

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*

AGENDA

Town of Crested Butte

Regular Town Council Meeting

Monday, November 20, 2017

Council Chambers, Crested Butte Town Hall

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

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

7:03 RECOGNITION OF OUTGOING MAYOR AND COUNCIL MEMBERS

7:08 SWEARING IN OF NEW COUNCIL MEMBERS

7:15 APPOINTMENT OF MAYOR PRO TEM AND APPOINTMENT OF ACTING MAYOR

7:20 APPROVAL OF AGENDA

7:22 CONSENT AGENDA

- 1) November 6, 2017 Regular Town Council Meeting Minutes.
- 2) Resolution No. 68, Series 2017 - A Resolution of the Crested Butte Town Council Supporting the Reauthorization by the General Assembly of the Colorado Lottery Division in 2018.
- 3) Resolution No. 69, Series 2017 - A Resolution of the Crested Butte Town Council Authorizing the Town of Crested Butte to Apply for DOLA Energy and Mineral Impact Funding for the Design of the Water Treatment Plant Upgrades 2018.
- 4) Resolution No. 70, Series 2017 - A Resolution of the Crested Butte Town Council for the Release and Replacement of Resident Occupied Affordable Housing Guidelines for Unit I, Poverty Gulch Condominiums.
- 5) Resolution No. 71, Series 2017 - A Resolution of the Crested Butte Town Council Approving a Lease Agreement for the Rental of Property Legally Described as Unit I, Poverty Gulch Condominiums, Town of Crested Butte, County of Gunnison, State of Colorado with Douglas Collin.
- 6) Site Specific Standards Contractor Agreement.

The listing under Consent Agenda is a group of items to be acted on with a single motion. The Consent Agenda is designed to expedite Council business. The Mayor will ask if any citizen or council member wishes to have any specific item discussed. You may request that an item be removed from Consent Agenda at that time, prior to the Council's vote. Items removed from the Consent Agenda will be considered under New Business.

7:24 PUBLIC COMMENT

Citizens may make comments on item not scheduled on the agenda. Those commenting should state their name and physical address for the record. Comments may be limited to five minutes.

7:30 STAFF UPDATES

7:40 PUBLIC HEARING

- 1) Ordinance No. 33, Series 2017 - An Ordinance of the Crested Butte Town Council Amending Section 8-1-30 to Modify Regulations Regarding the Use of Snowcats in Town.

7:45 2) Ordinance No. 34, Series 2017 - An Ordinance of the Crested Butte Town Council Authorizing the Sale of Town-Owned Property Legally Described as Unit I, Poverty Gulch Condominiums, Town of Crested Butte, County of Gunnison, State of Colorado to Douglas Collin for the Sale Price of \$110,525.00.

7:50 NEW BUSINESS

1) Annual Report by the Weed Advisory Board on the Weed Management Plan for the Town of Crested Butte.

8:00 2) Ordinance No. 35, Series 2017 - An Ordinance of the Crested Butte Town Council Amending Chapter 4 of the Crested Butte Municipal Code to Include New Provisions Establishing the Affordable Housing Fund and a Tax on Vacation Rentals and Making Such Other Related Changes to the Code in Connection Therewith.

8:10 3) Ordinance No. 36, Series 2017 - An Ordinance of the Crested Butte Town Council Authorizing the Release of 1991 Restrictive Covenant for Parking - 210 Gothic Avenue.

8:20 **LEGAL MATTERS**

8:25 **COUNCIL REPORTS AND COMMITTEE UPDATES**

8:30 **OTHER BUSINESS TO COME BEFORE THE COUNCIL**

8:45 **DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE**

- Monday, December 4, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, December 18, 2017 - 6:00PM Work Session - 7:00PM Regular Council

8:50 **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 possible property acquisition.

9:30 **ADJOURNMENT**

MINUTES
Town of Crested Butte
Regular Town Council Meeting
Monday, November 6, 2017
Council Chambers, Crested Butte Town Hall

Mayor Michel called the meeting to order at 7:07PM.

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

Staff Present: Town Manager Dara MacDonald, Town Attorney Barbara Green, Community Development Director Michael Yerman, and Town Clerk Lynelle Stanford

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

APPROVAL OF AGENDA

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

CONSENT AGENDA

- 1) **October 16, 2017 Regular Town Council Meeting Minutes.**
- 2) **Resolution No. 66, Series 2017 - A Resolution of the Crested Butte Town Council Approving the Jackson Subdivision Located Within Block 16, the North 75 Feet of Lot 5 and All of Lots 6-10, Town of Crested Butte, Gunnison County, State of Colorado.**
- 3) **Appointment of Jenny Birnie and Lisa Wishard to the Creative District Commission.**

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

APPRECIATION AND COMMENDATION RECOGNIZING TODD WASINGER, ADAM OFSTEDAHL, AND JOHN STOCK FOR THEIR EFFORTS IN ASSISTING WITH THE STUDENT TOWN RENTAL BUILD PROJECT

Yerman thanked the Council and Mayor for the opportunity to work on the student build project. Michel presented plaques to Wasinger, Ofstedahl, and Stock, and he thanked them. Wasinger thanked the Council and recognized others who helped.

PUBLIC COMMENT

Sue Navy

- Thanked MacDonald and Due for helping with Paradise Clean-up Day by providing a dumpster.
- She thanked Schmidt for driving the Alpine Express bus, and she thanked everyone who participated.
- They had a great time and did something worthwhile.

Jerry Lund - 30 Teocalli Ave

- He listed major issues he saw in Town.
- There was an investor who wanted to spend money on affordable housing rather than tax dollars. Council should at least listen and negotiate the best deal possible.
- Think outside of the box on affordable housing.

Joni Lund - 30 Teocalli Ave

- Parking and snow removal had been a problem for 25 years. Town didn't need to spend \$200K on start-up costs to then pull the plug.
- Town needed real estate for more parking.
- Provide a safe place to walk. Elk Avenue and walkways should be clear and dry.
- Parking was needed to support local businesses.
- Paid parking on Elk Avenue would be a step backward for Town.
- Think outside the box on parking.
- Be forward thinking about the future of Crested Butte.

STAFF UPDATES

Lois Rozman

- September sales tax was up 12%. There were quarterly filers included in September.

Rodney Due

- Water crews were working on a water main break at 4th and Belleview.
- There would be short outages on south Sopris Avenue between 4th and 6th Streets.

Janna Hansen

- With the arrival of winter, Hansen reminded all to keep bikes and other personal items out of the rights of way.

Lynelle Stanford

- Received a completed application to transfer the liquor license for Talk of the Town.
- Had been working to plan the run-off election.

- A special event application for the Turkey Trot would be approved administratively.

Mike Reily

- Rights of way were in play as of November 1 for winter parking rules.
- Marshals tried to warn ahead of ticketing and towing.

Michael Yerman

- MuniRevs was up and running for short-term rental licensing. They would issue licenses to those on the list. He explained timelines.
- The Forest Service plan came out today. Staff would come back to the Council with another letter to send.

Dara MacDonald

- Judge Patrick ruled in favor of the Town in the ADU lawsuit on 5 of 6 claims. One claim was dismissed. Mediation was scheduled for January.
- Met with representatives of Freeport on Mt. Emmons. They had been doing a lot of work on the site and were under contract to investigate and oversee remediation of waste piles on private land. They would have a plan for remediation by April of 2018. Work was subject to Town's water protection ordinance.
- She reported on work they had done such as: portal improvements; pre-feasibility study to finalize the design of the treatment plant; and investigatory work on the tailing piles. The tailing piles were drying out, which indicated the cap was working as was intended. She reviewed additional work planned for 2018.
- They reopened discussion on withdrawals of the claims. Nothing would happen in the near term. MacDonald said they provided a thorough update, and the openness to reengage in the withdrawal was positive.
- Met with Gary Gates, Kendall Burgemeister, and John O'Neal. They proposed to hold a work session with the Council focused on the Brush Creek development and a dialogue with the development team.
- Green updated that the County said there was no contract that had been agreed upon to sell the Brush Creek property. They were working on the deed restrictions at the front end.
- MacDonald stated that CAST formed a committee to discuss transportation issues. They were putting the effort on hold until after next summer. Aspen was holding a movement lab to try any idea related to transportation.
- Staff suggested regular meetings be changed in January from the first and third Mondays because of the holidays. Sam Light was scheduled for January 16, which would remain on the schedule as a work session.

PUBLIC HEARING

1) Ordinance No. 31, Series 2017 - An Ordinance of the Crested Butte Town Council Amending Section 13-1-110 of the Crested Butte Municipal Code to Increase the System Development Fees, Otherwise Known as "Tap-In Fees", to \$8,100 Per EQR

for Water and \$9,900 Per EQR for Sewer; Amending Section 13-1-120 of the Code to Increase the Minimum Monthly Service Charge Per Meter for Water Used at a “Base Rate” to \$28.00 Per Month Per EQR and to Increase the Rates for Water Use Above the “Base Allotment” to \$3.50 Per 1,000 Gallons for the First 5,000 Gallon Block, \$3.75 Per 1,000 Gallons for the Second 5,000 Gallon Block, \$4.00 Per 1,000 Gallons for the Third 5,000 Gallon Block, \$4.25 Per 1,000 Gallons for the Fourth 5,000 Gallon Block, \$4.75 Per 1,000 Gallons for the Fifth 5,000 Gallon Block and \$5.50 Per 1,000 Gallons Thereafter; Amending Section 13-1-150 of the Crested Butte Municipal Code to Increase the Monthly Service Charge for Sewer Service to \$37.50 Per Month Per EQR.

Michel read the title of the ordinance. He confirmed proper public notice had been given, and Due confirmed that nothing had changed since the last meeting. There was no one present who wanted to comment. The public hearing was closed. There was no further Council discussion.

Schmidt moved and Merck seconded a motion to approve Ordinance No. 31, Series 2017. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

2) Resolution No. 63, Series 2017 - A Resolution of the Crested Butte Town Council Adopting the Mill Levy for the Town of Crested Butte, Colorado for the Fiscal Year 2018, Beginning the First Day of January 2018 and Ending the Last Day of December 2018.

Michel read the title of the resolution, and he confirmed that proper public notice had been given. Rozman informed the Council that the resolution was what the budget was built upon. She highlighted specific details.

Michel opened the public hearing and asked if anyone from the public wanted to comment.

Jim Starr - 323 Gothic

- He asked how the mill levy would compare from a business to a house from last year to what was being proposed this year.

The public hearing was closed, and there was no further Council discussion.

Mitchell moved and Mason seconded a motion to approve Resolution No. 63, Series 2017. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

3) Resolution No. 64, Series 2017 - A Resolution of the Crested Butte Town Council Adopting the Budget and Appropriating Sums of Money for the Town of Crested Butte, Colorado for the Fiscal Year Beginning the First Day Of January 2018, and Ending the Last Day of December 2018, Estimating the Amount of Money Necessary to be Derived from Revenue Sources, and Setting Forth the Total Estimated Expenditures for Each Fund.

Michel read the title of the resolution and confirmed that proper public notice had been given. Rozman said there had been no changes to the document. She pointed out updates from the last work session and additional requests included in the staff report. Ladoulis questioned the costs of the snow stops (on Town Hall's roof), which Due explained.

Michel opened the meeting to public comment.

Jim Starr

- He noticed no funding for QQ for next year. They helped with water quality and quantity issues. He wanted the Council to consider adding QQ into the budget.
- Rozman said that QQ was in the General Fund, under Dues and Subscriptions. They were under the impression Town got a special rate from the Town Attorneys, and Town didn't need it. MacDonald and Due didn't directly use QQ. Town was the only municipality that was a member in this area. Green reviewed the functions of QQ that affected Town. It was as good as the members made it.
- The Council directed Staff to renew the membership.

The public hearing was closed, and the meeting was moved to Council discussion.

Michel thanked Rozman for her work on the budget and recognized it was her last.

Schmidt supported both of the change requests. He pointed out community grant funding to Silent Tracks. Merck asked if there would be reinsulating done with the roof project. Michel said it could be a budget amendment. Schmidt acknowledged there were funds included for the roundabout. He suggested a work session to discuss.

Schmidt moved and Merck seconded a motion to approve Resolution No. 64, Series 2017 with the new change requests regarding the structural reinforcement installation of snow stops for this building and a \$6,000 request for trail grooming at the Town Ranch. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

NEW BUSINESS

1) Discussion and Possible Adoption of the 2017/2018 Snow Plan.

Michel explained the origination of the snow plan approval by the Council. Due presented highlights from his staff report. Michel asked for him to review changes. Due stated what would remain the same as in past years. He explained they were hiring a full time operator instead of a seasonal operator.

Hansen showed a map of Town and explained changes to snow removal around the Center for the Arts. Ladoulis wondered how the Four-Way expansion affected snow storage. Due said they would gain snow storage. Due pointed out the changes to winter parking signage, and that visitors simply needed to know if it was an odd or even day. Michel confirmed the new signs would go up next December, not this year. Due pointed

out the Parking Committee recommended that there were no snow banks at all on Elk. Snow banks would be removed after every snow event. Hansen explained her crews could not remove ice on every place on Elk Avenue, and there were hazards created in the transition from heated sidewalk to unheated sidewalk. Reily agreed there were safety hazards created by the snow banks.

Michel opened the discussion on snow banks to the Council. Ladoulis questioned the cost of removing the banks. Michel recognized it was for health and human safety. Due said the budget could handle it. Michel confirmed with Petito and Ladoulis the removal of banks was a recommendation from the Parking Committee. Mason wondered if there was leeway for special events, in order to avoid having to pull snow from other locations. Michel was okay with the new plan. Schmidt wanted to reach a compromise and leave the snow banks during the holidays. He recommended they pass the model that was the same as last year. Ladoulis agreed with Schmidt. He hated to see Town lose the snow banks. Petito placed health and safety before aesthetics. He was in favor of keeping them clear. Mason said the compromise worked out well. They needed to keep the aesthetics of Crested Butte. Mitchell agreed with Petito on health and human safety. She said they could take a year off (from snow banks) and revisit next year. Merck thought it was a health and public safety issue. He agreed with Petito. Michel summarized the vote was 4-3 in favor of scraping the snow banks this year and to revisit the question next year.

Petito moved and Mitchell seconded a motion to adopt the 2017-18 Snow Plan as amended. A roll call vote was taken with all voting, "Yes," except Ladoulis voted, "No." **Motion passed.**

2) Ordinance No. 33, Series 2017 - An Ordinance of the Crested Butte Town Council Amending Section 8-1-30 to Modify Regulations Regarding the Use of Snowcats in Town.

MacDonald reviewed the history behind the ordinance and the proposed changes to the Code through the ordinance. There was discussion around rubber tracked snow cats compared to what was used by the Nordic Center. MacDonald explained other clarifications the ordinance made to the Code. Michel reiterated concerns heard from the neighborhood resulting from the request by Eleven for the expanded time to 11PM.

Cathy Sporcich - 225 Whiterock

- Whiterock had a lot of traffic. Neighbors agreed to change the time that Eleven's snow cat could travel from the original time of 7PM to 9PM, and it worked well. 11PM was late.
- They could park their vehicle and transport guests by van late at night.

Christie Hicks - Representing the Nordic Center

- She suggested language for further differentiation between the Nordic Center operations and the operations of rubber tracked snow cats.

Jim Starr

- Agreed with Hicks on language explicitly naming the Nordic Council.

Schmidt had no problem keeping the allowed time at 9PM. Ladoulis would not like to see the time get to 11PM, and he suggested a compromise of 10PM. Merck thought 9PM was already good. Mitchell agreed with 9PM. Petito heard the snow cat was much louder than a bus. He suggested they keep the time at 9PM. Mason recalled the topic at past meetings. He thought it was working now. Michel recapped that the Council's desire was to keep the time at 9PM. Michel agreed with Hicks' proposed changes and with the administrative approval. Petito asked Green if she had concerns with Hicks' proposed language. Michel summarized what the Council had in front of them for the ordinance: the operating time for Eleven would remain at 9PM; the Town Manager would review permits administratively; and the addition of Hicks' wording, with suggested amendments from Green. Petito read the proposed wording with Green's suggestion, which was: The Nordic Center's snow cat will be allowed to operate on the route at any time provided that such operations are as short and infrequent as is practicable.

Schmidt moved and Merck seconded a motion to set Ordinance No. 33, Series 2017 for public hearing on November 20th with that verbiage that Jackson expressed and moving the hours of operation to be from 7AM to 9PM. **Motion passed.**

3) Ordinance No. 34, Series 2017 - An Ordinance of the Crested Butte Town Council Authorizing the Sale of Town-Owned Property Legally Described as Unit I, Poverty Gulch Condominiums, Town of Crested Butte, County of Gunnison, State of Colorado to Douglas Collin for the Sale Price of \$110,525.00.

Schmidt recused himself and left the room.

Yerman reviewed the history of the unit as summarized in his staff report.

Mason moved and Merck seconded a motion to set Ordinance No. 34, Series 2017 for public hearing on November 20th. **Motion passed.**

Schmidt returned to the meeting.

4) Discussion of the Key Metrics Comparison, Brush Creek Proposal to Gunnison Valley Needs Assessment Presented by Michael Yerman.

