



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, September 21, 2015
Council Chambers, Crested Butte Town Hall

5:00 WORK SESSION

1) Discussion of 2016 Budget.

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

7:02 APPROVAL OF AGENDA

7:03 EXECUTIVE SESSION

To discuss the purchase, acquisition, lease, transfer, or sale of real, personal, or other property interest under C.R.S. Section 24-6-402(4)(a).

7:20 CONSENT AGENDA

1) Approval of September 8, 2015 Regular Town Council Meeting Minutes.

7:23 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 NEW BUSINESS

1) Presentation and Funding Request by the Crested Butte Land Trust on the Copley Lake Preservation Project.

7:55 2) Discussion and Possible Action Regarding Support Resolution for the Gunnison Valley Rural Transportation Authority Measure 5A.

8:05 3) Discussion and Possible Direction to Staff Regarding Liquor Licensing of Retail Outlets.

8:35 4) Presentation by Coal Creek Watershed Coalition Regarding the Town Filing for Party Status Regarding State of Colorado Temporary Modification Standards for Coal Creek.

8:50 5) Discussion and Possible Action Regarding the Town Filing for Party Status Regarding State of Colorado Temporary Modification Standards for Coal Creek.

9:05 LEGAL MATTERS

9:10 COUNCIL REPORTS AND COMMITTEE UPDATES

9:15 OTHER BUSINESS TO COME BEFORE THE COUNCIL

9:25 DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

• Monday, October 5, 2015 – 5:00PM Budget Work Session – 7:00PM Regular Council

• Wednesday, October 14, 2015 – 5:00PM Budget Work Session

• Monday, October 19, 2015 – 6:00PM Work Session – 7:00PM Regular Council

• Monday, November 2, 2015 – 6:00PM Work Session – 7:00PM Regular Council

9:30 ADJOURNMENT



Staff Report

September 17, 2015

To: Mayor and Town Council
Thru: Todd Crossett, Town Manager
From: Lois Rozman, Finance Director
Subject: **September 21st Budget Work Session**

Included in this packet are 2016 draft budgets for the Street & Alley Fund and the General Fund. Each fund includes both a narrative and line item detail. The Street Fund assumes being able to use the current snow removal plan and a normal snow year. With the development and build out of Town and the loss of snow storage areas, particularly in the core area of Town, snow removal is becoming a greater issue. Staff is looking for alternative snow removal plans and will have additional information for discussion at the work session.

Discussion of Allocation of Excess Sales Tax Revenue

At the last work session, excess sales tax revenue distribution was discussed. From that discussion, staff has focused attention on the Allocation of Sales Tax portion of the Town's Financial Policy and drafted proposed language changes for Council to consider. Staff recommends the new language as it allows for guidance on excess revenue distributions but not strict formulas. This will allow Council and staff the latitude to distribute excess revenue where it is needed the most based upon the pressing issues at that particular time. What may be critical in one year, may not be a few years later.

During the economic downturn, there was no excess revenue to distribute. The full 75% allowable for the General Fund was used by the General Fund. Over the past 3 years, excess revenue has gone into the General Fund, the General Capital Fund or left in the Sales Tax Fund. Amounts distributed to the General Fund were made to prevent the draw-down of fund balance that had been budgeted for, however, the amount was never above the percentage breakdown as determined by budget (i.e. if General Fund needed 73% of budgeted sales tax revenue, it didn't receive more than 73% of actual sales tax collections).

Current policy language:

Allocation of Sales Tax:

The amount of sales tax allocated to the Transportation Fund annually will be 25% of which 95% of the 25% goes to the Mountain Express. The amount of sales tax allocated to the General Fund shall be determined annually at budget time up to the maximum amount of 75%. The amount not needed in the General Fund shall be allocated to the General Capital Fund. Interest earned on the sales tax fund shall remain in the Sales Tax Fund and will be used to comply with the Emergency

Reserves requirements of Amendment 1 (TABOR amendment). The remaining balance of sales tax interest may be designated for any purpose at the Council's discretion.

Suggested new language (verbiage in italics is new):

Allocation of Sales Tax:

The amount of sales tax allocated to the Transportation Fund annually will be 25% of which 95% of the 25% goes to the Mountain Express. The amount of sales tax allocated to the General Fund shall be determined annually at budget time up to the maximum amount of 75%. *The amount not needed in the General Fund shall be allocated to the General Capital Fund or Affordable Housing Fund based upon current budget needs. Should excess sales tax (amounts above the budgeted amount) be collected during the year, the excess may be retained in the Sales Tax Fund or distributed to the General Fund, General Capital Fund or Affordable Housing Fund based upon current need. Distribution of the excess sales tax revenue shall take into account the fund balance policies for each fund such that a distribution will not reduce a fund balance unnecessarily.* Interest earned on the sales tax fund shall remain in the Sales Tax Fund and will be used to comply with the Emergency Reserve requirements of Amendment 1 (TABOR amendment). The remaining balance of sales tax interest may be designated for any purpose at the Council's discretion.

Citizen requests for funding:

During Public Comment at the September 8th Council meeting, Steve Glazer requested funding for stream gauge monitoring (\$2,467) and cloud seeding program (\$2,000) on behalf of the Upper Gunnison River Water Conservation District. Below is the information we received on the requests. Council needs to determine funding amount for 2016 budget.

STREAM GAUGE REQUEST:

From: Frank Kugel [<mailto:fkugel@ugrwcd.org>]

Sent: Friday, July 24, 2015 4:55 PM

To: Todd Crossett; Rodney Due

Cc: Steve Glazer

Subject: Coal Creek gage funding request

Gentlemen:

We are preparing a draft 2016 budget for the Upper Gunnison Water Quality Monitoring Program (last year's data is attached for your reference). Thank you for the Town's past support of this effort. For the 2016 UGWQMP, we are asking for your support for operation of the USGS Coal Creek gaging station. As you know, this gage was installed in September 2014 and has provided valuable streamflow data for both the Town and our District.

<http://waterdata.usgs.gov/nwis/uv?09111250>

Operation of the Coal Creek gage for the period of April 1 through November 30 is projected to cost approximately \$11,000, of which the USGS has provided a one-third cost share. The balance of the cost, approximately \$7400, is to be paid by local stakeholders. The UGRWCD respectfully requests that the Town contribute one-third of the stakeholder cost, estimated at \$2467, to help

with continued operation of this gage. The UGRWCD would be responsible for the remaining \$4933 in stakeholder funding.

Please let me know if you are willing and able to commit to this funding request. If you'd like, I would be willing to present the request to your Town Council.

Thank you for your consideration.

Frank Kugel
General Manager, UGRWCD
210 W. Spencer Ave., Suite B
Gunnison, CO 81230
(970) 641-6065

CLOUD SEEDING REQUEST:

From: Todd Crossett

Sent: Wednesday, September 02, 2015 4:35 PM

To: Lois Rozman; Rodney Due

Subject: Cloud Seeding Budget Request

Lois and Rodney,

Frank Kugel called me today to make a second budget request on behalf UGRWCD. They would like the Town to consider re-instating its \$2k/year (or some amount) contribution to the cloud seeding program.

Apparently, it's a \$100k annual cost shared 50% between upper valley stakeholders and downriver stakeholders. UGRWCD kicks in about \$26k of the roughly \$50k from the upper system.

He said we contributed through 2007.

Putting it on the radar for budget discussion.

Thanks,

Todd

BUDGET HIGHLIGHTS 2016

STREET & ALLEY FUND

The Street & Alley Fund came into existence in 1987 by virtue of a voter approved mill levy for the purpose of providing and maintaining the Town's streets, alleys and right-of-ways. The main source of revenue is property tax. Highway Users Tax from the State is also included in the Street & Alley Fund.

The Parking Fund is included under the Street & Alley Fund and its sole source of income is the Parking in Lieu Fees. Parking in Lieu fees are collected on commercial building projects which are unable to comply with the required amount of parking for their business. Expenditures from the Parking Fund are for acquisition of additional parking which includes purchase of land or improvements to land in order to increase available parking.

Beginning with the 2015 budget, Council chose to put a small amount of the Street & Alley mill levy towards future needs as identified in the Transportation Plan and to seed this reserve account with \$200,000 from currently available Street Fund balance monies. This Transportation Plan reserve is segregated out separately from the regular Street Fund balance.

REVENUE:

The total mill levy available for the Street & Alley Fund is 16 mills. This is adjusted annually to the amount needed taking into consideration current expenditures and the long-range 15 year plan. In the mid 1990's, the Town moved away from issuing debt and to saving up fund balance to do street projects. The 15 year plan helps lay the ground work for this philosophy and the adjusting of the mill levy to accomplish it.

The mill levy for 2015 totaled 8.5 mills with 0.441 designated for transportation plan needs. The 2016 budget adjusts the mill levy downward to 8.00 mills with 0.500 for transportation plan needs. This downward adjustment is due to the increased assessed valuation of real property within the Town of Crested Butte.

