the provisions hereof. Any notice when given as provided herein shall be deemed to have been delivered on the day of delivery if delivered personally, on the first business day following the confirmation of sending of an e-mail when sent by electronic mail, on the first business day following deposit with the courier service when delivered by overnight courier, three business (3) days subsequent to the date that said notice was deposited with the United States Postal Service, or on the first business day following the date of confirmation of receipt when delivered by facsimile.

To Landlord:           Town of Crested Butte  
P.O. Box 39  
507 Maroon Avenue  
Crested Butte, CO 81224  
Facsimile: (970) 349-6626  
Attn: Town Manager

To Tenant:             Leslie Locklear  
P.O. Box 1381  
Crested Butte, CO 81224

14. **No Waiver.** No waiver of any condition or agreement in this Lease by either Landlord or Tenant shall imply or constitute a further waiver by such party of the same or any other condition or agreement.

15. **Attorneys' Fees.** In case a dispute between the parties shall arise in connection with this Lease, the prevailing party shall be entitled to recover and shall be awarded (in addition

to other relief granted) all reasonable attorneys' fees and costs in connection with such dispute from the non-prevailing party.

16. **Severability**. If any sentence, paragraph or article of this Lease is held to be illegal or invalid, this shall not affect in any manner those other portions of the Lease not illegal or invalid and this Lease shall continue in full force and effect as to those remaining provisions.

17. **Successors and Assigns**. The conditions and provisions hereof shall inure to the benefit of, and shall be binding upon, Landlord, Tenant and their respective personal representatives, successors and permitted assigns.

18. **Immigration Compliance**. Tenant certifies that it has complied, and during the term of this Lease will continue to comply, with the Immigration Reform and Control Act of 1986. The signature of Tenant on this Lease: (1) certifies that Tenant is not a natural person unlawfully present in the United States; and (2) also certifies the statements below if this is a public contract for services as defined in Colo. Rev. Stat. § 8-17.5-101, et seq., and Tenant utilizes subcontractors or employees in Tenant's business. Tenant shall not:

(a) knowingly employ or contract with an illegal alien to perform work under this Lease; or

(b) enter into a contract with a subcontractor that fails to certify to Tenant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Lease.

Tenant has confirmed the employment eligibility of all employees and subcontractors who are newly hired for employment to perform work under this Lease through participation in either the e-verify program or the department program (as defined in Colo. Rev. Stat. § 8-17.5-101, et seq.). Tenant may not use either the e-verify program or the department program procedures to undertake pre-employment screening of job applicants while this Lease is being performed. If Tenant obtains actual knowledge that a subcontractor performing work under this Lease knowingly employs or contracts with an illegal alien, Tenant shall:

(i) notify the subcontractor and the Landlord within three (3) days that Tenant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(ii) terminate the subcontract with the subcontractor if within three (3) days of receiving the notice required pursuant to sub-subparagraph (a) of this subparagraph the subcontractor does not stop employing or contracting with the illegal alien; except that Tenant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Tenant shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to state law. Tenant acknowledges that in the event Tenant violates any of the provisions of the foregoing the

Town may terminate this Lease for breach of contract. No notice need be given of said termination. If this Lease is so terminated, Tenant shall be liable for actual and consequential damages to the Landlord.

19. **Obligation to Report.** Tenant shall report any material damage to the Premises or disturbances therein or thereon to Landlord as soon as it becomes aware of any such damages or disturbances.

20. **Miscellaneous Provisions.**

(a) Each party represents and warrants that it has obtained any and all approvals necessary to enter into and perform the obligations contained in this Lease, if any.

(b) This Lease shall be construed and enforced in accordance with the laws of the State of Colorado.

(c) This Lease is entered into at Crested Butte, Colorado, and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease will be in the District Court of Gunnison County, Colorado.

(d) This Lease may be executed in multiple counterparts each of which shall constitute an original, and both of which when taken together shall constitute one and the same document. The parties hereby agree to accept facsimile or electronic copies of signatures as original signatures

(e) An recordation of this Lease or any record thereof, or the recordation of any encumbrance against the Premises and/or the Improvements by any person, including, without limitation, any mortgagee of Tenant, except Landlord and any mortgagee of Landlord, shall be void *ab initio* and a default under this Lease.

(f) This Lease constitutes the entire and exclusive agreement between the parties relating to the specific matters covered herein. Any other agreements between the parties, whether written or oral are hereby merged herein and of no further force and effect.

(g) Unless otherwise provided in the Lease, the Lease may be amended, modified, or terminated only by a written instrument executed by Landlord and Tenant.

[Remainder of Page Intentionally Left Blank;  
Signature Page(s) to Follow]

IN WITNESS WHEREOF, Landlord and Tenant have executed Lease by their duly authorized officials effective as of the Effective Date first written above.

LANDLORD:

TOWN OF CRESTED BUTTE, COLORADO

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

ATTEST:

\_\_\_\_\_ [Seal]  
Lynelle Stanford, Town Clerk

TENANT:

LESLIE LOCKLEAR, a  
Private individual

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**From:** [Glenn Michel](#)  
**To:** [Tricia and Peter Kubisiak](#)  
**Cc:** [Lynelle Stanford](#)  
**Subject:** Re: Meeting Thursday PM  
**Date:** Wednesday, September 27, 2017 8:57:14 PM

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Thanks Tricia,

I am submitting your comments to the town clerk to be included in the town record.

Please stay engaged in the process as it moves forward.

Glenn.

Sent from my iPad

On Sep 27, 2017, at 6:17 PM, Tricia and Peter Kubisiak <[TRISHKUBY@msn.com](mailto:TRISHKUBY@msn.com)> wrote:

Hello -

I'm unable to attend the meeting about the proposed Brush Creek affordable housing issue due to work.

I am suggesting that you speak with and get council from the City of Grand Junction. I think they did an excellent job with adding lanes to highways, adding stoplights and roundabouts, and creating new roads to bypass busy areas, and multiple level parking.

They could look at an aerial view of the valley and possibly come up with suggestions on how to help.

If this valley is going that way, might as well be ahead of the curve ball.

Tricia Kubisiak

**October 16, 2017**

Update from the Chamber on Summer Grant Reporting  
 Raises for BOZAR  
 Snowcat Resolutions

**November 6, 2017**

Snow Plan

**November 20, 2017**

Chamber – Re-Cap on events

**December 4, 2017****Work Session**

Site Visit at the Center for the Arts

Update from the Center for the Arts

**Future Work Session Items:**

- Camping @ Town Ranch (allow? Not allow? Allow camping in other places?)
- BLM and OBJ Campground/Seasonal Housing Shortage (this could be combined with others – especially the Affordable Housing item at the bottom of this list)
- Perimeter Trail – Update, timelines, costs, what does this look like when finished
- Land Trust and Town Preservation Priorities – basically a joint planning/discussion with the CBLT (maybe in Exec Session if they would like) to confer on the priority parcels identified by the CBLT and the priorities of the Town (for planning future open space acquisitions). Maybe even a discussion about purchasing trail easements.
- Elk Avenue Rule Set re: Private Clubs – the whole “private clubs on Elk Avenue” concern that was raised when Irwin obtained a private liquor license for the Scarp Ridge Lodge.
- Affordable Housing/Density/Workforce – Blk 79/80
- Special Events
- Double Basements
- Slate River Update
- Weed Update from Parks and Rec

September and October work sessions are reserved for budget.