Yerman provided background on the agenda item and that the Council directed Staff to have Melanie Rees evaluate the Gatesco plan in relation to the 2016 Housing Needs Assessment. He stated the recommendation from Staff was to forward the Key Metrics Comparison report to the Gunnison County Planning Commission for their consideration during sketch plan. Michel expounded that they went to the author to determine if the Brush Creek proposal cured the ailments. They wanted to inform themselves and foster a rigorous discussion at the Planning Commission. Ladoulis asked Yerman if Rees was a

credible source. Yerman stated it was unfortunate Gatesco took the stance they did. He explained the reasons Rees was hired and was credible. Michel affirmed he had full respect for Rees. Schmidt thought the letter sent by Kendall Burgemeister on behalf of Gatesco was offensive. He hoped it didn't set the tenor of discussion with Gatesco in the future. Green recalled that Rees helped to develop affordable housing for the Town. She recommended that Rees be sent to the Planning Commission's meeting.

Yerman reviewed the details in the key findings that were listed in his staff report. The key findings were: 1) Comparison to total rental inventory; 2) Comparison to deed restricted inventory; 3) Rent Comparison; and 4) Comparison to projected rental needs in 2020.

Ladoulis moved and Petito seconded a motion to direct Town Staff to forward the Key Metrics Comparison report to the Gunnison County Planning Commission for their consideration. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

5) Resolution No. 65, Series 2017 - A Resolution of the Crested Butte Town Council Declaring Its Opposition to the Sale of the Brush Creek Parcel ("The Parking Lot Parcel").

Ladoulis explained the contents of the resolution were meant to object to the completion of the sale and resulting transfer of title of the parcel. The resolution stated that the Town objected to the title being conveyed without honoring the original spirit of the MOA. He reviewed reasons he believed they should pass the resolution. He suggested they reference the index number of the recorded MOA within the resolution and then record the resolution. Michel recalled language alluding to litigation that had been removed from the prior version of the resolution. Mitchell recognized Ladoulis was trying to protect Town and that the County was already angry.

Michel took comments from the public.

Jim Starr

- He asked what the Staff recommendation was. Michel read the recommendation from the staff report.

Michel shared thoughts he had heard around the community related to other issues, and the relations between the Town and the County. He didn't want to jeopardize the Town working with partners at the County. He preferred to go with the Staff's recommendation.

David Leinsdorf - 3 Treasury Hill Rd - Present as a citizen

- He had never known this board or any board to conflate one issue with another. He didn't think it would happen.
- The County was ignoring the plain meaning of the agreement.

- Mentioned implications of including the reception number from recording the MOA within the resolution.
- The Town needed to stand up for citizens of the Town.

Robert McCarter - 1251 Skyland Drive

- The letter from Gatesco was a personification of how Gunnison County treated the Town on this matter.
- Everyone was against this.
- The resolution gave Town a seat at the table.

Bob Pannier - 557 Larkspur Loop

- The entities were partners in the deal.
- The Council was elected to act in the best interest of people in the valley.
- They needed to do something tonight.

Tracy Smith

- He talked to Mr. Gates and suggested a Plan B.
- He told Gates to help out with affordable housing.
- Put the brakes on.

Jim Starr

- He was concerned about the future of affordable housing in this valley.
- There needed to be a regional solution.
- He was tired of hearing attacks.
- The people who paid taxes in Town voted for the Council. He told them to represent their constituents.
- They needed to work together.
- Urged Council to follow the Staff recommendation.

Joni Windsor - 208 3rd Street

- She disagreed with Starr.
- They were saying to slow down.

Michel acknowledged he represented the Town of Crested Butte. They were hearing from people from all over the north end of the valley. Petito questioned the likelihood of the transfer before the 20th. Green told the Council that the front-end deed restrictions had not been drafted. Petito questioned title concerns brought forth by Leinsdorf. Green said a title company would look at it and would write an exception to the title coverage. Schmidt questioned the accuracy of the title of the resolution with the content of the resolution. Michel thought reassessing was the best course of action. Ladoulis was not looking to create additional conflict with the County. Mason identified the inception and the evolution of the resolution. He was not in favor of the resolution. Merck agreed with Mason. Merck elaborated that he didn't think the County would hold one issue in tie with another. Merck wanted to go with the recommendation from the Staff. Mitchell agreed with Merck.

Schmidt questioned if it had to be a unanimous vote of all parties in the MOA to change any use of the land. Green read language regarding uses of the property from the MOA. He thought it was important to continue to work with the County. They needed to shape the decision going down the line. This issue had to be about the future of housing and how they could affect it most positively. Petito was more worried about what they could do to make the County start working with Town. They wouldn't damage a cooperative environment because it wasn't cooperative.

Schmidt moved and Merck seconded a motion to postpone consideration of Resolution 2017-65 until such time as the Council directs it be brought back for discussion in the future. A roll call vote was taken with all voting, "Yes," except Petito voted, "No."
Motion passed.

6) Resolution No. 67, Series 2017 - A Resolution of the Crested Butte Town Council Setting the Date for a Run-Off Election if Such Election is Necessary; Determining That the Election is to be Conducted as a Mail Ballot Election Under the Municipal Election Code; Designating the Town Clerk as the Designated Election Official; and Giving Authority to Hire Election Judges.

Stanford explained the reason for the resolution and the run-off election. Michel surmised the resolution was a housekeeping item.

Petito moved and Merck seconded a motion to approve Resolution No. 67, Series 2017. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

LEGAL MATTERS

None

COUNCIL REPORTS AND COMMITTEE UPDATES

Paul Merck

- Reported on the Creative Arts District. There was a mentorship program to match students with professional artists. He mentioned a Film Fest lounge as part of the Film Fest.
- The Creative Arts District awarded a grant to research art history.
- The Center would provide an update to the Council on December 4th.

Laura Mitchell

- Attended a Chamber meeting.
- Mountain Express ridership was up 13%. They were getting three new busses and applying for a grant for new shop vehicles
- Went to Scenic Byway meeting. She mentioned that they were working to reopen the Castle in Red Stone, and she met the people from the corner of Kebler.

Roland Mason

- Mountain Express gave CBMBA a bus and the other they tried to give to the Fire Department for training.

Glenn Michel

- The Mayor/Managers meeting was cancelled because no one chose to attend. He encouraged the future mayor to cultivate relationships.
- RTA meeting would be on Friday.

Chris Ladoulis

- Thanked the Council.

Jackson Petito

- Housing Foundation meeting would be on the 18th. Ballot issue 2A was important. There were opportunities for land north of Gunnison. Suggested future discussion on tiny houses.
- Commended Michel on how he ran meetings.

Jim Schmidt

- They cleaned up Baxter Gulch, Avalanche Park, Town Ranch, and the Woods Walk as part of Paradise Clean-up Day.

OTHER BUSINESS TO COME BEFORE THE COUNCIL

Michel asked the Council if they wanted to direct Staff to set up a meeting with Gatesco. The Council affirmed.

Mitchell and Petito thanked everyone on the Council.

DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

- Monday, November 20, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, December 4, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, December 18, 2017 - 6:00PM Work Session - 7:00PM Regular Council

Michel confirmed there would be a quorum for the meeting on November 20th.

ADJOURNMENT

Mayor Michel adjourned the meeting at 10:18PM.

Glenn Michel, Mayor

Lynelle Stanford, Town Clerk (SEAL)



Staff Report

December 20, 2017

To: Mayor Michel and Town Council

Thru: Dara MacDonald, Town Manager

From: Janna Hansen, Parks and Recreation Director

Subject: Resolution No. 68, Series 2017 - Resolutions of the Crested Butte Town Council Supporting the Reauthorization by the General Assembly of the Colorado Lottery Division in 2018

Background:

Colorado voters approved a state lottery in 1980, and at that time the General Assembly created a Lottery Division in the State Department of Revenue to administer the program. In 1992, voters adopted the Great Outdoors Colorado (GOCO) amendment to the state constitution, earmarking up to 50% of annual lottery proceeds to the trust. Per the Colorado constitution, Lottery net proceeds are allocated to state parks through Colorado Parks and Wildlife, to DOLA's Conservation Trust Fund (CTF), and to GOCO. The Town of Crested Butte has received over \$2.6 million from GOCO and over \$221,000.00 from the CTF. Eligible entities within Gunnison County have received over \$44.3 million from GOCO and over \$3.7 million from the CTF for a total of over \$48 million in lottery proceeds that have gone toward trails, parks, recreation facilities, preserved ranchlands, and open space projects in Gunnison County.

Summary:

The Colorado Lottery Division is critical to the administration of the entire GOCO program, as well as the Conservation Trust Fund and Colorado Parks and Wildlife. The Lottery Division is set to expire unless extended by the General Assembly, which during its 2018 session will consider legislation to extend the Division to 2039. Colorado municipalities are pulling together to pass resolutions of support for the reauthorization of the Colorado Lottery by the General Assembly. Many of the Town's parks, trails, and open space projects would not be possible without GOCO and CTF funding.

Recommendation:

Staff recommends approving Resolution No. 68, Series 2017 in support of the reauthorization of the Colorado Lottery Division by the General Assembly in 2018.

**RESOLUTION NO. 68
SERIES 2017**

**A RESOLUTION OF THE CRESTED BUTTE TOWN COUNCIL SUPPORTING THE
REAUTHORIZATION BY THE GENERAL ASSEMBLY OF THE COLORADO
LOTTERY DIVISION IN 2018**

WHEREAS, Colorado voters provided for a statewide lottery, and in a subsequent election adopted the Great Outdoor Colorado (GOCO) amendment to the state constitution, which directs that lottery profits be used for parks, open space, wildlife, and outdoor recreation purposes, and

WHEREAS, following the voters' approval of a lottery, the General Assembly created a Lottery Division in the State Department of Revenue to administer the lottery, and

WHEREAS, as provided in the GOCO amendment, lottery profits are allocated to the Great Outdoors Colorado Trust Fund (GOCO Trust Fund), the Conservation Trust Fund, and to the Colorado Division of Parks and Wildlife, and

WHEREAS, since 1992, the GOCO Trust Fund has distributed approximately \$1 billion in grants for projects to improve communities in all of Colorado's 64 counties. Funds have helped connect families to the outdoors, improved local trails and parks, built outdoor recreation facilities, preserved ranchlands, water resources, and view corridors, improved river access and quality and conserved wildlife habitat, and

WHEREAS, the GOCO Trust Fund has distributed over \$2.6 million directly to the Town of Crested Butte, and over \$44.3 million directly to eligible entities within Gunnison County for these purposes, and

WHEREAS, since 1983 the Conservation Trust Fund has distributed approximately \$1 billion in grants to counties, municipalities, and special districts for acquisition, development, and maintenance of new conservation sites, capital improvements, and maintenance for recreational purposes on public sites, and

WHEREAS, the Conservation Trust Fund has distributed over \$221,767.00 directly to the Town of Crested Butte and over \$3.7 million to eligible entities within Gunnison County for these purposes, and

WHEREAS, since 1992 the GOCO Trust Fund has distributed approximately \$215 million of lottery proceeds in support of Colorado's 42 state parks, funding parkland acquisition, park development and operations, trail construction and maintenance, environmental education, youth and volunteer programs and stewardship and natural resource management, and

WHEREAS, the Colorado Lottery Division is critical to the administration of the entire GOCO program and the Division is set to expire unless extended by the General Assembly, which during its 2018 session will consider legislation to extend the Division to 2039:

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO, THAT, supporting legislation during the 2018 session of the General Assembly to approve the reauthorization of the Colorado lottery division until 2039 is in the best interest of the Town and the general public.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL THIS ____ DAY OF _____, 2017.

TOWN OF CRESTED BUTTE

By: _____

Mayor

ATTEST

Lynelle Stanford, Town Clerk

(SEAL)



Staff Report

November 20, 2017

To: Mayor and Town Council
Thru: Dara MacDonald, Town Manager
From: Rodney E. Due, Director of Public Works
Subject: Energy and Mineral Impact Assistance Program Application
Date: November 15, 2017

SUMMARY: The Town Public Works Department will be applying for funding assistance from the Colorado Department of Local Affairs (“DOLA”) Energy and Mineral Impact Grant for funding assistance for the design of the water treatment plant upgrades scheduled for construction in 2019. The Town will be asking DOLA for \$86,500 in funding assistance to help complete the design of the upgrades in 2018. The total estimated cost of design is \$173,000 with a projected construction cost of \$1,722,000.

Background: The water treatment plant is not meeting current peak demands during the summer months. The comprehensive performance evaluation conducted by JVA engineers identified four key areas to resolve this problem; Optimizing the existing microfiltration skids, providing treatment capacity to meet current and projected water demands, Optimizing the pre-treatment system to meet water quality goals and maintain water quality standards, and replacing the raw water and reverse filtration tanks that have reached the end of their useable life. This funding request is for the design of the water treatment plant upgrades projected in 2018, with construction in 2019.

Recommended Action:

Staff recommends to approve Resolution No. 69, series 2017, a Resolution of the Town Council authorizing the Town of Crested Butte to apply for DOLA Energy and Mineral Impact Grant for the design of the Water Treatment Plant Upgrades 2018.

Proposed Motion: I Move to approve Resolution No. 69, series 2017 as part of the consent agenda

RESOLUTION NO. 69

SERIES 2017

A RESOLUTION OF THE CRESTED BUTTE TOWN COUNCIL AUTHORIZING THE TOWN OF CRESTED BUTTE TO APPLY FOR A STATE OF COLORADO, DEPARTMENT OF LOCAL AFFAIRS ENERGY AND MINERAL IMPACT PROGRAM GRANT FOR THE FUNDING FOR DESIGN OF THE TOWN'S WATER TREATMENT PLANT IMPROVEMENTS

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, Colorado Revised Statutes §29-1-201 et seq. and other applicable law authorize local governments to cooperate and contract with other units of government to make the most efficient and effective use of their powers and responsibilities;

WHEREAS, the State of Colorado, Department of Local Affairs (DOLA) has available grants funding for the design of the Water Treatment Plant Upgrades to be designed under DOLA's Energy and Mineral Impact program;

WHEREAS, DOLA is responsible for the disbursement of such funding to successful applicants therefor;

WHEREAS, the Town staff desires to apply from DOLA such grant funding for the purpose of designing the Upgrades to the Towns Water Treatment Plant, and for such reason, recommends that the Town apply for such grant funding;

WHEREAS, the Town Council desires to apply for such grant funding from DOLA, and hereby instructs the Town staff to so apply in order to enable the Town's upgrades to the Water Treatment Plant; and

WHEREAS, the Town Council finds that it is in the best interest of the health, safety and general welfare of the citizens and visitors of Crested Butte for the Town to apply for the grant funding from DOLA for the purpose of causing the design of the upgrades to the Town's Water Treatment Plant.

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 is in the best interest of the Town to apply for DOLA grant funding from DOLA's Energy and Mineral Impact program for



Staff Report

November 20, 2017

To: Town Council
From: Michael Yerman, Community Development Director
Thru: Dara MacDonald, Town Manager
Subject: **Resolution 70, Series 2017-Release and Replacement of Guidelines and Deed Restriction for 721 Butte Avenue Unit I**

Background:

The Town Council adopted new guidelines and deed restrictions in February of 2016. The new guidelines and deed restrictions were passed to create uniformity across all of the Town's deed restricted affordable housing properties. The deed restriction was also discussed with local lenders to allow new owners to finance units that come up for purchase. As deed restricted units are sold, the Town will continue to work with applicants to update deed restrictions to allow the properties to be financed by lenders.

Resolution 70 Series, 2017, will release the previous deed restriction and old guidelines and replace them with a new deed restriction and new guidelines. The unit will remain capped at 100% AMI per the original Poverty Gulch guidelines. The guidelines require similar requirements for qualified persons to purchase the unit. If the unit is sold in the future it will be part of a lottery instead of being sold through a private party.

This resolution will clean up the existing title on the property and allow the buyer to qualify for a loan for the purchase of the property.

RECOMMENDED ACTION:

Staff recommends a Council member make a motion followed by a second to approve Resolution 70, Series 2017.

RESOLUTION NO. 70

SERIES 2017

RESOLUTIONS OF THE CRESTED BUTTE TOWN COUNCIL APPROVING THE RELEASE AND REPLACEMENT OF THE RESIDENT-OCCUPIED AFFORDABLE HOUSING DEED RESTRICTION FOR UNIT I, POVERTY GULCH CONDOMINIUMS, TOWN OF CRESTED BUTTE, COUNTY OF GUNNISON, STATE OF COLORADO

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, the Town owns Unit I, Poverty Gulch Condominiums, a/k/a 721 Butte Avenue, Crested Butte, Colorado 81224, as legally described in the attached Exhibit A ("Unit I");

WHEREAS, Unit I is currently subject to the Crested Butte Affordable Housing Guidelines recorded in 1995, 1999, and 2013 in the records of the Gunnison County Clerk and Recorder; and

WHEREAS, the Town desires to release Unit I from these Affordable Housing Guidelines and replace them with the guidelines adopted by Resolution No. 2, Series 2016; and

WHEREAS, the Town Council, at a public hearing on November 6, 2017, introduced Ordinance No. 34, Series 2017, authorizing the Town to convey Unit I to Douglas Collin for the price of \$110,525 pursuant to Section 14.4 of the Town Charter, subject to a deed restriction and the Town's Affordable Housing Guidelines as adopted in 2016; and

WHEREAS, based on the Town Staff's recommendation, the Town Council hereby finds that it is in the best interest of the Town and general welfare of the public that the Affordable Housing Guidelines encumbering Unit I be released and replaced as set forth herein.