EXPENDITURES:

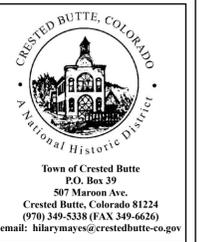
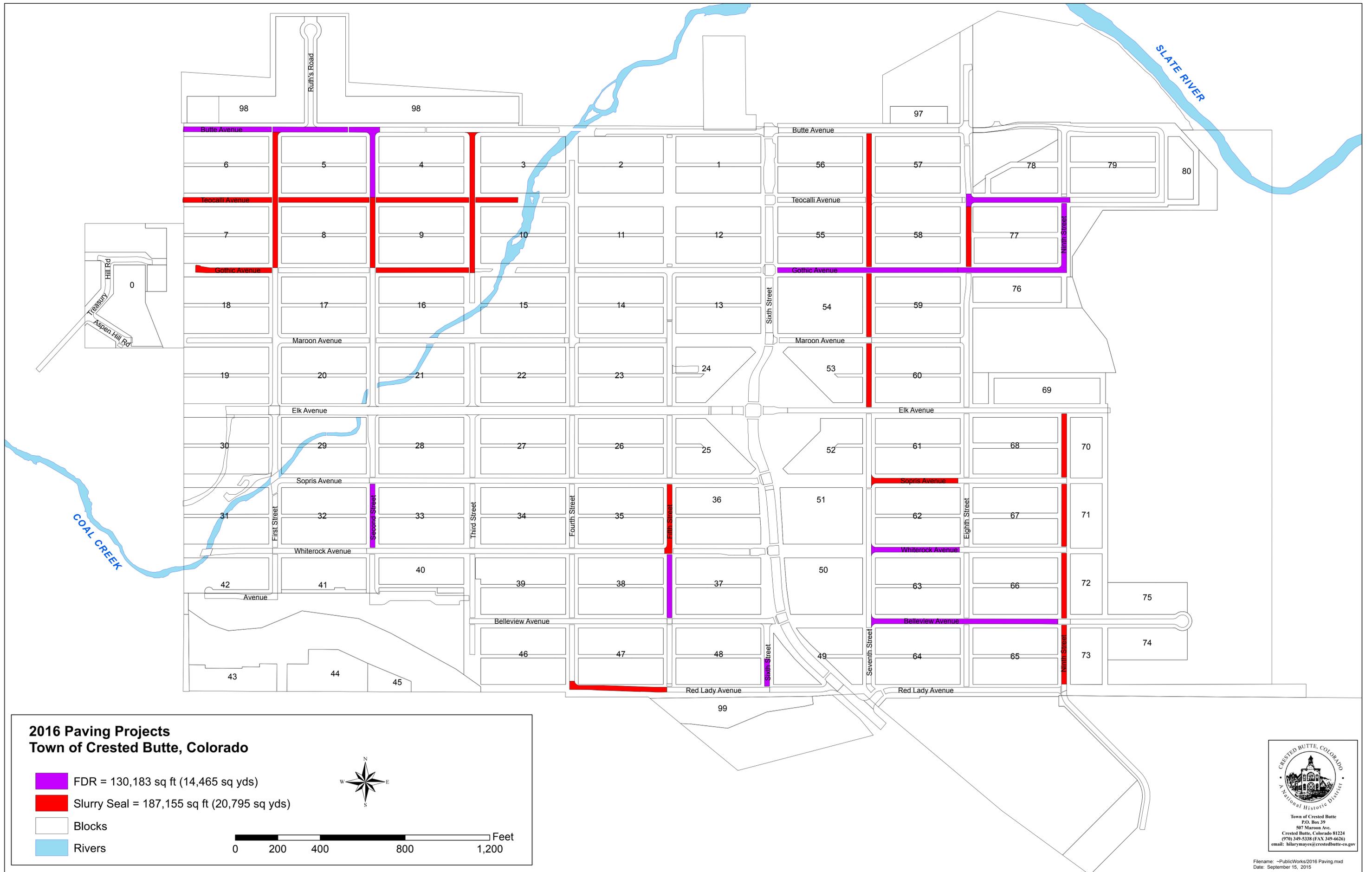
Personnel costs are based on 50% of the Public Works crew with the amount split 60/40 between snow removal and street maintenance. This percentage was reduced from 70% due to the in-kind work on special projects the Public Works crew has been doing. The remaining 50% of the Public Works crew personnel cost goes into the General Fund. For 2016, we anticipate the special project to be either the Big Mine Utility project OR the Center for the Arts project.

Paving Project for 2016 is the slurry seal of sections of road throughout Town and the paving of a parking lot. We have attached a map indicating in RED which roads are scheduled for slurry seal. The next major paving project is scheduled for 2017. The map indicates in purple which roads are scheduled to be milled down and fully repaved (Full Depth Recycling "FDR"). The parking lot to be paved is the tennis court parking area. The other lot discussed was the lot east of the fire hall. The tennis court was chosen to help try to protect the courts from gravel being brought onto the courts. Staff would like to pave the main parking lot at the 4-way location in 2017.

The capital equipment expenditure for 2016 is a 12' oscillating plow blade which will attach to a loader.

Snow removal is becoming a significant problem with the loss of several snow storage areas throughout Town. In 2014/2015, Town lost 1 major snow storage area in the core, and for the 2015/2016 season, the core area will have lost 2 more major areas for snow storage. The development of blocks 79 & 80 will also reduce significantly the Town's snow storage capacity. Unless the Town acquires additional snow storage space, particularly in the core area, the current snow removal plan will need to be revised. Staff will go into more detail on the various snow removal options, consequences to the public and costs at the budget work session.

TOWN OF CRESTED BUTTE				
2016 BUDGET				
STREET & ALLEY	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
REVENUE:				
TAX FROM MILL LEVY	640,890	673,949	673,949	698,731
INTEREST & PENALTIES	2,223	2,000	2,000	2,000
OTHER REVENUE	6,710	4,000	3,000	3,000
PARKING IN LIEU	27,024	27,000	270,000	
HIGHWAY USERS TAX	48,402	47,050	47,050	47,829
INTEREST INCOME	840	1,000	1,000	1,200
TOTAL REVENUE	726,089	754,999	996,999	752,760
EXPENSES:				
SNOW REMOVAL-LABOR	88,412	101,149	76,252	93,982
R&M STREETS-LABOR	70,931	30,000	74,668	60,766
SNOW REMOVAL-SEASONAL LABOR	14,843	60,766	15,434	20,000
FICA	13,291	14,681	12,726	13,368
HEALTH INSURANCE	43,952	43,617	44,000	30,850
RETIREMENT	14,050	17,755	13,937	13,275
UNEMPLOYMENT INSURANCE	48	576	576	524
WORKMANS COMP INSURANCE	7,350	8,800	8,800	9,680
R&M STREETS-SUPPLIES	18,179	35,000	35,000	35,000
SIDEWALK REPAIR/MAINT	53,424	20,000	20,000	20,000
SIDWEALK PROJECT - BELLEVIEW		35,000	0	
WEED SPRAY-RIGHT OF WAY	1,800	2,800	1,800	2,800
SPILL RESPONSE		1,500	1,500	1,500
PARKING LOTS	1,980	2,000	2,000	2,000
ENGINEERING	0	10,000	5,000	10,000
PAVING PROJECT	87,199	85,000	85,000	100,000
STORM WATER PROJECT	6,886	25,000	25,000	
FUEL	38,486	40,000	20,850	40,000
R&M VEHICLES	15,505	15,000	17,382	20,000
SNOW REMOVAL-SUPPLIES	24,851	35,000	14,399	35,000
STREET SIGNS	3,459	3,000	2,182	3,000
DAMAGE LIABILITY		5,000	5,000	5,000
TREASURER FEES	19,295	23,588	23,588	24,456
CAPITAL EQUIPMENT		31,000	25,000	22,000
OTHER EXPENSES	413	3,000	2,000	3,000
TOTAL EXPENSES	524,354	649,232	532,094	566,201
EXCESS REVENUE OVER(Under) EXPENSES	201,735	105,767	464,905	186,559
FUND BALANCE				
FUND BALANCE	1,549,706	1,630,473	1,715,878	1,860,766
SNOW REMOVAL CONTINGENCY	100,000	100,000	100,000	100,000
PARKING IN LIEU FUND BALANCE	249,519	274,519	517,519	515,519
DESIGNATED FOR TRANSPORTATION	200,000	234,966	234,966	278,637
Paving Projects:				
Slurry seal streets (Red on map)	\$60,000			
Parking Lot (Firehall <u>OR</u> Tennis Court)	\$40,000			
Capital Equipment:				
Oscillating plow blade (Replace 1996 blade)	\$ 22,000			





SIXTH STREET

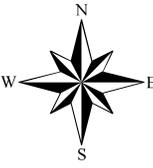
48,103 sq ft
(5,345 sq yds)