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

1. **Release of Affordable Housing Guidelines currently encumbering Unit I.** Unit I, Poverty Gulch Condominiums, is hereby released from the terms, conditions, restrictions, agreements and obligations as contained in Town of Crested Butte 1995 Affordable Housing Guidelines recorded November 17, 1999 at Reception No. 497829 and in Town of Crested Butte 1995 Affordable Housing Guidelines 1999 addition recorded December 20, 1999 at Reception No. 498499, as replaced by Amended and Restated Affordable Housing Guidelines recorded July 18, 2013 at Reception No. 621504 and the Acknowledgment, Consent and Agreement recorded August 5, 2013 at Reception No. 621881.

2. **Replacement Affordable Housing Guidelines for Unit I.** The Town hereby replaces the Affordable Housing Guidelines released in paragraph 1 with the Affordable Housing Guidelines adopted by Resolution 2, Series 2016, as may be amended and modified by the Town from time to time. The Town further directs staff and the Town Attorney to prepare and record

EXHIBIT "A"

(Legal Description)

Unit I, POVERTY GULCH CONDOMINIUMS, according to the Condominium Map thereof recorded December 2, 1999, at Reception No. 498092, and according to the Condominium Declaration of Poverty Gulch Condominiums recorded December 2, 1999, at Reception No. 498091.

Town of Crested Butte,
County of Gunnison, State of Colorado

RELEASE OF AFFORDABLE HOUSING GUIDELINES

WHEREAS, the Town of Crested Butte, a Colorado home rule municipality, is the fee simple title owner of the real property legally described as:

Unit I, POVERTY GULCH CONDOMINIUMS, according to the Condominium Map thereof recorded December 2, 1999, at Reception No. 498092, and according to the Condominium Declaration of Poverty Gulch Condominiums recorded December 2, 1999, at Reception No. 498091.

Town of Crested Butte,
County of Gunnison, State of Colorado

Also known as: 721 Butte Avenue, Unit I, Crested Butte, Colorado 81224 (the “**Unit**”).

WHEREAS, the Unit is currently encumbered by the terms, conditions, restrictions, agreements and obligations as contained in Town of Crested Butte 1995 Affordable Housing Guidelines recorded November 17, 1999 at Reception No. 497829 and in Town of Crested Butte 1995 Affordable Housing Guidelines 1999 addition recorded December 20, 1999 at Reception No. 498499, as replaced by Amended and Restated Affordable Housing Guidelines recorded July 18, 2013 at Reception No. 621504 and the Acknowledgment, Consent and Agreement recorded August 5, 2013 at Reception No. 621881.

WHEREAS, the Town desires to release the foregoing Affordable Housing Guidelines applicable to the Unit and replace them with the Guidelines adopted by Resolution 2, Series 2016.

In consideration foregoing Recitals, the Town hereby releases the Unit and forever discharges the following described property from said Affordable Housing Guidelines recorded November 17, 1999 at **Reception No. 497829** and in Town of Crested Butte 1995 Affordable Housing Guidelines 1999 addition recorded December 20, 1999 at **Reception No. 498499**, as replaced by Amended and Restated Affordable Housing Guidelines recorded July 18, 2013 at **Reception No. 621504** and the Acknowledgment, Consent and Agreement recorded August 5, 2013 at **Reception No. 621881**.



Staff Report

November 20, 2017

To: Town Council
From: Michael Yerman, Community Development Director
Thru: Dara MacDonald, Town Manager
Subject: Resolution 71, Series 2017 Temporary Lease of 721 Butte Avenue- Unit I Poverty Gulch

Background:

Resolution 71, Series 2017 will authorize the Town to lease 721 Butte Avenue Unit I to Douglas Collin, a full-time Public Works Town employee. Doug is currently under contract and is set to close December 15, 2017. This lease will allow Doug to move in a few weeks ahead of the closing. By doing so this will free up the Town rental he currently occupies and allow another employee to move in the first of the year into the Town rental.

RECOMMENDED ACTION:

Staff recommends a Council member make a motion followed by a second to approve Resolution 71, Series 2017.

RESOLUTION 71

SERIES 2017

**A RESOLUTION OF THE CRESTED BUTTE TOWN
COUNCIL AUTHORIZING THE LEASE OF 721
BUTTE AVENUE UNIT I CRESTED BUTTE,
COLORADO TO DOUG COLLIN**

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 less than one year, the Town Council must approve such lease by resolution of the Town Council; and

WHEREAS, the Town Council finds hereby that approving the lease of 721 Butte Avenue Unit I for use by Doug Collin 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 the lease of 721 Butte Avenue Unit I for use by a certain Town employee is in the best interest of the Town.
2. **Authorization of Town Manager or Mayor.** Based on the foregoing, the Town Council hereby authorizes the Town Manager or Mayor to execute the lease in substantially the same form as attached hereto as **Exhibit "A"**.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL
THIS ___ DAY OF _____, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
_____, Mayor

ATTEST

Lynelle Stanford, Town Clerk

(SEAL)

EXHIBIT "A"

Employee Lease Agreement

[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 Doug Collin, 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 December, 2017, ending on the 31th day of January, 2017 at midnight. Thereafter, this agreement may be extended until March 31, 2017 if the unit is available. 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 roommate(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:

721 Butte Avenue, Unit I, Crested Butte, Colorado (a one bedroom residential dwelling that is a portion of the Poverty Gulch HOA)

3. **RENT/OCCUPANTS:** The Lessee agrees to pay to Town as rent for the premises listed above the sum of \$400.00 per month, due and payable no later than the 5th day of each month during the term of this lease. For any day(s) outside of a normal monthly period the Lessee will pay \$13.33 per day.

4. **UTILITIES:** The Town will pay for water, sewer, gas electric, and weekly refuse collection. Lessee shall 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 return the premises to the Town clean and in good order and condition including any carpets, wood flooring, paint, furnishings, 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 premises 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 multi-family residential building. Lessee agrees that the tenant(s) and owner(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 unnecessarily disturb or damage the adjacent Leaseholder.
6. **ANIMALS:** Lessee is allowed to have pets such as a dog or cat. Other types of pets may be allowed upon mutual agreement between Lessee and the Town.
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 pickup. 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 \$200.00 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 \$200.00 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 premise 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 into 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:** 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 30 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 premises 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: Doug Collin
P.O. Box 2246
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: _____
Doug Collin



Staff Report

November 20, 2018

To: Mayor and Town Council
From: Dara MacDonald, Town Manager
Subject: Site Specific Standards Contractor Agreement

Summary: This agreement is between the Coal Creek Watershed Coalition, Gunnison County and the Town to fund the ongoing efforts to develop and meet site-specific water quality standards for Coal Creek.

Previous Council Action: The Town Council has been funding this effort for several years.

Background: The Town of Crested Butte and Gunnison County are collaborating with Mt. Emmons Mining Company (MEMC), the Coal Creek Watershed Coalition (CCWC) and other stakeholders to eliminate the threat of a large-scale mining operation on Mt Emmons. As part of that we have been working collaboratively to address the water quality issues resulting for the legacy Keystone Mine site. CCWC has a leading role in these efforts by providing technical expertise for the community around the development of site-specific standards for the lower portion of Coal Creek.

Progress was made in 2017 when the stakeholder group developed an interim set of standards, where the aquatic life standards apply for nine months of the year and temporary modifications are only used for three months of the year during snowmelt and high flow. In the coming years, the stakeholder group will use data collected by CCWC and others to determine the source of pollutants during snowmelt and high flow. This information will be used to develop protective site-specific standards for Coal Creek. The standards process will culminate with the Regulation 35 hearing in 2022, and includes participation in the temporary modifications hearings in 2019, 2020, and 2021. The stakeholder group will also work collaboratively with MEMC to plan and implement clean-up activities at the Keystone Mine property. Local input is vital to assure the project is protective of Coal Creek, the Town's drinking water supplies, and the environment. Clean-up activities are planned for the next several years.

In 2018, Gunnison County has agreed to share in the cost of funding the work by CCWC. The total cost of \$4,100 is being shared between the Town and the County. The \$2,050 requested from the Town has already been approved in the 2018 budget.

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

Recommendation: Staff recommends the Council approve the Site Specific Standards Contractor Agreement between the Coal Creek Watershed Coalition, Gunnison County and the Town of Crested Butte as part of the Consent Agenda.

CONTRACTOR AGREEMENT

THIS CONTRACTOR AGREEMENT (the "Agreement") made effective the ___ day of _____, 2017, by and among the Town of Crested Butte, Colorado whose address is P.O. Box 39, Crested Butte, Colorado 81224 (herein "Crested Butte"), the Board of County Commissioners of the County of Gunnison, Colorado whose address is 200 East Virginia Avenue, Gunnison, Colorado 81230 (herein "Gunnison County"), and Coal Creek Watershed Coalition, a Colorado non profit corporation whose address is P.O. Box 2720, Crested Butte, Colorado 81224 (herein "Contractor").

RECITALS

The Contractor desires to provide professional services regarding appropriate site-specific water quality standards for Coal Creek;

Crested Butte and Gunnison County desire to engage Contractor to provide services as identified in the Scope of Work attached hereto and incorporated herein by reference as Appendix "A" ("Services"); and

The Contractor desires to provide those Services as identified in Appendix "A".

AGREEMENT

NOW THEREFORE, in consideration of the Recitals and the mutual covenants and obligations hereinafter set forth, the parties agree as follows:

1. SERVICES.

Contractor shall furnish all materials, labor, supervision, supplies and equipment to commence, diligently pursue, and complete the Services as more specifically set forth on Appendix "A". All Services shall be performed in a timely manner and in accordance with generally accepted standards for Contractor's profession and all applicable federal, state and local laws and regulations affecting the Services or the subject matter thereof. Contractor acknowledges that this is a non-exclusive Agreement, and Crested Butte and Gunnison County may contract with additional or other providers able to furnish the same or similar services as it deems appropriate to do so.

2. TERM.

The term of this Agreement shall commence on January 1, 2018 and shall terminate on December 31, 2018, unless sooner terminated or replaced as provided herein.

3. COMPENSATION AND EXPENSES.

In consideration and exchange for Contractor's performance of the Services, during the Term, Crested Butte and Gunnison County shall equally pay Contractor fees at a rate of Fifty and No/100 U.S. Dollars (\$50.00) per hour not to exceed, for each Crested Butte and Gunnison County, the amount of Four Thousand and No/100 U. S. Dollars (\$4,100.00) (the "Compensation"). Crested Butte and Gunnison County shall each pay \$2,050 to Contractor by February 15, 2018. If this amount is not incurred, the excess paid will be refunded equally to Crested Butte and Gunnison County, or applied to a future contract for the same or similar services, as directed by each, Crested Butte and Gunnison County.

The Compensation shall also compensate Contractor for all travel, meals and lodging expenses reasonably incurred.

This Agreement is subject to Crested Butte and Gunnison County making an annual budget appropriation in an amount sufficient to fund this Agreement. If Crested Butte or Gunnison County fails or refuses to make such an appropriation, the non-appropriating party reserves the right to terminate this Agreement without penalty to Contractor pursuant to paragraph 12 of this Agreement.

4. STRATEGIC RESULT.

Contractor will assist Crested Butte and Gunnison County with protection of quantity and quality of water resources as expressly directed by the Town Manager and/or Town Attorney, and the County Manager and/or County Attorney, and as otherwise contemplated in the attached Scope of Work. Contractor, its subcontractors, independent contractors, agents, employees, officers and/or director shall not have any communications, written or oral, with the State of Colorado, Mt. Emmons Mining Company and/or Freeport McMoRan, Inc. (collectively herein "MEMC"), its and their subcontractors, independent contractors, agents, employees, officers, director and/or attorneys in regards to the Services or any issues regarding Mt. Emmons regarding the MOU among MEMC, Crested Butte, Gunnison County and the other parties referenced in the MOU dated February 12, 2016 without first obtaining express approval from the Town Manager and/or the Town Attorney, and the County Manager and/or County Attorney. Notwithstanding the foregoing, Contractor's environmental consultant, Ashley Bembenek with Alpine Environmental Consultants LLC may communicate with such persons respecting item No. 6 in the MOU as set forth in Appendix "A" attached hereto.

5. INSURANCE.

Contractor agrees that at all times during the Term of this Agreement that Contractor shall carry and maintain, in full force and effect and at its sole cost and expense, the following insurance policies. Within thirty (30) days of the execution of this Agreement, Contractor will provide insurance certificates to Crested Butte and Gunnison County, listing Crested Butte and Gunnison County as additional insureds, for the coverage's required herein which shall state

that such policies shall not be materially changed or cancelled without thirty (30) days prior notice to Crested Butte and Gunnison County.

Comprehensive General Liability Insurance or the equivalent for any injury to one person in any single occurrence, Three Hundred Fifty Thousand and No/100 U.S. Dollars (\$350,000.00); and for an injury to two or more persons in any single occurrence, the sum of Nine Hundred Ninety Thousand and No/100 U.S. Dollars (\$990,000.00).

6. INDEPENDENT CONTRACTOR.

In carrying out its obligations and activities under this Agreement, Contractor is acting as an independent contractor and not as an agent, partner, joint venture or employee of Crested Butte or Gunnison County. Contractor does not have any authority to bind Crested Butte and/or Gunnison County in any manner whatsoever.

Contractor acknowledges and agrees that Contractor is not entitled to: (i) unemployment insurance benefits; or (ii) Workers Compensation coverage, from Crested Butte or Gunnison County. Further, Contractor is obligated to pay federal and state income tax on any moneys paid it related to the services.

7. DISCRIMINATION.

The Contractor agrees not to discriminate against any person or class of persons by reason of age, race, color, sex, creed, religion, disability, national origin, sexual orientation or political affiliation in providing any services or in the use of any facilities provided for the public in any manner prohibited by Part 21 of the Regulations of the Office of the Secretary of Transportation. Contractor shall further comply with the letter and spirit of the Colorado Anti-Discrimination Act of 1957, as amended, and any other laws and regulations respecting discrimination in unfair employment practices. Additionally, Contractor shall comply with such enforcement procedures as any governmental authority might demand that Crested Butte or Gunnison County take for the purpose of complying with any such laws and regulations.

8. IMMIGRATION COMPLIANCE CERTIFICATION.

Contractor certifies that Contractor does not and will not knowingly contract with or employ illegal aliens to work under this Agreement. Contractor certifies that Contractor has required its subcontractors to certify that they do not knowingly contract with or employ illegal aliens to work under this Agreement. Contractor certifies that it has attempted to verify the eligibility of its employees and subcontractors to work through the Basic Pilot Employment Verification Program administered by the Social Security Administration and Department of Homeland Security. Contractor agrees to comply with all reasonable requests made in the course of an investigation under C.R.S. 8-17.5-102 by the Colorado Department of Labor and Employment. Contractor agrees to comply with the provisions of C.R.S. 8-17.5-101 et seq.

9. ADA COMPLIANCE.

The Contractor assures Crested Butte and Gunnison County that at all times during the performance of this Agreement no qualified individual with a disability shall, by reason of such disability, be excluded from participation in, or denied benefits of the service, programs, or activities performed by the Contractor, or be subjected to any discrimination by the Contractor upon which assurance Crested Butte and Gunnison County rely.

10. MISCELLANEOUS.

SEVERABILITY. If any clause or provision of this Agreement shall be held to be invalid in whole or in part, then the remaining clauses and provisions, or portions thereof, shall nevertheless be and remain in full force and effect.

AMENDMENT. No amendment, alteration, modification of or addition to this Agreement shall be valid or binding unless expressed in writing and signed by the parties to be bound thereby.

NO WAIVER OF GOVERNMENTAL IMMUNITY. Nothing in this Agreement is, or shall be construed to be, a waiver, in whole or in part, by Crested Butte or Gunnison County of governmental immunity provided by the Colorado Governmental Immunity Act or otherwise.

11. DELEGATION AND ASSIGNMENT.

This is a personal services contract with Contractor and, therefore, Contractor shall not delegate or assign its duties under this Agreement without the prior written consent of Crested Butte and Gunnison County, which consent Crested Butte or Gunnison County may withhold in their discretion. Subject to the foregoing, the terms, covenants and conditions of this Agreement shall be binding on the successors and assigns of either party.

12. TERMINATION.

Either party shall have the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days prior written notice to the other. Upon termination, Contractor shall be entitled to compensation for Services performed prior to the date of termination.

13. NOTICES.

Any notice, demand or communication which either party may desire or be required to give to the other party shall be in writing and shall be deemed sufficiently given or rendered if delivered personally or sent by certified first class US mail, postage prepaid, addressed as follows:

Crested Butte: Town Manager
Town of Crested Butte
P.O. Box 39
Crested Butte, Colorado 81224

With a copy to: Town Attorney
Town of Crested Butte
P.O. Box 39
Crested Butte, Colorado 81224

Gunnison County: County Manager
Gunnison County
200 East Virginia Avenue
Gunnison, Colorado 81230

With a copy to: County Attorney
Gunnison County
200 East Virginia Avenue
Gunnison, Colorado 81230

Contractor: Coal Creek Watershed Coalition
P.O. Box 2201
Crested Butte, Colorado 81224

Any party has the right to designate in writing, served as provided above, a different address to which any notice, demand or communication is to be mailed.

14. GOVERNING LAW.

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Colorado. Exclusive jurisdiction and venue for any legal proceedings related to this Agreement shall be in the state District Court governing Gunnison, Colorado.

15. COUNTERPARTS: FACSIMILE TRANSMISSION.

This Agreement may be executed by facsimile and/or in any number of counterparts, any or all of which may contain the signatures of less than all the parties, and all of which shall be construed together as but a single instrument and shall be binding on the parties as though originally executed on one originally executed document. All facsimile counterparts shall be promptly followed with delivery of original executed counterparts.

16. ENTIRE AGREEMENT.

This Agreement contains the entire agreement among the parties hereto with respect to the subject matter hereof, and supersedes any and all prior agreements, proposals, negotiations and representations pertaining to the obligations to be performed hereunder.

(Remainder of Page Intentionally Left Blank;
Signature Page(s) To Follow)

APPENDIX “A”

(Scope of Work)



October 18, 2017

Dara MacDonald, Town Manager
Town of Crested Butte
PO Box 39
Crested Butte, CO 81224

David Baumgarten, Attorney
Gunnison County
200 E. Virginia Avenue
Gunnison, CO 81230

Subject: 2018 Proposal for the site-specific standards project for Coal Creek

Ms. MacDonald and Mr. Baumgarten:

The Town of Crested Butte and Gunnison County are collaborating with Mt. Emmons Mining Company (MEMC), the Coal Creek Watershed Coalition (CCWC) and other stakeholders to eliminate the need for temporary modifications by developing site-specific standards for Coal Creek Segment 12. In the past temporary modifications, which are less stringent than aquatic life standards, were applied to the lower portion of Coal Creek due to uncertainty regarding pollutant sources. In 2017 the stakeholder group developed an interim set of standards, where the aquatic life standards apply for nine months of the year and temporary modifications are only used for three months of the year during snowmelt and high flow.

In the coming years, the stakeholder group will use data collected by CCWC and others to determine the source of pollutants during snowmelt and high flow. This information will be used to develop protective site-specific standards for Coal Creek. The standards process will culminate with the Regulation 35 hearing in 2022, and includes participation in the temporary modifications hearings in 2019, 2020, and 2021. The stakeholder group will also work collaboratively with MEMC to plan and implement clean-up activities at the Keystone Mine property. Local input is vital to assure the project is protective of Coal Creek, the Town's drinking water supplies, and the environment. Clean-up activities are planned for the next several years.

Major Tasks:

During 2018 we expect to meet with the stakeholder group on a quarterly basis to continue water quality data evaluation, discuss site characterization results from the Keystone Mine property (MEMC collected a wide variety of environmental data in 2017 and will continue data collection in 2018), and



identify appropriate measures for MEMC's discharge permit compliance schedule. The technical coordinator, Ashley Bembenek, will communicate with stakeholders before and after meetings, as needed, to assure progress between quarterly meetings.

Project Partnerships and Cost Sharing:

Since signing the memorandum of understanding (MOU) with MEMC and other parties, the Town and County have collaborated to represent local parties on issues related to Coal Creek and the historic Keystone Mine property. In 2018, we plan to share project costs and responsibilities between the Town, County, and CCWC. The following items have been initially agreed to by all three parties:

- Shared contract between all three parties.
- Fifty-fifty funding provided by both the Town and County.
- CCWC Board to provide additional technical support and manage budget.
- Sign contract and agree to final scope of work by early December 2017.

Project Timeline and Cost Estimate:

The timeline is based upon a tentative schedule discussed by the stakeholder group and includes time for quarterly technical meetings, and associated travel expenses. The proposal addresses the technical expertise provided by Ashley Bembenek and assumes that the Town and County will continue to necessary legal services, as they have in the past. The anticipated total cost for 2018 is \$4,100.00; where the Town and County each contribute \$2,050.00. If additional meetings or tasks are developed by the stakeholder group during 2018, it may be necessary to revise this proposal.

Please contact me to discuss any questions or concerns that you may have regarding the proposal. Thank you for your support.

Sincerely,

A handwritten signature in black ink that reads 'Ashley Bembenek'. The signature is written in a cursive style with a large initial 'A'.

Ashley Bembenek
Technical Coordinator
Coal Creek Watershed Coalition
(970) 251-0029
abembenek@yahoo.com



Staff Update

November 12, 2017

To: Mayor and Town Council
Thru: Dara MacDonald, Town Manager
From: Lois Rozman, Finance Director
Subject: 3rd Quarter Financial Report

Attached is the financial summary for the 3rd quarter of 2017.

General Fund: Revenues are ahead of budget mostly due to strong sales tax receipts. Building department revenues nearly caught up to budget during the 3rd quarter correlating to the busy BOZAR and Design Review schedule over the past several months. Recreation Fees and Fines are running slightly under budget through the 3rd quarter. Recreation revenue is under mostly due to Gymnastics (fewer sessions due to lack of coaches) and Baseball (fewer participants). Overall, the General Fund departments are well under budget. Much of this is due to staff turnover, while some of it is simply timing differences between when an expenditure was anticipated to happen and when it will happen. Staff anticipates the General Fund expenditures to be below budget at the end of the year.

Sewer & Water Fund: Tap-In Fees are currently below budget as the Affordable Housing tap-in fee make-up has not yet been booked. Tap-In Fees will be ahead of budget by year end. Operating revenue is ahead of budget mostly coming from extra water usage through the summer by both residential and commercial users. Total revenue of the Sewer/Water Fund is under budget due to the timing of the receipt of debt proceeds on the Wastewater Plant upgrade project. Sewer/Water Administration is over budget due to the purchase of water rights from Verzuh Ranch LLC which was approved by the Council, but not anticipated in the budget. Overall, total expenditures are under budget and Staff anticipates they will remain under budget through the end of the year.

General Capital Fund:

Open Space: Revenue is over budget due to very strong 3rd quarter real estate transfer tax collections. Expenditures are under budget and will remain so through the end of the year as the Trampe project, budgeted for in 2017, will not occur until 2018.

Capital: Revenues are ahead of budget due to strong real estate transfer tax collections as well as strong use tax collections from building materials and automobiles. Expenditures are under budget and Staff anticipates they will remain under budget through the rest of the year as several projects will not be completed in 2017 (Cypress land purchase/Emergency Center Design/Wayfinding Project/Town Hall Window replacement/Town Hall Roof-Snow Fence).

Street & Alley Fund: Overall, revenues are slightly ahead of budget with Property Tax under budget but expected to catch budget by year end, and Parking In Lieu is over budget due to unanticipated collections. Expenditures are overall under budget with snow removal costs significantly over budget due to last winter's heavy snow and paving projects significantly under budget as projects have not yet completed. Staff anticipates expenditures to remain under budget through the remainder of the year as the 4-Way parking lot project will not be completed this year.

Affordable Housing Fund: Revenues are well under budget due to slower Housing Payment In Lieu collections (more deed restricted homes built which do not pay the fee) and fewer Paradise Park lot sales than anticipated in the budget. Expenditures are over budget due to the purchase of the deed restricted unit in the Poverty Gulch complex, additional payment to the Housing Authority and the additional cost of the School Build Town Rental project. Staff anticipates the fund being over budget through the end of the year and will bring a budget amendment forward to the Council.

Sales Tax Fund: Both revenue and expenditures are over budget due to the strong sales tax collections and the corresponding payments to Mountain Express as well as the General and Capital funds.

Council Quarterly Summary
September 30, 2017

	<u>Y-T-D</u> <u>ACTUAL</u>	<u>Y-T-D</u> <u>BUDGET</u>	<u>VARIANCE</u>	<u>ANNUAL</u> <u>BUDGET</u>
GENERAL FUND				
Revenue	3,334,747.23	3,045,230.00	289,517.23	3,834,986.00
Contribution from Reserve	0.00	0.00	0.00	414,410.00
Total Revenue	<u>3,334,747.23</u>	<u>3,045,230.00</u>	<u>289,517.23</u>	<u>4,249,396.00</u>
EXPENDITURES				
General Government	281,349.84	320,549.50	39,199.66	395,949.00
Court	6,691.66	13,908.75	7,217.09	15,392.00
Council	57,895.29	57,591.00	(304.29)	74,028.00
Elections	1,445.80	350.00	(1,095.80)	11,600.00
Legal	270,742.44	331,555.00	60,812.56	442,100.00
Clerk	122,048.29	144,999.00	22,950.71	191,893.00
Manager	130,608.88	168,951.00	38,342.12	216,841.00
Finance	281,095.26	295,223.00	14,127.74	397,726.00
Marshal	617,592.95	672,570.00	54,977.05	866,352.00
Planning	155,147.48	176,183.20	21,035.72	228,282.00
Facility Maintenance	99,293.94	118,186.85	18,892.91	156,931.00
Town Shop	133,415.27	166,106.00	32,690.73	220,136.00
Public Works	166,668.12	197,593.00	30,924.88	263,472.00
Building	298,065.70	323,677.00	25,611.30	424,378.00
Recreation	214,325.65	261,692.81	47,367.16	338,884.00
Total Expenditures	<u>2,836,386.57</u>	<u>3,249,136.11</u>	<u>412,749.54</u>	<u>4,243,964.00</u>
NET REVENUE (EXPENSE)	<u>498,360.66</u>	<u>(203,906.11)</u>	<u>702,266.77</u>	<u>5,432.00</u>
SEWER & WATER FUND				
Revenue	2,309,177.83	3,514,114.00	(1,204,936.17)	5,214,985.00
EXPENDITURES				
Administration	383,017.46	375,351.00	(7,666.46)	482,389.00
Water Operations	224,679.47	250,694.75	26,015.28	340,761.00
Wastewater Operations	375,548.40	425,796.00	50,247.60	661,779.00
Capital Expenses	1,223,957.61	2,181,250.00	957,292.39	3,421,000.00
Total Expenditures	<u>2,207,253.53</u>	<u>3,233,091.75</u>	<u>1,025,838.22</u>	<u>4,905,929.00</u>
NET REVENUE (EXPENSES)	<u>101,924.30</u>	<u>281,022.25</u>	<u>(179,097.95)</u>	<u>309,056.00</u>

GENERAL CAPITAL FUND**Open Space**

Revenue	611,802.71	413,697.00	198,105.71	551,200.00
Contribution from Reserve	0.00	0.00	0.00	508,914.00
Expenditures	5,595.88	1,016,088.00	1,010,492.12	1,020,114.00
NET REVENUE (EXPENSE)	606,206.83	(602,391.00)	1,208,597.83	40,000.00

Capital

Revenue	1,377,370.21	904,441.00	472,929.21	3,394,822.00
Contribution from Reserve	0.00	0.00	0.00	43,000.00
Expenditures	1,142,403.65	1,795,587.00	653,183.35	2,373,801.00
NET REVENUE (EXPENSE)	236,166.56	(889,946.00)	1,126,112.56	1,065,221.00

CONSERVATION TRUST FUND

Revenue	9,954.61	9,789.00	165.61	11,820.00
Contribution from Reserve	0.00	0.00	0.00	0.00
Expenditures	0.00	0.00	0.00	0.00
NET REVENUE (EXPENSE)	9,954.61	9,789.00	165.61	11,820.00

STREET & ALLEY FUND

Revenue	724,672.51	723,309.00	1,363.51	751,663.00
Contribution from Reserve	0.00	0.00	0.00	0.00
Expenditures	957,353.71	1,175,548.00	218,194.29	1,273,297.00
NET REVENUE (EXPENSE)	(232,681.20)	(452,239.00)	219,557.80	(521,634.00)

AFFORDABLE HOUSING FUND

Revenue	152,854.80	280,447.00	(127,592.20)	290,600.00
Contribution from Reserve	0.00	0.00	0.00	0.00
Expenditures	340,814.08	414,853.00	74,038.92	493,640.00
NET REVENUE (EXPENSE)	(187,959.28)	(134,406.00)	(53,553.28)	(203,040.00)

SALES TAX FUND

Revenue	3,582,401.75	3,253,234.00	329,167.75	4,073,575.00
Contribution from Reserve	0.00	0.00	0.00	535,931.00
Expenditures	3,885,659.28	3,759,425.00	(126,234.28)	4,572,474.00
NET REVENUE (EXPENSE)	(303,257.53)	(506,191.00)	202,933.47	37,032.00

TOWN OF CRESTED BUTTE
 KEY REVENUE COMPARISON
 September 30, 2017

	Year to Date Actual	Budget to Actual	Amount Variance	Prior Year To Date Actual	Current to Prior Variance
Sales Tax	3,213,541.94	2,932,341.00	281,200.94	3,034,814.02	178,727.92
General Fund					
Property Tax	231,194.27	232,779.00	(1,584.73)	221,217.09	9,977.18
Building Dept.	108,131.17	110,530.00	(2,398.83)	88,983.33	19,147.84
Recreation Fees	74,787.59	76,772.00	(1,984.41)	76,919.27	(2,131.68)
Fines	20,082.49	22,808.00	(2,725.51)	24,205.75	(4,123.26)
Water & Wastewater					
Tap Fees	192,346.06	262,500.00	(70,153.94)	181,789.66	10,556.40
Service Charges	1,030,632.16	994,487.00	36,145.16	964,398.75	66,233.41
General Capital					
Transfer Tax	1,221,205.44	824,994.00	396,211.44	1,007,947.19	213,258.25
Street & Alley					
Property Tax	674,906.60	678,798.00	(3,891.40)	672,154.09	2,752.51
Affordable Housing					
Housing in Lieu Pmt	30,819.82	60,000.00	(29,180.18)	46,562.20	(15,742.38)



Staff Report

November 20, 2017

To: Mayor and Town Council

From: Dara MacDonald, Town Manager

Subject: Ordinance 2017-33, Amending Section 8-1-30 to modify regulations regarding the use of snow cats in Town

Summary: The Council has directed staff to bring forward revisions to the Town Code addressing the use of snow cats on public streets. Specifically, the Council wanted to address the annual approval process for the routes and the hours of operation. In addition, staff has some suggestions to changes to the organization of the code section.

Previous Council Action: At their regular meeting on October 20, 2017 the Council held a public hearing and approved the snow cat routes for the coming winter. At that time they received suggestions and requests from the public and directed staff to draft an ordinance reflecting those suggestions and requests.

At the meeting on November 6th the Council discussed the draft ordinance and heard public comment. Following that the Council directed two changes be made to the draft ordinance; 1) That the hours of operation for users other than the Nordic Center be limited to 7:00 a.m. – 9:00 p.m., and 2) The language be added making it explicit that the hours of operation are not limited for the Nordic Center's snow machines.

Background: Several years ago the Council created a process whereby up to three entities (including the Nordic Center) could apply for permits each winter to operate rubber-tracked snow cats on public streets. Following discussion, the Council adopted an ordinance requiring that the routes be approved by the Town Manager by the 15th of October each year and also approved by the Council during the month of October following a public hearing. Council directed that the ordinance changes be drafted to eliminate the requirement for a public hearing and Council approval of the routes each October.

The current ordinance limits the hours of operation such that snow cats may not be operated between 9:00 p.m. and 7:00 a.m. In response to a request from the public the Council directed that the ordinance changes be drafted to extend the hours of allowable operation to 11:00 p.m. This has subsequently been revised back to the current limitation of not allowing the operation of snow cats between 9:00 p.m. and 7:00 a.m., except for the Nordic Center which operates primarily at night but whose hours are not limited.

In addition to these changes directed by the Council, staff has suggested several clean-ups to the existing ordinance including the following:

1. New section 13 – separating general operations of snowmobiles from the specific operations of the Nordic Center.
2. Sections 17 & 18 – moving the subsections addressing skiing and sleds from between the sections addressing snow cat operations and including the reference to the map in Appendix B which is currently isolated at the end of the entire Section 8-1-30(4).
3. Section 15 – adding clarifying language that this section applies to the private use of snow cats and does not apply to the Nordic operations. Also moving the limitation of no more than 4 trips per day from the permit requirements to this subsection so that it does not apply to Nordic operations. While Nordic does not typically make many trips, if they have mechanical issues they may make several snow mobile trips in a given day to address issues.
4. Section 16 – separating the authority to operate from the specifics of the permit process and clarifying that the Nordic Center does have to apply for a permit each year and that there are three permits available including for the Nordic Center.

Proposed Motion: A Council member should make a motion to approve Ordinance 2017-33.

ORDINANCE NO. 33

SERIES 2017

**AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL
AMENDING SECTION 8-1-30 TO MODIFY REGULATIONS
REGARDING THE USE OF SNOWCATS IN TOWN**

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

WHEREAS, the Model Traffic Code contained in the Crested Butte Municipal Code (the “Code”) currently allows for the use of snow cats on public streets and highways under the jurisdiction of the Town; and

WHEREAS, the Town Council wishes to modify and clarify the regulations around the operation of snow cats in Town including the approval process for the routes, permit requirements and hours of operation; and

WHEREAS, the Town Council finds that modifying and clarifying the specific language in the Code relative to the use of snow cats on certain public streets and highways under the jurisdiction of the Town as set forth in this ordinance 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. Amending Section Sec. 8-1-30(4). Section 8-1-30(4) is hereby amended by deleting subsections 13, 14, 15 and 16 in their entirety and replacing the same with the following new subsections 13, 14, 15, 16, 17 and 18:

(13) A snowmobile may be operated on the streets and highways under the jurisdiction of the Town only when such operation is authorized by a special ordinance or addition to this code and appropriate notice is given thereof, and then only in the manner and on such streets prescribed by such ordinance consistent with the provisions of state law.