ELK AVENUE

4-Way Parking Lot - Paving Project

 Parcel Boundaries

Area to be paved = 48,103 square feet





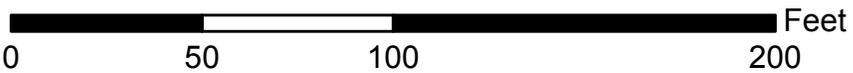
MAROON AVENUE

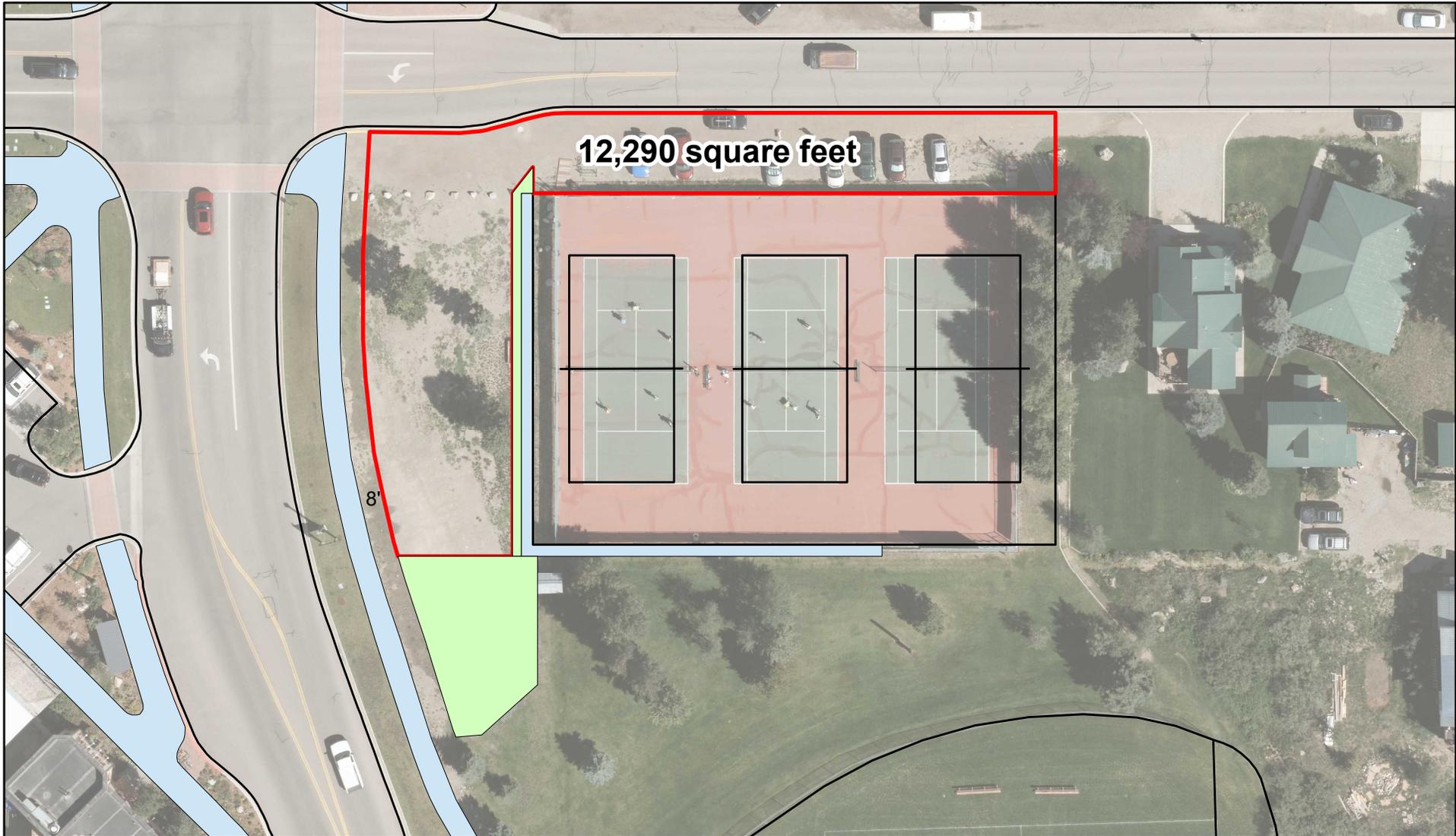
THIRD STREET

11,664 sq ft
(1,296 sq yds)

Fire Hall Parking Lot - Paving Project

Area to be paved = 11,664 square feet

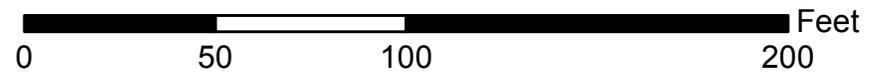
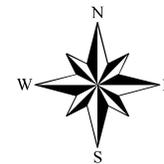




Tennis Court Parking Lot - Paving Project

-  Sidewalk
-  Grass

Area to be paved = 12,290 square feet



TOWN OF CRESTED BUTTE									
STREET & ALLEY									
15 YEAR PLAN									
Revenue	2015	2016	2017	2018	2019	2020	2021	2022	2023
TAX FROM MILL LEVY	644,216	655,060	656,250	675,938	721,000	742,630	742,800	812,902	813,025
INTEREST & PENALTIES	2,000	2,000	1,300	1,300	1,300	1,300	1,300	1,400	1,400
INTEREST INCOME	1,000	1,200	8,000	5,000	5,000	10,000	10,000	5,000	5,000
HIGHWAY USERS TAX	47,050	47,829	48,329	48,829	49,329	49,829	50,329	50,829	51,329
OTHER REV/CONTRIBUTIONS	4,000	3,000	4,000	4,000	4,000	5,000	5,000	5,000	5,000
Total Revenue	698,266	709,089	717,879	735,067	780,629	808,759	809,429	875,131	875,754
PAYROLL OBLIGATIONS	80,039	67,697	71,082	82,636	86,768	91,106	95,661	100,445	105,467
REPAIR & MAINT STREETS	109,668	95,766	99,597	117,581	122,284	127,175	132,262	137,553	143,055
SNOW REMOVAL	106,085	148,982	154,941	175,139	182,144	189,430	197,007	204,888	213,083
FUEL	20,850	40,000	41,200	42,436	43,709	45,020	46,371	47,762	49,195
R&M VEHICLE	17,382	20,000	16,000	18,000	18,000	18,000	18,000	20,000	20,000
PAVING PROJECT	85,000	100,000	700,000	85,000	85,000	85,000		1,000,000	
ENGINEERING	5,000	10,000	15,000	5,000	5,000	5,000	50,000	20,000	7,500
SIDEWALK REPAIR & MAINT	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	25,000
STORM WATER PROJECT	25,000		30,000		30,000		30,000		35,000
TREASURERS FEES	23,588	24,456	22,969	23,658	25,235	25,992	25,998	28,452	28,456
STREET SIGNS/OTHER EXP	14,482	17,300	18,000	18,000	18,000	18,000	18,000	18,000	18,000
BLOWER/SWEEPER/PLOW BLADE	25,000	22,000	150,000						225,000
Total Expenditures	532,094	566,201	1,338,789	587,449	636,140	624,724	633,300	1,597,098	869,756
AVAILABLE FUND BALANCE	1,715,878	1,860,766	1,239,857	1,387,474	1,531,963	1,715,998	1,892,127	1,170,160	1,176,158
ASSESSED VALUE FOR TAXES	87,341,320	87,500,000	90,125,000	90,125,000	92,828,750	92,850,000	95,635,500	95,650,000	98,519,500
MILL LEVY	8.059	7.500	7.500	7.500	8.000	8.000	8.000	8.500	8.500
Transportation Needs Mill	0.441	0.500	0.750	1.000	1.000	0.750	0.750	0.500	0.500
Transportation Revenue	34,966	43,671	65,625	90,125	90,125	69,622	69,638	47,818	47,825
Fund Balance - Trans.	234,966	278,637	344,262	434,387	524,512	344,133	413,771	(38,411)	9,414
Red Lady/135/7th						250,000		500,000	

TOWN OF CRESTED BUTTE							
STREET & ALLEY							
15 YEAR PLAN							
Revenue	2024	2025	2026	2027	2028	2029	2030
TAX FROM MILL LEVY	862,046	886,725	913,327	913,500	931,770	931,950	959,909
INTEREST & PENALTIES	1,400	1,400	1,500	1,500	1,500	1,500	1,500
INTEREST INCOME	10,000	12,000	15,000	1,000	5,000	8,000	8,000
HIGHWAY USERS TAX	51,829	52,329	52,829	53,329	53,829	54,329	54,829
OTHER REV/CONTRIBUTIONS	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Revenue	930,275	957,454	987,656	974,329	997,099	1,000,779	1,029,238
PAYROLL OBLIGATIONS	110,740	116,277	122,091	128,195	134,605	141,336	148,402
REPAIR & MAINT STREETS	148,777	154,728	160,917	167,354	174,048	181,010	188,250
SNOW REMOVAL	221,607	230,471	239,690	249,277	259,248	269,618	280,403
FUEL	50,671	52,191	53,757	55,369	57,030	58,741	60,504
R&M VEHICLE	20,000	20,000	20,000	20,000	20,000	20,000	20,000
PAVING PROJECT	85,000	85,000		1,100,000		85,000	85,000
ENGINEERING	7,500	7,500	60,000	20,000	10,000	10,000	10,000
SIDEWALK REPAIR & MAINT	25,000	25,000	25,000	25,000	25,000	25,000	25,000
STORM WATER PROJECT		35,000		35,000	35,000		
TREASURERS FEES	30,172	31,035	31,966	31,973	32,612	32,618	33,597
STREET SIGNS/OTHER EXP	18,000	18,000	18,000	18,000	18,000	18,000	18,000
BLOWER/SWEEPER/PLOW BLADE	220,000						
Total Expenditures	937,466	775,202	731,421	1,850,168	765,544	841,323	869,156
AVAILABLE FUND BALANCE	1,168,967	1,351,219	1,607,453	731,614	963,169	1,122,625	1,282,707
ASSESSED VALUE FOR TAXES	98,525,000	101,480,750	101,500,000	103,530,000	103,550,000	106,656,500	106,700,000
MILL LEVY	8.750	9.000	9.000	9.000	9.000	9.000	9.000
Transportation Needs Mill	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Transportation Revenue	49,260	49,263	50,740	50,750	51,765	51,775	53,328
Fund Balance - Trans.	58,673	107,936	158,676	209,426	261,191	312,966	366,294
Red Lady/135/7th							

Equipment/Projects:

Snowblower 2023	\$	200,000
12' Oscillating plow blade 2016	\$	22,000
Street Sweeper 2017	\$	150,000
Motorgrader 2022	\$	225,000

Paving Project 2016:

Slurry Seal - Red Colored Streets on map	\$	60,000
Pave Parking lot (firehall OR tennis court)	\$	40,000

Paving Project 2017:

Full Depth Recycle - Streets marked in purple on the map	\$	455,000
Pave 4-way parking lot	\$	200,000
Pave parking lot (firehall OR tennis court)	\$	45,000

BUDGET HIGHLIGHTS 2016

GENERAL FUND

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

2015 Changes:

- Contribution to the Affordable Housing fund increased from \$200,000 to \$325,000. This increase shows in the General Government department and in the Contribution from Reserve.
- Increase in election expenses for the voter roll mailings and advertising.
- Increase in Public Works due to a larger percentage of the staff's time spent on special projects which normally would have been spent on items related to the Street Fund.
- Decrease in Recreation expenses due to staff turnover which also led to some planned new programs not occurring.

2016 Highlights:

REVENUE:

- Sales Tax revenue accounts for the majority (73%) of the General Fund revenues. The maximum amount of sales tax that may be distributed to the General Fund is 75%. The 2016 budget estimates needing 70% of the available 75%.
- Building revenues are expected to be strong, but not quite as strong as 2015 due to the anticipation of fewer commercial projects.
- Property tax revenue must follow TABOR rules and is estimated to have a very small increase in revenue due to the local growth calculation. The overall mill levy is projected to go down from a net of 2.862 mills to 2.633 mills.
- Mineral Lease (share back from the State) is expected to be cut in half for 2016 due to reduced production and lower commodity prices.
- Recreation program revenue is projected to be lower due to the move of soccer to a club program and Garden Camp (Roots & Shoots) moving out from underneath the Recreation Department umbrella and fully to Mountain Roots.

EXPENDITURES:

- Personnel wage increases are generally 5%. There are some that will be less and some that will be more based upon the market study and minimum pay ranges for positions. Each job was individually looked at against our comparable market. There were a few positions which ended up below the minimum pay for that position and will be receiving a larger % raise, while others who are at the upper end of their pay range will receive a lower % raise. Health insurance rates increased 8%. There are no new staff positions being requested in 2016.
- General Government decreases due to moving facility maintenance to its own department and no contribution to the Affordable Housing Fund. Community Grants line within General Government department increases due to increased revenue.

- Legal department decreases due to the reduction in consulting fees needed for the water attorney. \$30,000 was budgeted for in 2015 in order to bring on a new water attorney and get him up to speed on the Town's water rights.
- Finance department has a significant increase due to the proposal to move to MuniRevs for sales tax and business license collection. Initial set up cost is estimated at \$20,000. There will be recurring monthly charges which may add up to \$18,000 annually. This does not anticipate a reduction in staff, but a reallocation of staff time to other duties. Budget also requests \$5,000 for membership into Mountain States Employers Council, for human resource purposes.
- Marshals department increases are in personnel costs, overtime increased due to busier summers, equipment costs for 3 new Tasers (old ones are no longer serviceable), and increase in Town's share of dispatch fees.
- Town Shop increase is personnel related. 2015 budget anticipated hiring a new employee rather than a transfer of a longer term employee, therefore, benefits are higher.
- Public Works increase is due to a larger share of wages, and corresponding benefits, being used for "in kind" work on special projects which normally would have been spent on Street Fund work.
- Recreation department expenditures have decreased due to upper level soccer program moving to club (little kids soccer program still run by Town), Roots & Shoots camp being totally run by Mountain Roots and the main reduction due to Big Mine Planning project being finished in 2015.
- Recreation Program Summary is a summary picture of the various programs, the associated revenues and direct program supply expenses. The expenses do not include any associated costs of program administration or field/facility preparation cost.

GENERAL FUND SUMMARY					Variance	% Change
	2014	2015	2015	2016	Budget 15	15 Budget
	ACTUAL	BUDGET	PROJECTED	BUDGET	to Budget 16	16 Budget
REVENUES	3,246,576	3,190,084	3,196,231	3,615,349	425,265	13.3%
CONTRIBUTION FROM RESERVE		426,491	474,123			
TOTAL REVENUES	3,246,576	3,616,575	3,670,354	3,615,349	(1,226)	0.0%
DEPARTMENT EXPENSES:						
GENERAL GOVERNMENT	363,515	653,616	779,627	356,960	296,656	-45.4%
COURT	5,301	7,710	7,710	7,717	(7)	0.1%
COUNCIL	49,855	56,237	55,660	59,828	(3,591)	6.4%
ELECTIONS	2,250	3,850	10,875	3,450	400	-10.4%
LEGAL	142,740	187,100	187,100	167,100	20,000	-10.7%
CLERK	112,700	159,053	143,201	164,272	(5,219)	3.3%
MANAGER	145,393	183,073	162,741	175,531	7,542	-4.1%
FINANCE	284,124	318,289	312,786	379,136	(60,847)	19.1%
MARSHALS	746,261	758,672	757,816	834,077	(75,405)	9.9%
PLANNING/GIS	88,487	148,854	148,510	151,375	(2,520)	1.7%
FACILITIES MAINTENANCE	0	0	0	132,498		
TOWN SHOP	100,752	167,877	171,104	211,160	(43,283)	25.8%
PUBLIC WORKS	173,673	171,103	193,045	255,055	(83,952)	49.1%
BUILDING	342,515	392,304	361,829	394,714	(2,410)	0.6%
RECREATION	355,952	407,622	378,351	317,188	90,434	-22.2%
TOTAL EXPENSES	2,913,518	3,615,359	3,670,354	3,610,061	5,298	-0.1%
REVENUE OVER(UNDER) EXPENSES	333,058	1,216	(0)	5,289		
SALARIES/WAGES/BENEFITS				2,282,719		
% OF GENERAL FUND BUDGET				63%		
FUND BALANCE	3,904,685	3,479,410	3,430,562	3,435,850		

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-REVENUES				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
PROPERTY TAX	218,426	226,913	226,913	230,009
SPECIFIC OWNERSHIP TAX	51,859	45,000	45,000	45,000
SALES TAX	2,148,154	2,239,296	2,042,261	2,648,090
CIGARETTE TAX	9,402	7,000	7,000	7,000
USE TAX - GENERAL CAPITAL	112,000	55,000	135,000	110,000
CNTY SALES/MINERAL LEASE	51,436	42,000	35,000	20,000
TELEPHONE TAX	4,176	3,000	3,500	3,500
GAS FRANCHISE TAX	29,880	30,000	30,000	32,000
INTEREST & PENALTIES	752	500	600	700
CATV LEASE	10,194	9,500	9,750	10,000
LIQUOR LICENSES	9,641	8,000	8,000	8,000
BUSINESS LICENSES	22,085	20,000	22,000	22,000
DOG LICENSES	739	700	700	750
BUILDING PERMITS	86,158	68,000	110,000	90,000
PLAN REVIEW-BLDG	23,822	19,000	39,000	24,000
SPECIAL REVIEW/INSPECTION-BLDG	0	300	0	300
ENERGY MITIGATION FEE	23,236	0	56,000	0
SIGN PERMITS	722	600	600	600
CERTIFICATE OF ASSESSMENT	310	175	200	200
MISC BUILDING FEES	11,734	2,000	3,200	3,500
BOZAR FEES	16,795	15,000	15,000	16,000
SIDEWALK CAFÉ LICENSE	2,992	2,900	2,800	2,800
MISC LICENSE FEES	5,950	500	2,300	2,500
LICENSE PLATE FEES	6,465	6,000	6,000	6,000
OCCUPATION TAX	49,406	44,000	48,000	48,000
HISTORIC PRESERVATION GRANT	0	500	0	1,400
BIG MINE PLANNING GRANT	9,600	43,500	43,500	
PUBLICATIONS	10		40	0
MGMT FEES SEWER AND WATER	65,000	65,000	65,000	65,000
MECHANIC/GIS-SW	18,000	18,000	18,000	18,000
COUNTY COURT - FINES	2,161	2,500	2,000	2,000
TICKET SURCHARGE	674	1,000	750	1,000
FINES - GENERAL	23,770	25,000	25,000	25,000
COURT COSTS	1,623	1,300	1,300	1,300
DOG TICKETS	1,150	1,000	900	1,000
TOWING INCOME	27,245	20,000	17,000	20,000
VIN INSPECTIONS/FINGERPRINTS	882	1,000	1,000	1,000
INTEREST INCOME	1,159	2,000	1,500	2,000
RENT- TOWN BLDGS	39,476	40,000	40,000	40,000
SPECIAL EVENTS FEES	12,175	6,000	6,000	6,000
COPIES/RESEARCH FEES	453	500	350	350
GYMNASTICS	21,510	12,500	12,500	15,000
TUMBLE BUG	632	600	600	600
HOCKEY ADULT FEES	2,340	0	0	0
SOCCER FEES	34,968	18,000	29,604	10,500
BASKETBALL FEES	1,548	1,000	790	1,000
HOCKEY KIDS FEES	3,210	0	0	0