(14) A limited access snowmobile/ snow cat route is designated within the Town of Crested Butte for use only by the Nordic Center. Said route shall be designated by the Town Manager no later than the 15th day of October of each year. Any snowmobile or snow cat operated on said route will conform to all applicable state laws regarding their operation, will conform to all ordinances and laws pertaining to the movement and operation of other vehicles and shall not be operated by anyone under the age of sixteen. The Nordic Center will be allowed to operate snowmobiles or snow cats on the route at any time provided that such operations are minimized in length and frequency.

(15) A limited access snow cat route shall be designated within the Town for the use by private individuals or business entities of rubber-tracked snow cat machines on

Town public streets and highways. Said route shall be designated by the Town Manager by October 15 of each calendar year. Permission for the use of any snow cat shall be given by permit only, and once obtained from the Town as described herein below, shall be for a period beginning on November 1 and expiring on April 30 of the following calendar year. Any such snow cat shall be operated only on such route, and the use thereof shall at all times conform to applicable state laws and regulations regarding its operation on public streets and highways, including, without limitation, applicable licensing, registration and insurance requirements, shall conform to all ordinances and laws pertaining to the movement and operation of other vehicles and shall not be operated by anyone under the age of sixteen or between the hours of 9:00 p.m. and 7:00 a.m. A permitted private snow cat shall make no more than four (4) trips within Town per calendar day. For purposes hereof, 'trip' shall be an act of operating a snow cat on a public street or highway within Town.

(16)

(a) A permit shall be first obtained from the Town before any snow cat may be used on public streets and highways. It is unlawful for any person to operate any snow cat on public streets and highways without a permit from the Town or to otherwise operate a snow cat in noncompliance with the provisions of this Section. The Town may issue no more than three (3) permits for Nordic operations and the operation of other snow cats on public streets and highways during each permitting period. Each snow cat shall, at a minimum: (i) be street lawful under applicable law; (ii) not exceed 20,000 pounds gross vehicle weight; (iii) without limiting the requirements of Chapter 8, Article 9 of the Crested Butte Municipal Code, not exceed the decibel levels prescribed for motor vehicles in Section 10-9-60; and (iv) be able to maintain posted speed limits within Town so as not to impede traffic flow.

(b) Application for a permit for the use of a snow cat on public streets and highways shall be submitted to the Town Manager on forms contained in the office of the Town Clerk. The Town Manager may reject any application for being incomplete. As a condition to granting such a permit, the Town shall receive, without limitation, from the applicant therefor, financial security (e.g., irrevocable standby letter of credit, payment bond) acceptable to the Town sufficient to pay for any damage to or destruction caused to public property by such snow cat.

(c) Permits for snow cats shall be publicly displayed on the snow cat when in use. A permit may be used for more than one (1) specific snow cat, provided that: (i) the application for such permit lists each snow cat that the permit applies to if more than one (1); (ii) where more than one (1) snow cat issued under a given permit, the permittee must be the same person, entity or business operation for all of the snow cats; and (iii) at all times when a snow cat is in use, the permit must be placed in a conspicuous place.

(d) The holder of a permit for a snow cat shall assume the risk and indemnify, defend and hold harmless the Town, its elected officials, officers, employees and agents against any and all claims arising from any occurrence occasioned by the permitted use and shall maintain, during the period of the permit, comprehensive general public liability and property damage insurance, naming the Town, its officers, elected officials, employees and agents as additional insureds, providing that the insurance is primary insurance and that no other

insurance maintained by the Town shall be called upon to contribute a loss covered by the Town and providing for thirty (30) days' notice of cancellation or material change to the Town.

(e) A permit issued under the provisions of this Section may not be transferred or assigned for any reason. Any such transfer or assignment shall make the subject permit void *ab initio*.

(f) A snow cat permit is automatically renewable unless the permit is revoked in the same manner as other Town-issued licenses, provided that a permittee who desires to continue operating a snow cat under the permit after the expiration of the permit shall follow the application procedures required of a new applicant. All permits for snow cats issued under the provisions of this Section shall be for snow cats that are being operated in Town no less frequently than once per two (2) calendar weeks.

(g) All snow cat permits shall be issued on a first-come, first-served basis. If two (2) or more applications are received simultaneously, the Town Manager shall determine priority by lot.

(h) No more than one (1) permit for operation of a snow cat under the provisions of this Section may be held by any person, entity or business operation.

(17) Skiing shall be permitted on the following Town streets:

1. On the entire length of Butte Avenue, from the east boundary of Town to the west boundary of Town; and
2. On First Street from Whiterock Avenue to Butte Avenue; and
3. On Whiterock Avenue from the east side of Second Street to the west side of First Street; and
4. On Third Street from Belleview Avenue to Red Lady Avenue; and
5. On Red Lady Avenue from Third Street to the Town Ranch; and
6. On Eighth Street from Red Lady Avenue to Butte Avenue; and
7. On Elk Avenue from the east side of Sixth Street to the east side of Block 69; and
8. On Teocalli Avenue from the west boundary of Town to First Street.

The explanatory map, attached to this Code as Appendix B, shall illustrate where skiers may traverse Town streets. Skiers on Town streets shall ski in a safe and prudent manner, and shall follow all rules and regulations generally applicable to pedestrians.

(18) Kicksleds, coaster sleds and toboggans being pulled by human power, shall be allowed on the streets and alleys within the Town, provided that they not be allowed on Elk Avenue, on Sixth Street, on Gothic Road, or on Maroon Avenue west of First Street, except that such devices may be used only to cross these avenues and streets. Lights and reflectors, as defined in section 221 of this code, must be used on the devices between sunset and sunrise.

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 as an entirety, it being the legislative intent that this ordinance shall stand notwithstanding the invalidity of any section, sentence, clause, phrase, word or other provision.

Section 3. Savings Clause. Except as amended hereby, the Crested Butte Municipal Code, as amended, shall remain valid and in full force and effect. Any provision of the Code that is in conflict with this ordinance is hereby repealed as of the effective date hereof.

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS ___ DAY OF _____, 2017.

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

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Mayor

ATTEST:

Lynelle Stanford, Town Clerk

[SEAL]



Staff Report

November 20, 2017

To: Town Council
From: Michael Yerman, Community Development Director
Thru: Dara MacDonald, Town Manager
Subject: Ordinance 34, Series 2016- Sale of 721 Butte Avenue- Unit I Poverty Gulch

Background:

Ordinance 34, Series 2017 will authorize the Town to sell 721 Butte Avenue Unit I to Douglas Collin, a full-time Public Works Town employee. The unit was purchased by the Town out of foreclosure on April 20th. At that time, the unit was in disrepair. Over the past few months the Town rehabbed the unit to sell it per the Poverty Gulch Guidelines. The unit was first offered to ADA qualifying applicants. There was one qualified ADA applicant who applied. Unfortunately, due to the unit being a condominium, this applicant was unable to obtain financing. Per the guidelines, since there is not currently a full-time employee residing at the Poverty Gulch Condominiums, the unit was then offered to full-time town employees. Douglas applied and successfully qualified for the unit.

At this time, Douglas is working on securing a loan for the purchase of the property. He has pre-qualified for a loan prior to going under contract with the Town for the purchase of the unit. Per the Town Charter the Town Council must pass an Ordinance to sell the property. Per the max sales price the unit is under contract for a sales price of \$110,525.00 plus associated closing costs.

RECOMMENDED ACTION:

Staff recommends a Council member make a motion followed by a second to approve Ordinance 34, Series 2017.

ORDINANCE NO. 34

SERIES 2017

AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL AUTHORIZING THE SALE OF TOWN-OWNED PROPERTY LEGALLY DESCRIBED AS UNIT I, POVERTY GULCH CONDOMINIUMS, TOWN OF CRESTED BUTTE, COUNTY OF GUNNISON, STATE OF COLORADO TO DOUGLAS COLLIN FOR THE SALE PRICE OF \$110,525.00

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 the laws of the State of Colorado;

WHEREAS, the Town Council is authorized pursuant to § 14.4 of the Town Charter to sell and convey Town-owned property;

WHEREAS, the Town Council has directed the Town staff to sell the above-described property to Douglas Collin for \$110,525.00; and

WHEREAS, the Town Council hereby finds that it is necessary and suitable, and in the best interest of the Town and the health, safety and welfare of the residents and visitors of Crested Butte, that the above-described property be sold as set forth hereinbelow.

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

Section 1. **Authorization to Sell Town-owned Property.** The Town Council, pursuant to the Crested Butte Town Charter and the laws of the State of Colorado, hereby authorizes the sale and transfer by the Town, for the sum of \$110,525 plus customary closing costs and fees, the real property legally described as Unit I Poverty Gulch Condominiums, Town of Crested Butte, County of Gunnison, State of Colorado to Douglas Collin, for the construction of and use for affordable housing, subject to a Deed Restriction and the Town’s Affordable Housing Guidelines, and authorizes and directs the Town Manager and Town Clerk to appropriately execute any and all documents necessary and appropriate to consummate said sale following approval thereof by the Town Attorney.

Section 2. **Appropriation of Funds.** The Town Council hereby appropriates all customary closing costs and fees for the sale and transfer of the above-described real property out of the Town’s affordable housing fund, and authorizes the expenditure of said sum for such purpose.

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

Section 4. Savings Clause. Except as amended hereby, the Crested Butte Municipal Code, 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 __ DAY OF _____, 2017.

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

TOWN OF CRESTED BUTTE, COLORADO

**By: _____
Mayor**

ATTEST:

Lynelle Stanford, Town Clerk

[SEAL]



Staff Report November 20, 2017

To: Town Council

Thru: Dara MacDonald, Town Manager

From: Janna Hansen, Parks and Recreation Director

Subject: Annual Report by the Weed Advisory Board on the Weed Management Plan for the Town of Crested Butte

Background:

In 2016 Town Council adopted Ordinance No. 11 amending Chapter 7, Article 3 of the Crested Butte Municipal Code (“Code”) to include new regulations for the management of undesirable plants. Section 7-3-150 of the Code requires that the Weed Advisory Board (“Board”) for the Town of Crested Butte (“Town”) give an annual update on the Weed Management Plan (“Plan”). The Board meets triannually and the following people currently serve on the Board:

Donna Walker – Local weed management expert
Paul Morgan – Crested Butte Community School (“CBCS”)
Brian Lieberman – Crested Butte Land Trust (“Land Trust”)
Jessie Early – Building & Zoning and the Cemetery Committee
Rodney Due – Public Works
Hilary Henry – Trails and Open Space
Pete Curvin – Parks and Recreation
Janna Hansen – Parks and Recreation (Chair)

The intent of the Noxious Weed Management Plan is to provide guidelines for managing state and locally designated noxious weeds which represent a threat to the environmental and economic value of lands in Crested Butte. Through education, partnerships, and a sound work plan, the intent of the Plan is to provide a framework for controlling noxious weeds on both public and private property in the Town of Crested Butte. In 2017 Gunnison County in partnership with the Town, Mt. Crested Butte, and the Land Trust requested and were awarded \$21,485 to hire a seasonal “Weed Intern” (“Intern”), Jason Evanko, with grant funding from the State of Colorado Noxious Weed Fund to collaboratively manage weeds in the Upper East River Valley. The intent of the shared position was to manage weeds in all municipalities within the county thereby meeting weed management goals both within the towns and on a larger scale by reducing the migration of weeds from municipalities into other important ecological, agricultural, and recreational areas of the Gunnison Basin.

Summary:

The following is a summary of locations in and around Town where weeds were managed by the Intern during the 2017 season:

- 3.84 acres of rights of way and alleys as shown on attached map
- Gravel Pit
- Bike Park

- 8th St. Greenway
- Halazon Ditch Head Gate
- Rec Path
- Town Shop
- Big Mine Park
- Peanut Lake Road
- Slate River Road
- Washington Gulch Road
- Kebler Pass Road
- Highway 135
- Mt. Crested Butte
- Crested Butte Land Trust lands
- Deli Trail
- Lupine Trail
- The Rice parcel
- Peanut Lake Parcel
- Sections of the Peanut Mine / Lower Loop / Utley Parcels
- Sections of the Robinson Parcel

The Town, Land Trust, and CBCS contract annually with local weed management company, JDot, to treat parks, trails, open space, and other public spaces. The following is a list of areas treated by JDot in 2017:

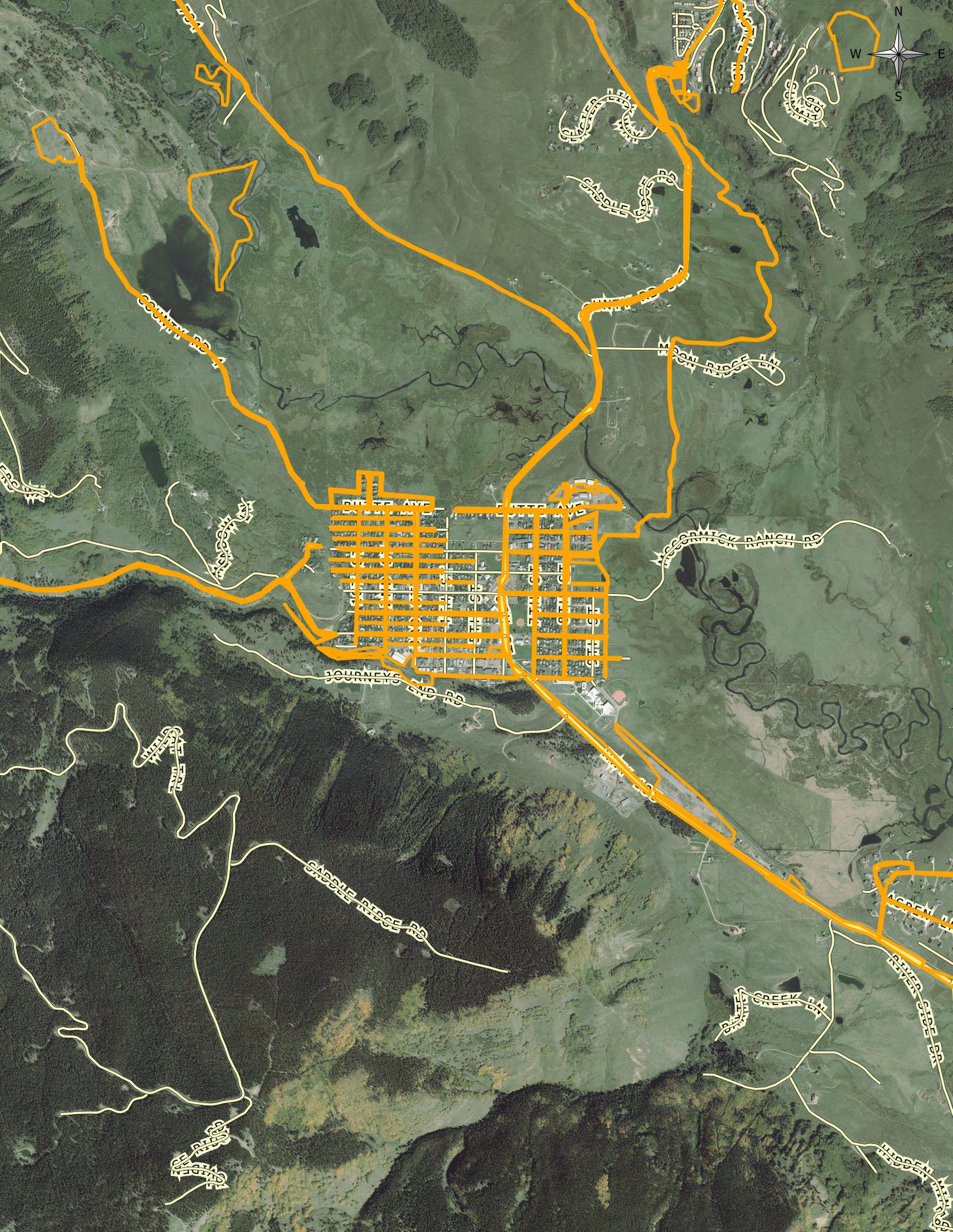
- Town Park
- Gothic Field
- 8th Street Greenway
- Rainbow Park
- Tommy V. Field
- CBCS
- Land Trust lands
- Elk Ave. green strips

The Cemetery Committee is working on natural weed treatment in the form of soil amendments. The annual weed pull day at the cemetery was held on June 10th.

The following weed management goals have been identified by the Board for 2018:

1. Continue to treat targeted weed species in Town parks, trails, open space, public areas, Town owned lots, alleys, and rights of way.
2. Provide public outreach efforts including collaboration with local organizations to partner on educational opportunities; cooperate with local media to create and disseminate weed information; and be present at community events such as the Wildflower Festival to provide education and awareness.
3. Coordinate community weed pull days.
4. Provide support for Parks and Recreation seasonal staff training on noxious weed detection and management techniques.
5. Focus Youth Corp efforts on weed pulling on Baxter Gulch Trail.
6. Focused treatment on Lupine Trail/Smith Hill/Kochevar parcel area.
7. Focused treatment on blocks 76, 79, and 80.
8. Apply to the State of Colorado Noxious Weed Fund for funding for an intern for the 2018 season.

It is hoped that through continued collaborative partnerships, the shared weed management goals of Gunnison Basin land managers and municipalities will continue to be successful.



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Staff Report

November 20, 2017

To: Mayor and Town Council

From: Dara MacDonald, Town Manager

Subject: Ordinance 2017-35, An ordinance of the Crested Butte Town Council amending Chapter 4 of the Crested Butte Municipal Code to include new provisions establishing the affordable housing fund and a tax on vacation rentals and making such other related changes to the code in connection therewith

Summary: On November 7, 2017 voters approved a 5% excise tax on vacation rentals. This ordinance will implement that tax and create the affordable housing fund.