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-REVENUES				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
TENNIS TOURNAMENT			0	750
TENNIS LESSONS	12,936	8,000	10,491	10,000
SOFTBALL FEES-ADULT	13,088	12,000	13,729	12,000
DODGEBALL	400	500	0	500
VOLLEYBALL FEE	58	1,000	0	1,000
LITTLE LEAGUE FEES	7,612	9,000	8,210	9,000
FLAG FOOTBALL	1,430	1,200	1,200	1,200
GARDEN CAMP FEES	8,618	8,000	9,000	0
CHEER CAMP	607		843	700
SUMMER CAMP		10,000	0	0
PARK FEES	22,884	32,000	32,000	32,000
OTHER REVENUE	15,017	3,500	6,100	6,000
INDOOR CLIMBING	6	100	0	100
CONTR. FROM RESERVE		426,491	524,123	
Total Revenue	3,246,576	3,616,575	3,720,354	3,615,349

TOWN OF CRESTED BUTTE					
2016 BUDGET					
GENERAL FUND-GENERAL GOVERNMENT					
	2014	2015	2015	2016	
	ACTUAL	BUDGET	PROJECTED	BUDGET	
SALARIES & WAGES	43,440	40,000	40,000	0	
CUSTODIAL LABOR		43,680	45,000	0	
FICA	3,323	6,402	6,503	0	
HEALTH INSURANCE		6,000	5,000	0	
TELEPHONE	6,257	6,000	6,000	6,250	
TELEPHONE-DEPOT	0	300	0	300	
UTILITIES - 308 OFFICES	3,837	6,000	4,500	4,950	
UTILITIES - OTH/JAIL	(266)	100	0	100	
UTILITIES-TOWN HALL	10,000	12,100	11,600	12,760	
UTILITIES-DEPOT	6,499	8,300	7,000	8,500	
UTILITIES-OTHER	1,795	2,200	2,000	2,200	
OFFICE SUPPLIES	7,178	9,000	8,000	8,500	
POSTAGE	4,503	5,000	4,500	5,000	
COPIER LEASE/MAINTENANCE	5,639	6,500	6,500	6,500	
AUDITING	4,358	5,100	4,900	5,500	
RECORDING - COUNTY	215	750	1,000	1,000	
INSURANCE AND BONDS	18,615	20,900	19,500	21,450	
INSURANCE LIABILITY	285	4,000	4,000	4,000	
UNEMPLOYMENT INSURANCE	131	131	131	0	
WORKERS COMP	1,771	1,890	1,980	0	
DUES AND SUBSRIPTIONS	10,114	13,000	12,000	15,000	
SPECIAL EVENTS	(10,384)	3,000	3,000	3,000	
TRASH PICKUP	4,374	5,000	4,500	5,000	
REPAIR & MAINT - MACHINES	5,807	3,000	3,000	3,000	
POSTAGE METER RENTAL	621	1,000	750	750	
TOWING EXPENSE	28,240	20,000	15,000	20,000	
FUEL	0	300	300	300	
R&M VEHICLE	0	3,000	3,000	1,500	
TOWN CLEANUP	2,427	3,500	2,500	3,500	
OTHER EXPENSES	12,955	8,000	18,000	8,000	
COMMUNITY GRANTS	74,258	76,275	76,275	90,000	
PRO CHALLENGE GRANT	30,170			0	
TREASURER FEES	4,649	6,807	6,807	6,900	
OCCUPATIONAL TAX - CHAMBER	49,231	44,000	48,000	48,000	
COMPUTER/IT - MAINTENANCE & CAPITAL	33,473	67,381	67,381	35,000	**
Employee Retirement/Transition Contingency		15,000		30,000	
REC PATH PAVING			16,000		
CONTRIBUTION TO AFFORDABLE HOUSING		200,000	325,000		
TOTAL EXPENSES	363,515	653,616	779,627	356,960	

TOWN OF CRESTED BUTTE					
2016 BUDGET					
GENERAL FUND-COURT					
	2014	2015	2015	2016	
	ACTUAL	BUDGET	PROJECTED	BUDGET	
PERMANENT SALARIES	4,900	6,500	6,500	6,500	
FICA	375	497	497	497	
CONTRACT LABOR	0	350	350	350	*
TRIAL COSTS	0	325	325	325	
UNEMPLOYMENT INSURANCE	15	20	20	20	
WORKMANS COMP INSURANCE	11	18	18	25	
TOTAL EXPENSES	5,301	7,710	7,710	7,717	
*For Interpreter as needed					

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-COUNCIL				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
FICA	2,734	2,694	2,754	2,938
TELEPHONE	1,199	2,100	1,300	2,100
OFFICE SUPPLIES	829	400	1,300	500
COUNCIL COMPENSATION	34,524	35,216	36,000	38,400
DESCRETIONARY FUND	6,500	7,500	7,500	7,500
TRAVEL AND EDUCATION	3,764	8,000	6,500	8,000
UNEMPLOYMENT INSURANCE	104	106	106	115
WORKMANS COMP INSURANCE	201	221	200	275
TOTAL EXPENSES	49,855	56,237	55,660	59,828
Add additional Council salary for 1/2 November and all December for 3				
Council seats up for election				

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-ELECTIONS				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
PROFESSIONAL SERVICES	2,250	3,500	10,525	3,500
OFFICE SUPPLIES		350	350	350
ADVERTISING AND LEGAL				
TOTAL EXPENSES	2,250	3,850	10,875	3,850

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-LEGAL				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
OFFICE SUPPLIES	1,039	2,000	2,000	2,000
LEGAL RETAINER	102,411	125,000	125,000	130,000
LEGAL FILING FEES	0	100	100	100
MT. EMMONS-SPECIAL PROJECT	22,795	25,000	25,000	25,000
LEGAL FEES-THIRD PARTY	14,666			
LITIGATION/CONSULTING	1,829	35,000	35,000	10,000
TOTAL EXPENSES	142,740	187,100	187,100	167,100

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-CLERK				
	2014	2015	2015	2016
	ACTUALS	BUDGET	PROJECTED	BUDGET
PERMANENT SALARIES	77,510	96,000	89,992	101,119
FICA	5,749	7,344	6,884	7,736
HEALTH INSURANCE	16,147	24,510	22,500	26,233
RETIREMENT	2,925	4,145	3,645	6,678
TELEPHONE	258	300	300	300
OFFICE SUPPLIES	689	1,750	1,750	2,000
SOFTWARE/WEBSITE MAINTENANCE	3,659	3,000	3,000	3,000
ADVERTISING AND LEGAL	1,711	2,500	1,750	2,500
TRAVEL AND EDUCATION	2,723	4,500	4,500	5,500
UNEMPLOYMENT INSURANCE	227	288	270	303
WORKMANS COMP INSURANCE	160	176	300	363
DUES AND SUBSCRIPTIONS	348	540	310	540
OTHER EXPENSES/CODIFICATION	594	14,000	8,000	8,000
TOTAL EXPENSES	112,700	159,053	143,201	164,272

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-MANAGER				
	2014	2015	2015	2016
	ACTUALS	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	92,138	96,390	91,800	96,390
FICA	8,229	8,292	7,023	8,292
HEALTH INSURANCE	12,627	27,138	24,053	21,059
RETIREMENT	3,178	5,783	5,510	5,783
TELEPHONE	1,500	1,500	1,500	1,500
OFFICE SUPPLIES	186	500	500	500
TRAVEL AND EDUCATION	4,101	6,500	6,500	6,500
UNEMPLOYMENT INSURANCE	275	289	275	289
WORKMANS COMP INSURANCE	172	182	182	220
DUES AND SUBSCRIPTIONS	1,334	1,500	1,900	2,000
GAS AND OIL	1,223	2,500	2,000	2,500
R&M VEHICLE	1,233	1,500	1,500	5,500
TIRES		800	800	800
LEASE-PRINCIPAL	16,208	17,043	17,043	17,919
LEASE-INTEREST	2,989	2,155	2,155	1,278
EMPLOYEE RECOGNITION PROGRAM		5,000	5,000	5,000
VALLEY WIDE ECONOMIC PLANNING		6,000	6,500	
TOTAL EXPENSES	145,393	183,073	162,741	175,531

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-FINANCE				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	195,080	214,499	210,050	227,139
FICA	14,602	16,409	16,069	17,376
HEALTH INSURANCE	45,794	51,525	51,525	55,333
RETIREMENT	20,941	22,998	22,998	24,744
TELEPHONE	300	300	300	300
OFFICE SUPPLIES	1,156	4,200	3,500	1,750
SOFTWARE MAINTENANCE	3,866	5,000	5,000	24,000
TRAVEL AND EDUCATION	978	1,300	1,300	1,300
UNEMPLOYMENT INSURANCE	586	643	630	681
WORKMANS COMP INSURANCE	367	424	424	513
DUES AND SUBSCRIPTIONS	454	990	990	6,000
SOFTWARE				20,000
	284,124	318,289	312,786	379,136
Software Maint increase for additional licenses for Dept Head access +				
MuniRevs software fees				
Dues & Sub adding MSEC membership				
Software - purchase MuniRevs tax & licensing software				

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-MARSHALS				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
PERMANENT SALARIES	473,971	453,403	453,403	483,300
OVERTIME	7,098	8,000	8,000	13,000
FICA	36,358	35,297	35,297	37,967
HEALTH INSURANCE	77,314	100,194	89,000	113,035
RETIREMENT	36,069	35,662	46,000	43,183
TELEPHONE	5,381	5,200	5,200	5,200
UTILITIES	4,749	5,400	5,400	5,400
OFFICE SUPPLIES	1,936	1,700	1,700	2,500
OPERATING SUPPLIES	1,293	1,250	1,250	3,500
SOFTWARE MAINTENANCE	3,228	3,345	3,345	3,429
ADVERTISING AND LEGAL	461	300	300	300
TRAVEL AND EDUCATION	2,800	5,000	5,000	5,000
UNEMPLOYMENT INSURANCE	1,442	1,384	1,384	1,489
WORKMANS COMP INSURANCE	14,093	16,960	16,960	20,522
DUES AND SUBSCRIPTIONS	773	1,250	1,250	1,500
REPAIR & MAINT - MACHINES	467	1,000	1,000	1,000
UNIFORM EXPENSE	2,857	4,200	4,200	5,600
MEDICAL EXPENSE	712	300	300	300
EQUIPMENT	9,477	8,500	8,500	17,000
GAS AND OIL	13,139	16,500	16,500	15,000
R&M VEHICLES	4,339	5,000	5,000	5,000
TIRES	1,420	1,600	1,600	1,600
DISPATCH FEES	43,873	40,527	40,527	42,553
COUNTY JAIL/LANGUAGE LINE	0	200	200	200
VICTIMS ASSISTANCE PROGRAM	3,011	6,500	6,500	6,500
TOTAL EXPENSES	746,261	758,672	757,816	834,077

TOWN OF CRESTED BUTTE					
2016 BUDGET					
GENERAL FUND-PLANNING/GIS					
	2014	2015	2015	2016	
	ACTUAL	BUDGET	PROJECTED	BUDGET	
PERMANENT SALARIES	68,442	96,136	94,000	100,943	
FICA	5,248	7,354	7,191	7,722	
HEALTH INSURANCE	4,655	8,617	8,350	9,202	
RETIREMENT	5,401	5,544	5,544	7,672	
TELEPHONE	161	300	300	800	
OFFICE SUPPLIES	1,285	1,000	750	1,500	
GIS SUPPLIES	-217	1,000	750	1,000	
R&M MACHINES	0	500	500	500	
TRAVEL AND EDUCATION	460	2,500	2,500	2,500	
UNEMPLOYMENT INSURANCE	199	211	282	303	
WORKMANS COMP INSURANCE	172	193	193	234	
DUES AND SUBSCRIPTIONS	485	500	1,150	500	
TRAIL TOOLS & SIGNAGE		500	500	1,500	**
SPECIAL PROJECTS	2,196	2,000	1,000	2,000	
GIS/GPS SOFTWARE		20,000	20,500		
CREATIVE DISTRICT DESIGNATION PROJECT		2,500	5,000	15,000	
TOTAL EXPENSES	88,487	148,854	148,510	151,375	
**Includes donation to City of Gunnison for GOCO grant partnership					

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-FACILITIES				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
PERMANENT SALARIES				88,740
FICA			0	6,789
HEALTH INSURANCE				18,042
RETIREMENT				2,761
TELEPHONE				600
OFFICE SUPPLIES				300
CUSTODIAL SUPPLIES				8,000
TRAVEL & EDUCATION				500
UNEMPLOYMENT INSURANCE			0	266
WORKMANS COMP INS				3,000
TOOLS & EQUIPMENT				500
UNIFORM ALLOWANCE				500
SAFETY EQUIPMENT				500
R&M VEHICLE				1,000
GAS & OIL				1,000
TIRES				0
TOTAL EXPENSES	0	0	0	132,498

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-DYER SHOP				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
PERMANENT SALARIES	52,564	100,005	100,005	114,177
OVERTIME	21	0	300	500
FICA	4,030	7,650	7,650	8,735
HEALTH INSURANCE	17,344	26,365	27,455	41,641
RETIREMENT	4,811	5,787	7,498	11,160
TELEPHONE	693	900	830	900
UTILITIES	5,609	7,000	8,300	8,500
SUPPLIES	3,655	4,500	4,326	4,500
SHOP TOWELS	909	1,100	1,050	1,100
TRASH PICKUP	1,430	2,000	1,720	2,000
TRAVEL & EDUCATION	35	1,000	1,050	2,000
UNEMPLOYMENT INSURANCE	174	300	300	343
WORKMANS COMP INS	1,389	2,370	2,370	3,555
MEDICAL	0	150	150	300
TOOLS & EQUIPMENT	1,454	3,500	2,500	3,500
UNIFORM ALLOWANCE	246	250	500	500
SAFETY EQUIPMENT	57	500	600	750
OIL & FLUIDS	6,331	4,500	4,500	7,000
TOTAL EXPENSES	100,752	167,877	171,104	211,160

TOWN OF CRESTED BUTTE					
2016 BUDGET					
GENERAL FUND-PUBLIC WORKS					
	2014	2015	2015	2016	
	ACTUAL	BUDGET	PROJECTED	BUDGET	
SALARIES & WAGES	105,953	88,782	110,620	138,797	*
OVERTIME	1,926	500	500	1,000	
FICA	8,289	6,830	8,501	10,694	
HEALTH INSURANCE	15,207	25,834	13,561	34,440	*
RETIREMENT	10,624	8,549	9,396	13,074	
TELEPHONE	761	800	1,152	1,200	
UTILITIES	3,290	3,500	6,642	7,000	
SUPPLIES	1,189	2,000	2,000	2,000	
SAFETY EQUIPMENT	1,042	1,000	1,000	1,000	
ENGINEERING AND SURVEYS	0	1,000	1,000	1,000	
ADVERTISING	1,060	1,000	2,000	1,500	
TRAVEL AND EDUCATION	533	1,000	1,000	2,000	
UNEMPLOYMENT INSURANCE	710	268	333	419	
WORKMANS COMP INSURANCE	3,641	4,240	4,240	5,130	
DUES AND SUBSCRIPTIONS	292	300	300	300	
REPAIR AND MAINT.	348	2,000	2,000	2,000	
MEDICAL	576	500	500	1,000	
TOOLS AND EQUIPMENT	574	1,000	1,900	2,000	
GAS AND OIL	12,894	9,000	12,900	13,000	
R&M VEHICLES	1,346	7,500	7,500	7,500	
TIRES	2,756	4,500	5,000	9,000	
UNIFORM ALLOWANCE	662	1,000	1,000	1,000	
TOTAL EXPENSES	173,673	171,103	193,045	255,055	
*50% of wages & corresponding share of Health insurance/retirement moved to Street & Alley fund					
(street/alley/row maintenance & snow removal functions)					

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-BUILDING				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	237,600	245,881	241,000	259,210
OVERTIME	1,108		2,000	2,000
FICA	17,778	18,810	18,590	19,983
HEALTH INSURANCE	40,091	45,572	41,100	48,820
RETIREMENT	20,823	22,224	21,000	23,736
TELEPHONE	300	300	300	350
OFFICE SUPPLIES	1,391	3,000	3,000	3,000
BOZAR PROFESSIONAL SERVICE	10,730	12,000	12,000	14,000
COPIER MAINTENANCE	217	750	750	750
ADVERTISING & LEGAL	3,993	6,500	6,500	6,500
TRAVEL & ED-BOZAR	1,746	2,000	2,000	2,000
CODE BOOKS	0	300	650	1,200
TRAVEL & ED-BLDG	2,651	3,000	1,500	3,500
UNEMPLOYMENT TAX	713	738	729	784
WORKMANS COMP	1,721	1,980	2,010	2,432
DUES & SUBSCRIPTIONS	1,024	800	500	700
HISTORIC PRESERVATION	0	1,200	1,200	3,400
SHED PRESERVATION	161	300	300	400
GAS AND OIL	189	450	200	450
R&M VEHICLES	279	500	500	500
TIRES				
TEMPORARY HELP		11,000	1,000	
SOFTWARE		15,000	5,000	1,000
TOTAL EXPENSES	342,515	392,304	361,829	394,714

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-RECREATION				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
SALARIES & WAGES	106,696	102,752	98,752	103,492
GYMNASTIC COACHES	12,779	12,000	13,000	12,000
TUMBLE BUG EXPENSES	500	500	500	500
PART TIME-TENNIS LABOR	8,320	6,000	6,000	9,000
INTERN WAGES	6,400	9,000	5,000	3,000
REC FACILITY EXPENSE	9,228	12,000	12,000	12,000
TEMPORARY LABOR	3,270	5,000	2,222	5,000
ZAMBONI OPERATOR	4,266	4,000	4,000	8,500
FICA	11,068	10,691	9,991	11,321
HEALTH INSURANCE	18,758	27,803	20,803	29,860
RETIREMENT	5,215	8,835	3,100	7,589
TELEPHONE	799	700	800	800
TELEPHONE-WRMG HOUSE	569	1,100	600	700
TELEPHONE-SHOP	615	1,100	600	700
TRASH PICKUP	5,520	6,500	5,000	6,500
UTILITIES-SHOP	3,260	6,000	5,000	6,000
UTILITIES-ICE RINK	8,264	7,000	8,000	8,500
UTILITIES-WARMING HSE	3,609	6,500	6,500	6,500
UTILITIES-PARKS	6,784	13,000	8,000	8,000
OFFICE/CLEANING SUPPLIES	3,924	2,500	1,000	2,000
SOFTWARE MAINTENANCE	5,865	3,000	3,396	3,595
BANKCARD PROCESSING	2,923	3,000	3,000	3,000
ADVERTISING	2,977	4,000	4,000	4,000
TRAVEL AND EDUCATION	801	7,540	7,500	4,000
UNEMPLOYMENT INSURANCE	445	383	383	394
WORKERS COMP	3,299	3,708	3,708	4,487
DUES AND SUBSCRIPTIONS	589	1,560	1,000	1,000
UNIFORM ALLOWANCE	820	600	600	1,000
MEDICAL	729	350	350	1,000
FLAG FOOTBALL	391	600	600	600
SOCCER EXPENSES	13,045	8,000	9,832	3,000
SOCCER COACHES	13,032	7,000	7,250	1,500
BASKETBALL	851	750	678	800
INDOOR CLIMBING EXPENSE	342	400	240	400
TENNIS LESSONS EXP	1,003	1,000	911	1,000
GYMNASTIC EXPENSES	1,439	3,000	3,000	1,500
DODGEBALL EXPENSE	104	200	0	200
VOLLEYBALL EXPENSE	10	750	750	750
SOFTBALL EXP-ADULT	7,340	10,000	9,800	10,000
HOCKEY EXPENSES-JR	9,613	0	0	0
HOCKEY COACHES	10,480	0	0	0
SKATEBOARD/SKATEPARK	0	500	500	500
GARDEN CAMP EXPENSE	6,998	6,000	7,200	0
LITTLE LEAGUE EXPENSES	6,290	6,000	6,000	6,000
LITTLE LEAGUE COACHES	1,763	3,000	0	3,000
HOCKEY EXP-ADULTS	7,898	0	0	0