Previous Council Action: On September 5, 2017 the Town Council approved Resolution 2017-56 setting the ballot language asking voters to consider imposing a tax on vacation rentals with the proceeds to be used for affordable housing.

Background: The Town Council began discussions about the regulation of vacation rentals in 2015. In 2016 a citizen committee was formed to discuss the issue and make recommendations about possible regulations. The committee was charged with making recommendations regarding the following topics.

1. Neighborhood Impacts (noise, parking, trash)
2. Community Impacts (loss of long term rentals, impacts on community character)
3. Fairness (what rules should apply to STR relative to other short term lodging uses)
4. Process (licensing, fees)

The committee made a number of findings, two of which are relevant to this discussion:

1. The unfettered licensing of Short Term Rentals at some point is detrimental to the community, housing availability and the culture of Crested Butte.
2. It is desirable to find a way to help fund the creation of affordable housing from the STR component.

Throughout the many Council discussions that were held on the topic of vacation rentals in the fall and winter of 2015 and early 2016 the topic of affordable housing was intertwined with that of vacation rentals. Data was provided to the Council and the public showing the number of vacation rentals in town and the shift in the use of housing units from long-term rentals to vacation rentals. It became evident that Council did not feel that limiting the number of vacation rentals will result in an increase in long-term rentals, however, there is a relationship between the proliferation of vacation rentals and the decrease in availability of long-term rentals.

In addition to the relationship between increasing numbers of vacation rentals and decreasing availability of long-term rentals, the Council heard from the public about the job generation associated with the growing number of vacation rentals in the community. There are both direct jobs generated (property managers, cleaning services, maintenance, etc.) and indirect jobs (wait staff, retail positions, catering, etc.) resulting from the increased numbers of vacationers staying in town. Given the already tight housing availability in the community, new job generation puts increasing pressure on the housing market, particularly since these are often service industry employees who often cannot afford the market rate rental or for sale units available in town.

At the meeting on July 24th the Council directed the staff to work towards a possible “Plan B” tax measure should the Gunnison Valley Regional Housing Authority (“GVRHA”) county-wide property tax measure not make it onto the ballot in November. Staff did that and the Council continued to have discussions on the possibility of asking the voters to approve an excise, or sales, tax on vacation rentals given the relationship between this growing industry and the decline in long-term rentals and increase in employment. On August 22nd the Board of County Commissioners for Gunnison County declined to lend their approval to the GVRHA moving ahead with their ballot measure, effectively eliminating the “Plan A” for the upcoming election.

At that point the Council approved Resolution 2017-56 asking the voters to approve a 5% excise tax on the fees charged for vacation rentals. In 2016 this would have generated \$275,000. The ballot language sets this expectation at \$325,000 for the first year. The Town wanted to be reasonable in its expectations but not to surpass the amount set in the ballot so that it does not get in the position of attempting to refund excess funds. The question also asked voters to allow the Town to keep all revenues generated by this tax in future years – commonly known as de-Brucing.

Voters approved the tax question on November 7th by a margin of 81% in favor to 19% opposed. The Council must now approve an ordinance formally establishing the Affordable Housing Fund and enacting the tax so that collections may begin on January 1, 2018.

Discussion: There are two components to the attached ordinance, 1) establishing the affordable housing fund, and 2) establishing the tax and mechanisms for administering the tax.

1. Affordable Housing Fund.

In 2003, ordinance 24 created an affordable housing fund in connection with the Resident Occupied Affordable Housing (“ROAH”) program. The Town has accounted for these funds separately in the budget each year since that time. However, the fund itself never made it into the Municipal Code. Approval of the new tax presents the opportunity to formally establish the Affordable Housing Fund as a fund of the municipality and to further refine the definition of how the funds could be used.

Ordinance 2003-24 which established the Resident Occupied Affordable Housing program and the affordable housing fund included the following language:

Such fees shall be placed in the Crested Butte “Affordable Housing Fund” for uses including but not limited to affordable housing administration, construction of new affordable housing units, land acquisition, down payment assistance, construction of infrastructure to serve new affordable housing units, contracts for affordable

housing services, legal fees, and acquisition, repair, and restoration and deed restriction of existing units.

Staff has reviewed this language and the Council discussed possible changes during their consideration of a tax question in August and September. Staff suggests the following language be inserted into the code establishing the Affordable Housing Fund and defining how the money can be utilized.

Sec. 4-1-70. – Affordable Housing Fund created.

(a) There is hereby created a fund, to be known as the *Affordable Housing Fund* for the purpose of creating, improving and maintaining workforce and affordable housing. The revenues from the vacation rental excise tax, and payments made in lieu of providing Resident Occupied Affordable Housing shall be recorded in the affordable housing fund. Such revenues may be supplemented by gifts and donations. Such fund shall be kept separately, and used only for the following purposes supporting and directly related to affordable or workforce housing:

- (1) Construction of new deed restricted units for rental and homeownership;
- (2) Administration of deed restrictions, affordable housing programs and rental property management;
- (3) Land acquisition;
- (4) Down payment assistance;
- (5) Construction of infrastructure to serve new affordable housing units;
- (6) Contracts for affordable housing services;
- (7) Legal fees;
- (8) Supporting the Gunnison Valley Regional Housing Authority or subsequent housing authorities in the County;
- (9) Acquisition, repair and restoration of units;
- (10) The deed-restriction of existing units;
- (11) Education and training for homeownership and related topics; and
- (12) Any other purposes allowed by law.

2. Establishing the tax and mechanisms for administering the tax

Staff worked with the Town attorney and special counsel Dee Wisor of Butler Snow to draft the implementation language found in Sections 2 and 3 of the attached ordinance. The language largely follows the provisions of the sales tax section of the current code regarding collections, reporting, remittals, audits, refunds, penalties and other aspects of administering the tax. This is largely administrative and provides the technical parameters under which the tax program will be managed.

Essentially vacation rental taxes will be remitted at the same time, by the same method, under the same rules, and on the same form as the Town's sales tax.

Legal Implications: The ordinance has been reviewed by the Town attorney and special counsel. There may be further refinement of the administrative sections of the ordinance as we review further over the coming weeks before 2nd reading.

Financial Implications: Collection of the vacation rental tax cannot take place until it has been enacted by ordinance. Collections can begin as soon as January 1, 2018 should the Council approve an ordinance by December 18, 2017.

The ordinance is written such that the Town will implement the full authority of the tax at 5% of the charges for vacation rentals. Should the Council choose, they could implement the tax at a lower rate as voters approved the amount up to 5%.

Recommendation: Staff recommends the Council consider the ordinance and provide any suggested changes to be incorporated into the draft and then set the ordinance for public hearing on December 4, 2017.

Proposed Motion: A motion and a second to set Ordinance 2017-35 for a public hearing on December 4, 2017.

ORDINANCE NO. 35

SERIES 2017

AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL AMENDING CHAPTER 4 OF THE CRESTED BUTTE MUNICIPAL CODE TO INCLUDE NEW PROVISIONS ESTABLISHING THE AFFORDABLE HOUSING FUND AND A TAX ON VACATION RENTALS AND MAKING SUCH OTHER RELATED CHANGES TO THE CODE IN CONNECTION THEREWITH

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

WHEREAS, at an election held on November 7, 2017, a majority of those voting approved the following ballot question approving the levy of an excise tax of not more than 5% on the amount charged any person for a vacation rental for the purpose of funding affordable housing programs:

SHALL TOWN OF CRESTED BUTTE TAXES BE INCREASED NOT MORE THAN \$325,000 IN 2018 AND BY WHATEVER AMOUNTS ARE GENERATED ANNUALLY THEREAFTER BY AN EXCISE TAX OF NOT MORE THAN 5% ON THE AMOUNT CHARGED TO ANY PERSON FOR A VACATION RENTAL FOR THE PURPOSE FUNDING AFFORABLE HOUSING PROGRAMS, WITH THE RATE OF TAX BEING ALLOWED TO BE INCREASED OR DECREASED WITHOUT FURTHER VOTER APPROVAL SO LONG AS THE RATE OF TAXATION DOES NOT EXCEED 5%; AND SHALL THE TOWN BE AUTHORIZED TO COLLECT, KEEP AND SPEND THE REVENUES FROM SUCH TAX AND ANY INVESTMENT INCOME THEREFROM NOTWITHSTANDING THE LIMITS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?; and

WHEREAS, it is necessary to amend the Town Code to implement the vacation rentals excise tax; and

WHEREAS, for the foregoing reasons, the Town Council hereby finds that the amendments to the Town of Crested Butte Municipal Code (“**Code**”) set forth herein below are in the best interest of the Town of Crested Butte.

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

Section 1. Adding a New Section 4-1-70 to Chapter 4 of the Code. A new Section 4-1-70 is added to Chapter 4 of the Code and shall read as follows:

Sec. 4-1-70. – Affordable Housing Fund created.

(a) There is hereby created a fund, to be known as the *Affordable Housing Fund* for the purpose of creating, improving and maintaining workforce and affordable housing. The revenues from the vacation rental excise tax, and payments made in lieu of providing Resident Occupied Affordable Housing shall be recorded in the affordable housing fund. Such revenues may be supplemented by gifts and donations. Such fund shall be kept separately, and used only for the following purposes supporting and directly related to affordable or workforce housing:

- (1) Construction of new deed restricted units for rental and homeownership;
- (2) Administration of deed restrictions, affordable housing programs and rental property management;
- (3) Land acquisition;
- (4) Down payment assistance;
- (5) Construction of infrastructure to serve new affordable housing units;
- (6) Contracts for affordable housing services;
- (7) Legal fees;
- (8) Supporting the Gunnison Valley Regional Housing Authority or subsequent housing authorities in the County;
- (9) Acquisition, repair and restoration of units;
- (10) The deed-restriction of existing units;
- (11) Education and training for homeownership and related topics; and
- (12) Any other purposes allowed by law.

Section 2. Amending Section 6-6-100 of the Code. Section 6-6-100 of the Code is amended to read as follows:

Sec. 6-6-100. – Sales tax and vacation rental excise tax.

The owner of a vacation rental shall cause sales tax and vacation rental excise tax to be collected and remitted to the Town as required under the Code.

Section 3. Adding a New Article 9 to Chapter 4 of the Code. A new Article 9 is added to Chapter 4 of the Code and shall read as follows:

“Vacation Rental Tax”

Sec. 4-9-10. Purpose.

The purpose of this Article shall be to impose an excise tax known as a vacation rental tax on vacation rentals the proceeds of which will be recorded in the *Affordable Housing Fund* established by Sec. 4-1-70 for the purposes of supporting and directly related to affordable or workforce housing.

Sec. 4-9-20. Effective Date.

This Article shall be effective commencing on January 1, 2018, and shall apply to all property used for vacation rentals as that term is defined in Section 16-1-20 of this Code.

Sec. 4-9-30. Definitions.

Vendor means any person who holds a vacation rental license pursuant to Chapter 6 of Article 6 of this Code.

License means a vacation rental license pursuant to Chapter 6 of Article 6 of this Code.

Sec. 4-9-40. Rate, imposition, collection, and distribution of vacation rental tax.

(a) Vacation rental tax. There is hereby levied by the Town an excise tax of 5% on the amount charged to any person for a vacation rental.

(b) Collection. The owner of property holding a vacation rental license pursuant to Chapter 6 of Article 6 of this Code shall collect the tax and remit it to the Town pursuant to this Article.

(c) Distribution. The Town shall record the proceeds of the vacation rental tax in the *Affordable Housing Fund*.

Sec. 4-9-50. Vacation rental tax schedule.

The vacation rental tax imposed under this Article shall be computed and collected in accordance with applicable schedules, systems and regulations approved by the Finance Director of the Town of Crested Butte.

Sec. 4-9-60. Transactions, items and services subject to vacation rental tax.

The vacation rental tax shall apply to the price of the entire amount charged to any person(s) for use of vacation rental property.

Sec. 4-9-70. Exemptions from vacation rental excise tax.

The tax levied by Section 4-9-40 above shall not apply to the following:

- (a) All vacation rentals to charitable organizations in the conduct of their regular charitable functions and activities, when billed to and paid for by the charitable organization.
- (b) All vacation rentals to the federal government, the State or their departments or institutions, and the political subdivisions thereof in their governmental capacities only, when billed to and paid for by the governmental entity.
- (c) All vacation rentals which the Town is prohibited from taxing under the Constitution or laws of the United States, or the Constitution or laws of the State.

Sec. 4-9-80. - Exemption; burden of proof.

The burden of proving that any vendor is exempt from collecting or paying vacation rental tax shall be on the vendor under such reasonable requirements of proof as the Town Manager or the Finance Director may prescribe.

Sec. 4-9-90. - Credit sales.

If a vendor transfers, sells, assigns or otherwise disposes of an account receivable, then he or she shall be deemed to have received the full balance of the consideration for the original sale and shall be liable for the remittance of the vacation rental tax on the balance of the total rental price not previously reported, except that such transfer, sale, assignment or other disposition of an account receivable by a vendor to a closely held subsidiary shall not be deemed to require the vendor to pay the vacation rental tax on the credit sale represented by the account transferred prior to the time that the customer makes payment on said account.

Sec. 4-9-100. - Acquisition, inception or cessation of vacation rental business.

- (a) Acquisition of existing vacation rental business:
 - (1) Seller's responsibilities: Any person who owns a vacation rental property who sells such property shall file a final return. The reporting period shall end on the date of the transfer of ownership of the business in question.
 - (2) Purchaser's responsibilities.
 - a. Any person who purchases an existing vacation rental property shall be responsible for determining whether there is any tax due from that property and shall withhold from the initial purchase payment an amount sufficient to cover all such tax due, unless the former owner produces a receipt from the Town showing that all tax due has been paid or a certificate from the Town indicating that there is no tax due.
 - b. Any amount so withheld shall be paid to the Town within ten (10) days of the date of the sale of the property.

c. Any purchaser who fails to withhold such tax due, or fails to pay to the Town the amount so withheld within the ten-day period shall, as well as the seller, be liable for any tax due.

(b) Cessation of vacation rental business. Every person who owns vacation rental property in the Town who ceases using such property for vacation rental purposes shall file a final return. The reporting period of such return shall end on the last day of business in the Town.

Sec. 4-9-110. - Vendor responsible for collection and payment of tax.

Every vendor engaged in the vacation rental business in the Town shall be liable and responsible for payment of an amount equivalent to the taxable sales multiplied by the vacation rental tax rate established by Section 4-9-40 above.

- (1) Tax added to price. Vendors shall add the tax imposed, or the average equivalent thereof, to the price, showing such tax as a separate and distinct item. Except as provided in this Subsection, no vendor shall advertise, hold out or state to the public or to any consumer, either directly or indirectly, that the vacation rental tax or any part thereof shall be assumed or absorbed by the vendor, that it will not be added to the price or, if added, that it or any part thereof shall be refunded.
- (2) Tax constitutes debt. Any tax added to the price by a vendor shall constitute a debt from the purchaser to the vendor until paid, and shall be recoverable at law in the same manner as other debts.
- (3) Excess tax. No vendor shall retain any vacation rental tax collected in excess of the tax computed, but shall report such excess collections on the return for the period in which it was collected, and include it in the calculation of tax due.
- (4) Disputed tax. When a dispute arises between a vendor and a purchaser who claims that the rental is exempt from the tax, the vendor shall collect, and the purchaser shall pay, such tax. The purchaser may submit a claim for refund to the Town within sixty (60) days of the date of rental. Any such tax refunded by the Town will be paid directly to the purchaser.

Sec. 4-9-120. - Trust status of tax in possession of vendor.

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

Sec. 4-9-130. - Filing returns; due date.

(a) Every taxpayer shall file a return, whether or not a tax is due, and remit any tax due to the Town on or before the twentieth day of the month following the reporting period. Failure to receive a return does not relieve a taxpayer of his or her legal responsibility for filing a return on or before the due date.

(b) A vendor engaged in business in the Town at two (2) or more locations who collects vacation rental tax, may file one (1) return for all such locations when accompanied by a supplemental schedule showing the gross sales and net taxable sales for each location.

(c) For good cause shown in a written request of a taxpayer, the Finance Director may extend the time for making returns and paying the tax due. Such good cause shall not include the vendor's inability to pay taxes due the Town due to other debts incurred by the vendor or his or her business.

(d) No person shall make any false statement in connection with a return.

Sec. 4-9-140. – Reporting periods.

(a) Unless otherwise approved by the Town, taxpayers must file returns and pay taxes as follows:

(1) Upon approval of the Finance Director, a taxpayer whose monthly tax is ten dollars (\$10.00) or less may file returns and pay tax annually, semi-annually, quarterly or monthly.

(2) Upon approval of the Finance Director, a taxpayer whose monthly tax due is more than ten dollars (\$10.00) and less than twenty dollars (\$20.00) may file returns and pay tax semi-annually, quarterly or monthly.

(3) Upon approval of the Finance Director, a taxpayer whose monthly tax due is more than twenty (\$20.00) and less than forty dollars (\$40.00) may file returns and pay tax quarterly or monthly.

(4) A taxpayer whose monthly tax due is forty dollars (\$40.00) or more shall file returns and pay tax monthly.