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND-RECREATION				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
SUMMER CAMP		9,000	0	0
GAS & OIL	14,891	13,000	13,000	15,000
R&M VEHICLES	7,140	7,500	7,500	7,500
TIRES	1,845	800	800	1,000
BIG MINE PLANNING	13,185	63,000	75,485	0
TOTAL EXPENSES	355,952	407,622	378,351	317,188

TOWN OF CRESTED BUTTE				
2016 BUDGET				
GENERAL FUND RECREATION REVENUE				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
GYMNASTICS	21,510	12,500	12,500	15,000
TUMBLE BUG	632	600	600	600
HOCKEY ADULT FEES	2,340.00	0	0	0
SOCCER FEES	34,967.00	18,000	29,604	10,500
BASKETBALL FEES	1,548.00	1,000	790	1,000
SKATEPARK FEES		0		0
HOCKEY KIDS FEES	3,210.00	0		0
TENNIS TOURNAMENT				750
TENNIS LESSONS	12,936.00	8,000	10,491	10,000
SOFTBALL FEES-ADULT	13,088.00	12,000	13,729	12,000
DODGEBALL	400.00	500	0	500
VOLLEYBALL FEES	58	1,000	0	1,000
LITTLE LEAGUE FEES	7,613	9,000	8,210	9,000
FLAG FOOTBALL	1,430	1,200	1,200	1,200
CHEER CAMP	608	0	843	700
Summer Camp		10,000	0	0
GARDEN CAMP FEES	8,618.00	8,000	9,000	0
PARK FEES	22,884.00	32,000	32,000	32,000
INDOOR CLIMBING	6.00	100	0	100
TOTAL REVENUE	131,848	113,900	118,967	94,350

TOWN OF CRESTED BUTTE				
2016 BUDGET				
RECREATION PROGRAM SUMMARY				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
LITTLE LEAGUE				
Revenue	7,613	9,000	8,210	9,000
Expenses	6,290	6,000	6,000	6,000
Coaches	1,763	3,000	0	3,000
NET REV(COST)	(440)	0	2,210	0
FLAG FOOTBALL				
Revenue	1,430	1,200	1,200	1,200
Expenses	391	600	600	600
NET REV(COST)	1,039	600	600	600
SOFTBALL				
Revenue	13,088	12,000	13,729	12,000
Expenses	7,340	10,000	9,800	10,000
NET REV(COST)	5,748	2,000	3,929	2,000
SOCCER				
Revenue	34,967	18,000	29,604	10,500
Expenses	13,045	8,000	9,832	3,000
Coaches	13,032	7,000	7,250	1,500
NET REV(COST)	8,890	3,000	12,522	6,000
TUMBLE BUGS				
Revenue	632	600	600	600
Expenses	500	500	500	500
NET REV(COST)	132	100	100	100
GYMNASTICS				
Revenue	21,510	12,500	12,500	15,000
Coaches	12,779	12,000	13,000	12,000
Expenses	1,439	3,000	3,000	1,500
NET REV(COST)	7,292	(2,500)	(3,500)	1,500

TOWN OF CRESTED BUTTE				
2016 BUDGET				
RECREATION PROGRAM SUMMARY				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
TENNIS LESSONS				
Revenue	12,936	8,000	10,491	10,000
Expenses	1,003	1,000	911	1,000
Labor	8,320	6,000	6,000	9,000
NET REV(COST)	3,613	1,000	3,580	0
HOCKEY-JUNIOR				
Revenue	3,210	0	0	0
Expense	9,613	0	0	0
Coaches	10,480	0	0	0
NET REV(COST)	(16,883)	0	0	0
HOCKEY-ADULT				
Revenue	2,340	0	0	0
Expense	7,898	0	0	0
NET REV(COST)	(5,558)	0	0	0
TOTAL HOCKEY				
REV(COST)	(22,441)	0	0	0
SKATEPARK				
Revenue	0	0	0	-
Expense	0	500	500	500
NET REV(COST)	0	(500)	(500)	(500)

TOWN OF CRESTED BUTTE				
2016 BUDGET				
RECREATION PROGRAM SUMMARY				
	2014	2015	2015	2016
	ACTUAL	BUDGET	PROJECTED	BUDGET
GARDEN CAMP				
Revenue	8,618	8,000	9,000	0
Expense	6,998	6,000	7,200	0
NET REV(COST)	1,620	2,000	1,800	0
VOLLEYBALL				
Revenue	58	1,000	0	1,000
Expense	10	750	750	750
NET REV(COST)	48	250	(750)	250
DODGEBALL				
Revenue	400	500	0	500
Expenses	104	200	0	200
NET REV(COST)	296	300	0	300
BASKETBALL				
Revenue	1,548	1,000	790	1,000
Expenses	851	750	678	800
NET REV(COST)	697	250	112	200
SUMMER CAMP				
Revenue	0	10,000	0	0
Expenses	0	9,000	0	0
NET REV (COST)	0	1,000	0	0
TOTAL REVENUES				
	108,350	81,800	86,124	60,800
TOTAL EXPENSES				
	101,856	74,300	66,021	50,350
NET REV(COST)				
	6,494	7,500	20,103	10,450

MINUTES
Town of Crested Butte
Regular Town Council Meeting
Tuesday, September 8, 2015
Council Chambers, Crested Butte Town Hall

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

Council Members Present: Jim Schmidt, Glenn Michel, Roland Mason, Shaun Matusewicz, and Chris Ladoulis

Staff Present: Town Manager Todd Crossett was present for the entire meeting including the Executive Session.

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

APPROVAL OF THE AGENDA

Crossett requested an Executive Session to discuss the purchase, acquisition, lease, transfer, or sale of real, personal, or other property interest under C.R.S. Section 24-6-402(4)(a) after Other Business.

Schmidt moved and Mason seconded a motion to approve the agenda with the amendment to add an Executive Session after Other Business. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

CONSENT AGENDA

- 1) Approval of August 17, 2015 Regular Town Council Meeting Minutes.**
- 2) Approval of August 18, 2015 Special Town Council Meeting Minutes.**
- 3) Approval of August 24, 2015 Special Town Council Meeting Minutes.**
- 4) Approval of Vinotok Special Event Application and Special Event Liquor Permit for September 18, 2015 in the 100 Block of Elk Avenue from 6AM to 6AM on September 19, 2015 and September 19, 2015 in the 200 Block of Elk, Closure Starting at 5AM Throughout the Day, Then Rolling Closure on Elk During the Processional Starting at 7:30PM, and the Chamber Parking Lot Closed All Day September 19 Until the Clean Up is Concluded on September 20.**
- 5) Approval of Resolution No. 26, Series 2015 – Resolutions of the Crested Butte Town Council Authorizing the Grant of a Revocable License to Robert V. Hunt to**

Encroach into the Third Street Public Right-of-Way with Sewer Lines Adjacent to Lots 17-21, Block 39, Town of Crested Butte.

6) Approval of Resolution No. 27, Series 2015 – Resolutions of the Crested Butte Town Council Authorizing the Grant of a Revocable License to Ice House LLC to Encroach into the Second Street Public Right-of-Way with Water and Sewer Lines Adjacent to the South Half of Lot 16, Block 28, Town of Crested Butte.

7) Approval of Resolution No. 30, Series 2015 – Resolutions of the Crested Butte Town Council Approving the Vacation and Termination of the Lost Miner Condominiums According to the Plat Thereof Recorded in the Official Real Property Records of the Clerk and Recorder of Gunnison County, Colorado on February 21, 2016 at Reception No. 563032.

Item numbers 4 and 6 were removed from the Consent Agenda.

Schmidt moved and Mason seconded a motion to approve the Consent Agenda with the removal of item numbers 4 and 6, with item 4 added first under New Business. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

PUBLIC COMMENT

Steve Glazer – 718 9th St – Representing the Upper Gunnison River Water Conservancy District

- Requested the Council add cost sharing of the annual maintenance of the flow gauge that was installed on Gothic in Coal Creek to the 2016 budget. He requested \$2,500 from the Town to underwrite a portion of the \$7,500 total cost per year.
- Also asked for support for the cloud seeding program. Town contributed in the past, and he requested \$2,000 from the Town in 2016. Schmidt questioned the total budget on cloud seeding, and Crossett estimated it cost about \$100,000. Mason asked if it was a one-time request, or if it would be ongoing. Glazer said it would be an annual request. Crossett said their study showed increased snowfall from 5% to 10%, due to cloud seeding, which would be a reasonable investment.