For the purpose of the timing of the filing of returns, the amounts considered in Paragraphs (1) through (4) above must be consistent for a period of three (3) consecutive months to be approved for any schedule other than reporting monthly.

(b) The reporting period for a final return shall end on the date of the transfer of ownership or cessation of the business.

(c) If any taxpayer who has been granted permission to file returns and pay tax on other than a monthly basis becomes delinquent, authorization for such alternate method of reporting may be revoked by the Finance Director. Immediately following notice of such revocation, the taxpayer shall file returns and pay tax on a monthly basis as if the alternate method of reporting and paying the tax had never been granted.

Sec. 4-9-150. - Duty to keep books and records.

(a) Every person engaged in vacation rental business in the Town shall keep and preserve for at least three (3) years after the date of the taxable transaction suitable records which allow the accurate determination of the tax due.

(b) Every person engaged in vacation rental business in the Town shall provide all such records for audit by the Town during normal business hours.

Sec. 4-9-160. - Authority of Finance Director.

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

- (1) Forms and procedures. The Finance Director shall prescribe forms and administrative procedures for the ascertainment, assessment and collection of tax.
- (2) Regulations. The Finance Director may formulate and promulgate, after hearing, appropriate and additional regulations to effectuate the purpose of this Article.
- (3) Additional information. The Finance Director may require any person to make additional returns, render statements, furnish records or make informational reports to determine whether or not such person is liable for payment or collection of the tax.
- (4) Subpoenas. The Finance Director may issue a subpoena to command a person to attend and give testimony, or to produce books, records or accounts.
 - a. Any subpoenas issued under the terms of this Article shall be served as set forth in the Colorado Rules of Civil Procedure, including payment of witness fees. When the witness is subpoenaed at the insistence of the Town, such fees shall be paid by the Town. When a witness is subpoenaed at the insistence of the taxpayer, the Finance Director may require that the cost of the service of the subpoena and the fee be paid by the taxpayer. In the discretion of the Finance Director, a deposit to cover the cost of the subpoena and witness fees may be required.
 - b. If a subpoena issued by the Finance Director is duly served and the respondent fails to attend, give testimony or produce books, accounts or records as commanded, the Finance Director may request the Town Attorney to file a motion with the Municipal Court for an order enforcing the subpoena.
- (5) Oaths. The Finance Director is authorized to administer oaths and take testimony at the hearing.
- (6) Agents. The Finance Director may designate agents to assist in the performance of the duties and responsibilities set forth in this Article.
- (7) Partial payments. The Finance Director may accept any partial payment made and apply such payment toward the tax due. Deposit of such payment shall not in any way imply that the remaining balance is or has been abated.
- (8) Notices. Notices required by this Article shall be in writing and delivered in person by the Finance Director or an agent, sent postage paid by certified mail to the last known address of the taxpayer, or served in person by an officer of the Town Marshal's office.

Sec. 4-9-170. - Audit of record.

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

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

(c) Any tax deficiency or overpayment ascertained through audit shall be computed by one (1) or more of the following methods as the Finance Director deems appropriate:

(1) By comparing the tax reported and paid on returns to the actual tax due.

(2) By identifying transactions on which the tax was not properly or accurately collected or paid.

(3) By identifying other irregularities in the calculation of tax due.

(d) Any charitable organization claiming exemption under the provisions of this Article is subject to audit in the same manner as any other person engaged in vacation rental business in the Town.

Sec. 4-9-180. - Tax information confidential.

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

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

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

Sec. 4-9-190. - Overpayment from returns.

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

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

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

Sec. 4-9-200. - Tax overpayment determined through audit.

If the Town ascertains through audit of a taxpayer's records that the tax due is less than the full amount paid, a notice of overpayment shall be issued. Such notice will serve as documentation for a claim of refund if such claim is signed and submitted by the taxpayer within thirty (30) days of the date of the notice of overpayment.

Sec. 4-9-210. - Refunds of disputed tax.

Refunds of tax paid to a vendor by a purchaser who claims that the sale is exempt from the tax may be requested by such purchaser by signing and submitting a claim for refund on or before sixty (60) days from the date of such purchase.

Sec. 4-9-220. - Claim for refund.

(a) No tax overpayment, except as provided in Subsection 4-9-190(b), shall be refunded unless a claim for refund is signed and submitted to the Town by the taxpayer.

(b) An application for refund of tax shall:

- (1) Be made on a claim for refund form furnished by the Town.
- (2) Be signed by the taxpayer.
- (3) Include adequate documentation of the claim.

(c) The Finance Director shall examine the claim for refund and give written notice to the taxpayer of the amount to be refunded or denied.

(d) Refunds are not assignable. The right of any person to obtain a refund pursuant to this Article shall not be assignable.

(e) No person shall make any false statement in connection with a claim for refund.

Sec. 4-9-230. - Intercity claims for recovery.

(a) The intent of this Section is to streamline and standardize the procedures related to situations where tax has been remitted to the incorrect government. It is not intended to reduce or eliminate the responsibilities of the taxpayer or vendor to correctly pay, collect and remit vacation rental taxes to the Town.

(b) As used herein, *claim for recovery* means a claim for reimbursement of vacation rental taxes paid to the wrong jurisdiction.

(c) When it is determined by the Finance Director that vacation rental tax owed to the Town has been reported and paid to another municipality or jurisdiction, the Town shall

promptly notify the vendor that taxes are being improperly collected and remitted and that, as of the date of the notice, the vendor must cease improper tax collections and remittances.

(d) The Town may make a written claim for recovery directly to the municipality or jurisdiction that received the tax and/or penalty and interest owed to the Town or, in the alternative, may institute procedures for the collection of the tax from the taxpayer or vendor. The decision to make a claim for recovery lies in the sole discretion of the Town. Any claim for recovery shall include a properly executed release of claim from the taxpayer and/or vendor releasing its claim to the taxes paid to the wrong municipality or jurisdiction, evidence to substantiate the claim and a request that the municipality or jurisdiction approve or deny, in whole or in part, the claim within ninety (90) days of its receipt. The municipality or jurisdiction to which the Town submits a claim for recovery may, for good cause, request an extension of time to investigate the claim. The approval of such extension by the Town shall not unreasonably be withheld.

(e) Within ninety (90) days after receipt of a claim of recovery, the municipality or jurisdiction receiving taxes in error shall verify to its satisfaction whether or not all or a portion of the tax claimed was improperly received, and shall notify the municipality submitting the claim in writing that the claim is either approved or denied, in whole or in part, including the reasons for the decision. If the claim is approved in whole or in part, the municipality or jurisdiction receiving taxes in error shall remit the undisputed amount to the municipality submitting the claim within thirty (30) days of the approval. If a claim is submitted jointly by a municipality and a vendor or taxpayer, the check shall be made to the parties jointly. Denial of a claim for recovery may only be made for good cause.

(f) A municipality or jurisdiction claimed to be receiving taxes in error may deny a claim for recovery on the grounds that it has previously paid a claim for recovery arising out of an audit of the same taxpayer.

(g) The period subject to a claim for recovery shall be limited to the thirty-six-month period prior to the date the municipality or jurisdiction that was wrongly paid the tax receives the claim for recovery.

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

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

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

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

Sec. 4-9-250. - Tax deficiencies from failure to file.

(a) If any taxpayer neglects or refuses to obtain a vacation rental license, the amount of tax due shall be estimated based upon such information as may be available, and a notice of assessment shall be issued.

(b) If any taxpayer neglects or refuses to file a return by the date due, the tax due shall be estimated based on such information as may be available, and a notice of assessment shall be issued.

(c) Estimated tax due shall be adjusted if a return reporting actual tax due is filed on or before the payment date of the notice of assessment.

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

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

Sec. 4-9-270. - Penalties.

A penalty shall be levied for any tax deficiency.

- (1) Penalty for late payment. For transactions consummated after the effective date of the initial ordinance codified herein, the penalty for late payment shall be fifteen dollars (\$15.00) or ten percent (10%) of the tax deficiency, whichever is greater. Additionally, one-half percent (0.5%) of the tax deficiency per month from the date when due, not exceeding eighteen percent (18%) in the aggregate, shall be assessed.
- (2) Penalty for fraud. If any tax deficiency is due to fraud or intent to evade the tax, the penalty shall be one hundred percent (100%) of the total tax deficiency.
- (3) Abatement of penalty. Any penalty assessed under this Section may be abated by the Finance Director, with the approval of the Town Manager, if the taxpayer submits a written request for such abatement on or before the payment date of the applicable notice of assessment, and if the Finance Director and the Town Manager find good cause therefor.

Sec. 4-9-2800. - Interest.

(a) Interest shall be levied on any tax deficiency.

(b) Interest shall be calculated for each month or portion of a month from the due date that a tax deficiency remains unpaid. For transactions consummated after the effective date of the initial ordinance codified herein, the monthly interest rate determined by the Commissioner of Banking pursuant to Section 39-21-110.5, C.R.S.

(c) When a timely protest is made to a notice of assessment, no additional interest shall be assessed on any tax upheld by the Finance Director for the period between the due date of such assessment and the payment date established in an informal meeting, or thirty (30) days after the date of a finding of fact, conclusion or decision issued after a hearing.

(d) Interest properly assessed on any tax deficiency shall not be abated.

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 4-9-310. - Hearings.

(a) The Town shall commence a hearing within ninety (90) days after the Town's receipt of the taxpayer's written protest; except that the Town may extend such period if the delay is requested by the taxpayer. The Finance Director shall notify the taxpayer in writing of the time and place of such hearing.

(b) Every hearing shall be held within the Town and before the Finance Director.

(c) The taxpayer may assert any facts, make any arguments and file any briefs and affidavits which, in the opinion of the taxpayer, are pertinent to the protest. The filing of briefs shall not be required.

(d) Based on the evidence presented at the hearing, the Finance Director shall issue a finding of fact, conclusions and decision which may modify or abate in full the tax, penalties and/or interest protested at the hearing, approve a refund or uphold the assessment.

(e) After such hearing, the taxpayer shall not be entitled to a second hearing on the same notice of assessment or denial of refund.

(f) Unless the decision of the Finance Director is appealed as provided in this Article, the remaining tax due, if any, shall be paid on or before thirty (30) days after the date of the finding of fact, conclusions and decision.

Sec. 4-9-320. - Appeals.

(a) Subsequent to a hearing, the taxpayer may appeal the decision of the Finance Director in District Court pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure.

(b) Upon appeal to the District Court, the taxpayer shall either file with the Finance Director a bond for twice the unpaid amount or deposit the unpaid amount with the Finance Director.

(c) An appeal of a final decision of the Finance Director in a hearing held pursuant to Section 4-9-310 above shall be commenced within thirty (30) days of such decision.

Sec. 4-9-330. - Lien for tax due.

(a) Issuance. If any tax due is not paid by the payment date of a notice of assessment, the Finance Director may issue a notice of lien on the real and personal property of the taxpayer. Such lien shall specify the name of the taxpayer, the tax due, the date of accrual thereof and the location of the property, and shall be certified by the Finance Director.

(b) Filing. The notice of lien shall be filed in the office of the clerk and recorder of any county in the State in which the real and personal property of the taxpayer is located. Such filing shall create a lien on such property in that county and constitute a notice thereof.

(c) Priority. The attachment and priority of such lien shall be as follows:

(1) Such lien shall be a first and prior lien upon the goods and business fixtures owned or used by any taxpayer, including those under lease, installment sale or other contract agreement, and shall take precedence on all such property over all other liens or claims of whatsoever kind or nature.

(2) Such lien on the real and tangible personal property of the taxpayer that is not goods, stock in trade and business fixtures shall be a first and prior lien except as to preexisting claims or liens of a bona fide mortgagee, pledgee, judgment creditor or purchaser whose rights have attached and been perfected prior to the filing of the notice of lien.

(3) The personal property of an owner who has made a bona fide lease to a taxpayer shall be exempt from the lien created in this Subsection if such property can reasonably be identified from the lease description and if the lessee is given no right to become the owner of the property leased. This exemption shall be effective from the date of the execution of the lease if the lease is recorded with the clerk and recorder of the county where the property is located or based.

(4) Motor vehicles which are property registered in this State, showing the lessor as owner thereof, shall be exempt from such lien except that such lien shall apply to the extent that the lessee has earned reserve, allowance for depreciation not to exceed the fair market value, or similar interest which is or may be credited to the lease.

(5) Where a lessor and lessee are blood relatives or relatives by law or have twenty-five percent (25%) or more common ownership, a lease between such lessee and such lessor shall not be considered as bona fide for purposes of this Section.

(d) Enforcement against real property. If a notice of lien is filed against any real property, the Finance Director may direct the Town Attorney to file a civil action to enforce such lien. The court may determine the interest in the property of each party, decree a sale of the real property and distribute the proceeds according to such findings. Procedure for the action and the manner of sale, the period for and manner of redemption from the sale and the execution of deed of conveyance shall be in accordance with the law and practice relating to foreclosures of mortgages upon real property. In any such action, the court may appoint a receiver of the real property involved in such action if equity so requires.

Sec. 4-9-340. - Performance of lien.

(a) Any lien for tax due shall continue until a release of lien is filed by the Finance Director.

(b) Any person who purchases or repossesses real or personal property upon which a lien has been filed by the Finance Director for tax due shall be liable for the payment of such tax due up to the value of the property taken or acquired.

Sec. 4-9-350. - Release of lien.

Upon payment of the tax due or enforcement of the lien, the Finance Director shall file a release of the lien with the clerk and recorder of the county in which the lien was filed.

Sec. 4-9-360. - Civil action to recover tax due.

(a) Any unpaid tax due shall constitute a debt of the taxpayer to the Town, and the Finance Director may direct the Town Attorney to file a civil action to collect such taxes due.

(b) The return filed by a taxpayer or the notice of assessment issued by the Finance Director shall be prima facie proof of the tax due.

(c) If a judgment is obtained by the Town, collection of the tax due may be made by attachment, garnishment or other means established by law. When attachment is sought, no bond

shall be required of the Finance Director, nor shall any sheriff require of the Finance Director an indemnity bond for executing the writ of attachment or writ of execution upon any judgment.

Sec. 4-9-370. - Jeopardy assessment.

(a) Issuance. If the collection of any tax due from a taxpayer, whether or not previously assessed, will be jeopardized by delay, the Town Manager may declare the taxable period immediately terminated, require the Finance Director to determine the tax and issue a jeopardy assessment and demand payment. Any tax so assessed shall be due and payable immediately.

(b) Security for payment. Enforcement of a jeopardy assessment and demand for payment may be stayed if the taxpayer gives security for payment which is satisfactory to the Town Manager.

(c) Dispute of jeopardy assessment. If, in the opinion of the taxpayer, the jeopardy assessment is not for the correct amount of the tax due, the taxpayer shall pay the tax due as assessed and submit a claim for refund to the Town.

Sec. 4-9-380. - Distraint and sale.

(a) Unless such property is exempt by state statute from distraint and sale, the Town Manager may sign and issue a warrant directed to any employee or agent of the Town, or any sheriff of any county in the State, commanding the distraint and sale of personal property of the taxpayer on which a lien has attached for payment of the tax due.

(1) Such warrant may be issued if such tax due is not paid on or before twenty-one (21) days from the payment date of a notice of assessment and no protest of such assessment has been timely filed.

(2) Such warrant may be issued immediately if a jeopardy assessment and demand for payment have been issued.

(b) If the taxpayer does not volunteer entry into the premises, the Town Manager may apply to the Municipal Court for a warrant authorizing any employee of the Town to search for and distraint property located within the Town to enforce the collection of the tax due.

(1) The Town Manager shall demonstrate to the Municipal Court that the premises to which entry is sought contains property that is subject to distraint and sale for tax due.

(2) If a jeopardy assessment and demand for payment have been issued, the Town Manager shall specify to the Municipal Court why collection of the tax will be jeopardized.

(3) The procedures to be followed in issuing and executing a warrant pursuant to this Subsection shall comply with Rule 241 of the Colorado Municipal Court Rules of Procedure.

(c) Disposal of distrained property:

(1) A signed inventory of the property distrained shall be made by the Town or its agent. Prior to the sale, the owner or possessor shall be served with a copy of said inventory, a notice of the sum of the tax due and related expenses incurred to date, and the time and place of sale.

(2) A notice of time and place of the sale, together with a description of the property to be sold, shall be published in a newspaper of general circulation within the county where distraint is made or, in lieu of thereof and in the discretion of the Finance Director, the notice shall be posted at the courthouse of the county where the distraint is made, and in at least two (2) other places of general public view within such county.

(3) The time fixed for the sale shall not be less than ten (10) days nor more than sixty (60) days from the date of distraint. The sale may be postponed by the Town or its agent for no more than ninety (90) days from the date originally fixed for the sale.

(4) The property shall be sold at public auction for not less than a fair minimum price and, if the amount bid for the property is less than the fair minimum price so fixed, the property may be declared to be purchased by the Town and the Town shall file a release of lien thereon. If the property is purchased by the Town, such property may be disposed of in the same manner as other Town property and the lien thereon shall be released.

(5) The property may be offered first by bulk bid, then subsequently for bid singularly or by lots, and the Town or its agent may accept the higher bid.

(6) The property offered for sale may be redeemed if the owner, possessor or other person holding an unperfected chattel mortgage or other right of possession pays the tax due and all collection costs no less than twenty-four (24) hours before the sale.

(7) The Town or its agent shall issue to each purchaser a certificate of sale which shall be prima facie evidence of its right to make the sale, and shall transfer to the purchaser all right, title and interest of the taxpayer in and to the property sold.

a. When the property sold consists of certificates of stock, the certificate of sale shall be notice to any corporation, company or association to record the transfer on its books and records.

b. When the property sold consists of securities or other evidence of debt, the certificate of sale shall be good and valid evidence of title.

(8) Any surplus remaining after satisfaction of the tax due, plus any costs of making the distraint and advertising the sale, may be distributed by the Town, first to other jurisdictions which have filed liens or claims of vacation rental or personal property ad valorem taxes, and second to the owner or other person having a legal right thereto.

(9) The Finance Director shall submit a written account of the sale to the Town Manager.

(d) Exempt property. Property of the taxpayer subject to distraint shall include the personal property of the taxpayer and the goods, stock in trade and business fixtures owned or used by any taxpayer, including those used under lease, installment sale or other contract

arrangement. Property exempt from distraint and sale shall include the personal property described Subsection 4-9-330(c) above.

(e) Return of property. The taxpayer or any person who claims an ownership interest or right of possession in the distraint property may petition the Town Manager, or the Municipal Court if the property was seized pursuant to warrant issued by the court, for return of the property.

(1) The grounds for return of the property shall be that the person has a perfected interest in such property which is superior to the Town's interest, or that the property is exempt from the Town's lien.

(2) The finder of fact shall receive evidence on any issue of fact necessary to the decision of the petition. If the finder of fact determines by a preponderance of the evidence in favor of the taxpayer or other petitioner, the property shall be returned.

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

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

Sec. 4-9-400. - Violations; summons and complaints; penalty.

(a) It shall be a violation of this Article to fail to perform any applicable affirmative duty specified in this Article, including but not limited to:

(1) The failure of any person engaged in vacation rental business in the Town to obtain a license.

(2) The failure of any vendor to file a timely return or to make timely payment of any tax due.

(3) The making of any false or fraudulent statement by any person in any return, claim for refund or hearing.

(4) The evasion of collection of any vacation rental tax by any person, or the aiding or abetting of any other person in an attempt to evade the timely payment of tax due.

(b) The Finance Director may direct the issuance of a complaint and summons to appear before the Municipal Court to any person who may be in violation of this Article or of the rules and regulations promulgated by the Finance Director to enforce this Article.

(c) Violations of this Article shall be punished in accordance with the provisions of Section 1-4-90 of this Code.

Sec. 4-9-410. - Statute of limitations.

Unless the limitation period has been extended as provided in this Section, the statute of limitations for provisions contained herein shall be as follows:

- (1) Refunds.
 - a. Any claim for refund for disputed tax shall be submitted to the Town on or before sixty (60) days from the date of such purchase.
 - b. Any claim for refund resulting from a notice of overpayment shall be submitted to the Town on or before thirty (30) days after the date of such notice of overpayment.
 - c. Any other claim for refund shall be filed on or before three (3) years after the date such overpayment was paid to the Town.
- (2) Assessments. No notice of assessment shall be issued more than three (3) years after the due date of such tax due.
- (3) Liens. No notice of lien shall be issued more than three (3) years after the due date of the tax due. If the limitation period is extended, a notice of lien may be filed on or before thirty (30) days from the date of the notice of assessment issued for each extended period.
- (4) Returns.
 - a. When a taxpayer fails or refuses to file a return, the tax due may be assessed and collected at any time.
 - b. In the case of a false or fraudulent return filed with intent to evade tax, the tax due may be assessed, or proceedings for the collection of such tax due may be begun at any time.
- (5) Protests. No protest of a notice of assessment or denial of a claim for refund shall be valid if submitted to the Finance Director in other than written form, or after the period allowed in this Article.
- (6) Extension. The period of limitation may be extended before its expiration.
 - a. The taxpayer and Finance Director may agree in writing to extend the period.
 - b. If the Town provides written notice to the taxpayer prior to the expiration of the period of limitation that the latter's records will be audited pursuant to this Article, such period of limitation shall be extended for the audit period until thirty (30) days after the date of the notice of assessment or notice of overpayment issued as a result of such audit. *Audit period* is the thirty-six-month reporting period preceding the date of the notice of audit.
- (7) Performance of an audit does not constitute a waiver or exemption from the statute of limitations, or preclude additional audits of the same period within the parameters of this Section.

Section 3. Severability. If any section, sentence, clause, phrase, word or other provision of this ordinance is for any reason held to be unconstitutional or otherwise invalid, such



Staff Report

November 20, 2017

To: Town Council
From: Michael Yerman, Community Development Director
Thru: Dara MacDonald, Town Manager
Subject: **Ordinance 36, Series 2017- Release off 1991 Restrictive Covenant for Parking- 210 Gothic Avenue**

Background:

In 1991, the Town approved the Last Resort Bed and Breakfast (“B&B”) located at 213 Third Street. This land use approval required the B&B to provide five additional parking spaces on a neighboring property, 210 Gothic Avenue, located across the alley that was under the same ownership at the time. At the time of the land use approval, a parking easement was recorded on the neighboring property and assigned to the Town. This parking easement was granted only for the use while the property was used as a B&B.

In November of last year, the current owner of the Last Resort property changed the use of the B&B to a vacation rental. Since the property is no longer being used as a B&B, the new owners of 210 Gothic Avenue have requested the Town release the Parking Easement Reception #430432 that currently encumbers their property. Both parties have agreed on an alternative easement that will allow one parking space for 213 Third Street to be located on the neighboring property, 210 Gothic Avenue, on the alley. The vacation rental located at 213 Third Street will require four parking spaces because it contains 7 bedrooms. The other three spaces are being provided on the site of the vacation rental. The parties have drafted an alternative parking easement between the parties that will be filed with the Town’s release of the parking easement. The BOZAR Chair reviewed the new proposed parking easement and determined it will allow 213 Third Street to function as a 7 bedroom vacation rental with three additional spaces being provided on site.

RECOMMENDED ACTION:

Staff recommends a Council member make a motion followed by a second to set Ordinance 36, Series 2017 to a public hearing on December 4, 2017.

ORDINANCE NO. 36

SERIES 2017

**AN ORDINANCE OF THE CRESTED BUTTE TOWN
COUNCIL AUTHORIZING THE RELEASE OF 1991
RESTRICTIVE COVENANT FOR PARKING**

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 the laws of the State of Colorado;

WHEREAS, the Town Council is authorized pursuant to § 14.4 of the Town Charter to sell and convey Town-owned property;

WHEREAS, the Town owns a parking easement pursuant to that Notice of Zoning Conditions and Restrictive Covenants recorded at Reception No. 430432 on November 14, 1991 (“Restrictive Covenant”);

WHEREAS, the Town required this Restrictive Covenant to provide off-site parking for customers of a bed and breakfast located at 213 Third Avenue, Crested Butte, CO 81224, and that bed and breakfast is no longer in business;

WHEREAS, the Restrictive Covenant also provides that once the bed and breakfast located at 213 Third Avenue is no longer used for this purpose, the off-site parking required under the Restrictive Covenant may be discontinued;

WHEREAS, the owners of the property encumbered by the Restrictive Covenant at 210 Gothic Avenue, Crested Butte, Colorado 81224, have requested the Town to release the Restrictive Covenant; and

WHEREAS, the Town Council hereby finds that it is necessary and suitable, and in the best interest of the Town and the health, safety and welfare of the residents and visitors of Crested Butte, that the Restrictive Covenant should be discontinued and released as requested by the owners of the property at 210 Gothic Avenue, as set forth hereinbelow.

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

Section 1. Authorization to Release Town-owned Restrictive Covenant. The Town Council, pursuant to the Crested Butte Town Charter and the laws of the State of Colorado, hereby authorizes the Town to release the following described property from the Restrictive Covenant recorded at Reception No. 430432, to wit:

Lots 11 and 12, Block 16, Town of Crested Butte, County of Gunnison, State of Colorado

Also known as 210 Gothic Avenue, Crested Butte, CO 81224.

The Town Council authorizes and directs the Town Manager and Town Clerk to appropriately execute any and all documents necessary and appropriate to consummate the release of the Restrictive Covenant following approval thereof by the Town Attorney.

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 Crested Butte Municipal Code, 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 __ DAY OF _____, 2017.

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

TOWN OF CRESTED BUTTE, COLORADO

**By: _____
_____, Mayor**

ATTEST:

Lynelle Stanford, Town Clerk

[SEAL]

From: [Jennifer](#)
To: [Lynelle Stanford](#)
Subject: Request to Extend the Curfew past 9:00pm by Eleven and Allen Bernholtz
Date: Monday, November 06, 2017 1:01:19 PM

I'm writing to protest the request by Eleven and Allen Bernholtz to extend the curfew after 9:00pm. Our property at the corner of White Rock and 3rd would be adversely affected.

- Our house is in a nice quiet residential area. The noise from the machine is too loud for late evening.
- The time has already been extended once from 7:00pm to 9:00pm.
- They already has a permit to park at the trailhead, making it easy to leave the machine there and pick up guests anytime.
- The request may interfere with other Nordic Center events.
- The annual review is a good practice as things change over time and policies need to stay current.

Finally, there was no notice about this proposed change and the impact on the neighborhood.

Respectfully yours,
Jennifer & Roger Glasgow
513 3rd St
Crested Butte CO 8122
501-352-2316

From: [Kathryn Seeley](#)
To: [Lynelle Stanford](#)
Subject: Eleven Snow cat hours extended on whiterock
Date: Monday, November 06, 2017 9:22:34 AM

Hi Lynelle-

Kate Seeley here.

I'm writing to add my thoughts about the Eleven snowcat operation expanding hours to 11.

Though it's not a huge concern for me, I know that Neighbors w children and neighbors who are older or who have trouble sleeping are adamantly against it , so I support them and their peace.

I'm not sure why Scarps Ridge Lodge folks feel the need to be so late, but it also worries me that they'll be dumping drunkards off by that time, which is also of concern.

Perhaps a limited expansion on Friday and Saturday only , if there's need to find a compromise?

A note~ NO PERSON from group 11 has made contact w me about this issue, so I'm happy that citizens are speaking up and informing each other.

Thank you for passing comments along!

Hope you have a great week, Kate Seeley
Sent from my iPhone

From: [Nancy Bush](#)
To: ["Bud Bush"; Lynelle Stanford](#)
Cc: [Nancy Bush](#)
Subject: RE: Snowcat proposal
Date: Monday, November 06, 2017 10:08:06 AM
Attachments: [image001.png](#)

Lynelle,

I would like to add to Bud's comments that the loud noise of the snowcats and bright lights flashing also cause the dogs in the neighborhood to bark all down the street. There is *absolutely no question* that the snowcats traveling down Whiterock at 11 p.m. will wake everyone along and near the route and that's simply too late at night.

Thank you,

Nancy Bush

From: Bud Bush [mailto:bud@bbre1.com]
Sent: Monday, November 06, 2017 9:31 AM
To: Istanford@crestedbutte-co.gov
Cc: Nancy Bush
Subject: Snowcat proposal

Hi Lynelle

Regarding the proposal to broaden the hours to 11pm that snowcats can return from Irwin, we are AGAINST it.

We are residents at 108 Whiterock Ave, and the current 9pm limit is a fair and good compromise. These cats are loud and very slow moving. The town is rightfully very quiet by 9pm, and there are lots of school kids on the route and in the area. Allowing the cats to run until 11pm would be quite a disturbance of the peace.

We are supporters of Eleven and have participated in their awesome snowcat tours! Let's keep the hours the same, and if they want to host evening functions at Irwin, wrap it up by 8:30pm, establish a drop off point at the Kebler trail head, or spend the night at Irwin.

Thank you for your consideration.

Respectfully,

Bud Bush Principal
bud@bbre1.com
o 970-349-6691
c 970-922-8550



From: [trudy.yaklich](#)
To: [Lynelle Stanford](#)
Subject: Requested changes to town agreement with Eleven
Date: Monday, November 06, 2017 2:41:55 PM

I have recently learned that Eleven is requesting changes to the hours allowed to run their Snow Cat on Whiterock Avenue. This is the first I have heard of this and am curious as to why all property owners on Whiterock were not contacted.

I am opposed to any more hours of operation for the Snow Cat used by Eleven to transport THEIR clients. Many of those living on Whiterock go to bed early so they can get up early for school or work; and need no additional noise issues added to the burden of dealing with the buses, dump trucks, delivery trucks AND the Eleven Snow Cat that already exist for those who live on Whiterock.

Eleven seems to be the new CFI to the company town of Crested Butte, but I see no benefit to my life from the power of Eleven. I, and all those living on Whiterock, pay taxes and vote. There seems to be some misconception that Whiterock is not a residential street and so can be thrown to the wolves of commerce and the almighty dollar. Whiterock is and has always been a residential street. Yes, even before Whiterock was thrown under the wheels of the buses and dump trucks. Yes, even before it became the access to Kebler, Whiterock was a residential street- but I don't think the residents were given input into the decisions to place any of these in front of their residences.

I understand that Eleven has a permit to park at the trailhead, so it seems that using their shuttle bus to transport their clients would be the simple solution to their need for extended hours. That leads to my inquiry to the length of their arrangement with the town of Crested Butte. Was that meant to be a permanent, ongoing permit given to Eleven, or is it re-evaluated and renewed annually?

Please, no increase to the hours of operation allowed for the Eleven Snow Cat to operate on Whiterock Avenue.

Thank you.

Trudy Yaklich, owner
426 Whiterock

From: [Bud Bush](#)
To: [Lynelle Stanford](#)
Cc: [Nancy Bush](#)
Subject: Snowcat proposal
Date: Monday, November 06, 2017 9:31:18 AM
Attachments: [image001.png](#)

Hi Lynelle

Regarding the proposal to broaden the hours to 11pm that snowcats can return from Irwin, we are AGAINST it.

We are residents at 108 Whiterock Ave, and the current 9pm limit is a fair and good compromise. These cats are loud and very slow moving. The town is rightfully very quiet by 9pm, and there are lots of school kids on the route and in the area. Allowing the cats to run until 11pm would be quite a disturbance of the peace.

We are supporters of Eleven and have participated in their awesome snowcat tours! Let's keep the hours the same, and if they want to host evening functions at Irwin, wrap it up by 8:30pm, establish a drop off point at the Kebler trail head, or spend the night at Irwin.

Thank you for your consideration.

Respectfully,

Bud Bush Principal
bud@bbre1.com
o 970-349-6691
c 970-922-8550



From: [James](#)
To: [Lynelle Stanford](#)
Subject: Tucker snowcat
Date: Monday, November 06, 2017 1:23:44 PM

Hello Lynelle,

I am contacting you in regards to tonight's meeting that will be featuring Elevens request for operating their Tucker from Irwin down Whiterock until 11:00 PM.

I am out of town on business or I would be at the meeting tonight. My family and I live on Whiterock and greatly oppose their request to change their operating hours. I have kids who attend the CBCS and this would impact the noise level and would be a distraction from sleep. I'm not sure why they need to run a cat down a residential street at that time of night anyway. It also seems pretty disrespectful to say the least. I was told someone would from their organization would come talk with us in person but no one ever did. Please let the council know that we are against this request and will be greatly disappointed if it passes.

Thank you and thank you in advance for you time.

James

James Ray Spahn
970-209-5111
www.jamesrayspahn.com

From: [Diane Aronovic](#)
To: [Lynelle Stanford](#)
Subject: Whiterock cat operation
Date: Monday, November 06, 2017 9:17:42 AM

Lynelle,

I live at 112 Whiterock, and am very opposed to lengthening the time the Irwin snowcat runs on my street. There is no reason for them to operate skiing later than dark, so I think this is to accommodate dinners and drinks at Irwin? I think it would be too disruptive to have that noise that late at night, and I have windows to bedrooms facing the street.

Please say no to this proposal.

Diane

Diane Aronovic
(970) 209-0405
<http://crested-butte-realty.com>
RSPS, SRES



Our Mission: "To protect and promote human-powered winter recreation in the backcountry of the Gunnison Valley"

Dear Mayor Michel and Crested Butte Town Council:

Silent Tracks very much appreciates your grant of \$2,500 to help fund the winter Data Collection Initiative (DCI). Your commitment to the collection of unbiased data, which will be conducted and analyzed by the Western State Colorado University Masters of Environmental Management (MEM) program, is exemplary. This data will help our community, town, federal land agencies and the county better understand and appreciate how our winter backcountry around Crested Butte is being enjoyed by a variety of stakeholders. In addition, this grant will help provide meaningful, hands-on experience for students in the MEM program at Western State Colorado University. The members and board of Silent Tracks truly appreciate your generosity!

Maureen Hall

President

December 4, 2017

Work Session

East River Water Management Plan - Rodney Due

Update from the Center for the Arts - Fundraising and Construction

Americans for the Arts Economic Prosperity Study - Jenny Birnie

Site Visit at the Center for the Arts?

Consent Agenda

Approval of Meeting Schedule

Forest Plan Comments

Appointments to Boards and Committees

Ordinance - Sales Tax Definitions

Ordinance - Disposition of Land at Avalanche Park

Ordinance - Budget Amendment

Executive Session - Overall Update on Legal Matters

December 18, 2017

Proclamation

January 2018

Slate River Development Annexation Concept Review

Charter Franchise Agreement

Sam Light from CIRSA

Future Items

Land Trust possible land acquisition funding request

Update to current version of Model Traffic Code

Update Section 8-2-50 - winter parking signs

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