STAFF UPDATES

Tom Martin

- Reported that school was back in session, and the Marshal’s Department took public safety seriously before, during, and after school hours. There were almost 700 students this year.
- Mentioned the school had provided a full-time crossing guard.
- It was a busy summer for the Marshal’s Office.

Janna Hansen

- The tennis court project was ongoing. Crews were working on parking lot grading and irrigation. Staff was still working to negotiate with Renner.
- The irrigation audit by Western Resource Advocates indicated Town was doing a great job. They were initially offered \$1,000 for repairs, and then the offer increased to \$2,000.
- Fall sports were in full swing.

Lois Rozman

- Provided sales tax information for July in the packets. It was up 10.3%. Year to date, sales tax was up 14.5%. Reported Town was \$2000 shy of \$1/2 Million in sales tax in one month.
- Staff had been working on budget, and the first work session would be a week from today starting at 5PM.

Bob Gillie

- The excavation phase on the Depot was underway.
- The Building Department was still processing a lot of permits.

Huckstep thanked Due for the work on Elk Avenue, and Crossett thanked all of the crews. Crossett reported they would have to come back to fog coat patches in the 100 Block and 400 Block.

Lynelle Stanford

- Received a liquor license transfer application for the Dogwood.
- The application for the fifth marijuana dispensary was withdrawn.
- Mentioned upcoming special events.
- The County received a total of 200 letters returned on the voter roll project, including 50 from over the weekend.

Todd Crossett

- They were working on water utilities this week in Blocks 79 and 80. A stretch of good weather would dry out the area. They were on track for paving, curbing, and gutters in the next three weeks.
- As Staff worked through budget, it had become evident that with the record number of visitors and sales tax, there was pressure on facilities and the need to update, repair, and augment. It was costing to provide services.

Michael Yerman

- Thanked CBMBA for their work on the Baxter Gulch Trail Day.

PUBLIC HEARING

1) Ordinance No. 8, Series 2015 - An Ordinance of the Crested Butte Town Council Amending Chapter 16, Article 4, Division 10 (“R2A” Residential District) of the Crested Butte Municipal Code to Modify the Minimum Lot Area and the Maximum Building Height in such District.

Huckstep confirmed that proper public notice was given. The public hearing was opened. Huckstep referred to a staff report from Yerman with his recommendation to approve and a copy of the ordinance in the packets. Yerman confirmed there were no changes since his staff report was written. He explained the ordinance would facilitate micro-lots and restrict building heights to 24 feet. There was no public comment, and the public hearing was closed.

Schmidt explained he was voting against the passage of the ordinance because they could get the same results with duplexes and triplexes, which were more efficient.

Michel moved and Ladoulis seconded a motion to approve Ordinance No. 8, Series 2015 to amend the lot size and building height in the R2a zone district. A roll call vote was taken with all voting, "Yes," except Schmidt voted, "No." **Motion passed.**

NEW BUSINESS

1) Approval of Vinotok Special Event Application and Special Event Liquor Permit for September 18, 2015 in the 100 Block of Elk Avenue from 6AM to 6AM on September 19, 2015 and September 19, 2015 in the 200 Block of Elk, Closure Starting at 5AM Throughout the Day, Then Rolling Closure on Elk During the Processional Starting at 7:30PM, and the Chamber Parking Lot Closed All Day September 19 Until the Clean Up is Concluded on September 20.

Huckstep referred to a staff report with the recommendation to approve, which included four contingencies. Crossett explained that the last couple of years they had been working on the fire, but this year there was not much to discuss. He said it was a great event for the community, and Staff wanted to see it go well. He identified the main issue that was raised was around bathrooms. The Chamber Board directed Executive Director, David Ochs, to keep the Chamber bathrooms closed during this year's event. Ochs secured a private donor to provide five portalets in lieu of the Chamber bathrooms. The Staff recommendation was that the Chamber provided the five they planned on providing, and the event organizers would need to provide an additional five portalets. Crossett cited complaints about people making inappropriate decisions, and it was a real issue to address. Because the Town's 308 bathrooms would be under construction, Town would provide three portalets to replace the facilities during the event. If the Council wanted to relax the portalet requirement, he suggested they didn't go lower than a total of eight.

Crossett also mentioned the issue of whether the Chamber should be forced to open the bathrooms, and in that case, the Town would take over the maintenance. He recommended they respect the Chamber Board's decision. Ochs explained the issues that occurred last year caused them to close the bathrooms this year. He said that his emphasis and concern had to do with the visitor experience. If the bathrooms were not online at 6AM that was a poor experience. He thought the location should not be stressed by events. Molly Murfee, event organizer for Vinotok, said they were in a unique position in a sense that they were trying to put on the event for the community. Murfee

saw a lot of entities marketing Vinotok, and she said expenses rose due to their marketing. The event organizers wanted it to remain a free event for community members, but they wanted to do the right thing with the festival. They didn't make the kind of money that they felt was becoming required. They were trying to move in the direction of grants, but they were stuck this year. Huckstep said the challenge became the policy that was implemented. He recognized key questions were if the Council was okay with the Chamber bathrooms being closed and who would take care of them. Schmidt said closing bathrooms was a great disservice to citizens of the community. He said dependent on the sales tax for recreation, they may need to relook at the budget for next year. He encouraged people to vote, "Yes," for the sales tax issue. Schmidt thought it was essential there were portalets, in addition to the bathrooms being opened. He thought Town should find someone to clean bathrooms after the event. Schmidt said that things had changed since the lease with the Chamber was written.

The discussion became centered on the number of portalets/bathrooms that would be needed. Crossett said a known was what happened last year, and eight would double the numbers from last year. He also said that drinking upped the need. Ladoulis said it came down to figuring out how to get it done, and it fell back on the Town. He was in support of Town paying, but he hoped Council was not talking about bathrooms next year. He had no problem with portalets instead of the bathrooms. Murfee felt it had been difficult and frustrating because the Town did not provide a calculator. She also felt the event surrounded by portalets was not a pretty aesthetic. Murfee again cited budgetary concerns. Huckstep said that portalet companies could measure the amount of usage. Crossett said they knew that what happened last year didn't work. Mason asked if anyone on Council was not willing to pony up money for portalets. He said the issue went beyond a lot of use for one night. He wanted to find a holistic solution. Michel said the Chamber bathrooms needed to be included in the Transportation Fund, and they needed to start planning for it. The funding mechanism was tied to the issue of Town's need to provide services with more visitors. Huckstep said the bathrooms had been on their radar for a while. Mason recalled that Town paid \$2,500 for a health and safety survey for Big Air on Elk. Huckstep said they could take funds from the community grant fund. Crossett told the Council that taking funds from the community grant fund would preempt policy. Schmidt said they could leave the bathrooms open, and if they flooded, they would then be locked. Huckstep asked if they could hide the bathroom doors. Matuszewicz suggested they place portalets in front of them. He feared a slippery slope. He thought they included some type of language that anytime the Chamber wanted to close the bathrooms, they were required to provide portalets. Huckstep asked if the consensus was to direct Staff to procure five portalets for the site. Town would pay, and Vinotok event organizers would be directed to apply for community grants. Town had a funding mechanism in place, which was the grant cycle. There was a brief discussion concerning another request for \$3,000 by the event organizers. Huckstep reminded them of the community grant cycles.

Ladoulis moved and Mason seconded a motion to approve the Vinotok Special Event Application and Special Event Liquor Permit with the following contingencies: the Town will provide five portalets in addition to the five provided by the Chamber,

deeming it acceptable the Chamber bathrooms remain closed during the event; Event organizers were directed to apply for future funds through the Community Grant Process; the Fire Department must be provided with a list of theatrical pyrotechnics by Bob Wojtalik; the fire must be out by 10:30PM; No parking allowed on the north side of Maroon Avenue from the 200 Block to the 400 Block on Saturday, September 19, 2015. A roll call vote was taken with all voting, "Yes," except Schmidt voted, "No." **Motion passed.**

2) Approval of Resolution No. 27, Series 2015 – Resolutions of the Crested Butte Town Council Authorizing the Grant of a Revocable License to Ice House LLC to Encroach into the Second Street Public Right-of-Way with Water and Sewer Lines Adjacent to the South Half of Lot 16, Block 28, Town of Crested Butte.

Huckstep referenced a staff report from Jessie Earley with the recommendation to approve. Schmidt was concerned there appeared to be very little work done in the past couple of months and that the fence was blocking out parking, particularly when going into the winter season. Gillie explained that they changed their business plan midstream, and there was a lot of work to complete before the winter season. Huckstep questioned how they could encourage them to expedite the construction. Gillie said they could be forced to buy a new permit when the current one expired. He also said the permit had a long list of requirements. Huckstep wondered if there had been issues at that intersection. Gillie said they had worked with Town. Schmidt said they needed to know that it was a real problem.

Schmidt moved and Ladoulis seconded a motion to allow the sewer and water lines in the Second Street right of way adjacent to the South half of Lot 16 Block 28 and to approve Resolution No. 27, Series 2015. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

3) Resolution No. 23, Series 2015 – Resolutions of the Crested Butte Town Council Approving the Big Mine Park Master Plan.

Hansen thanked the steering committee, and she acknowledged the public process and collaborative efforts. She introduced, Tina Bishop, who was the prime consultant. Bishop thanked Team Pain and everyone involved. Bishop explained that they looked at the context of the skate park in the community, including the site plan and the current condition of the park. She said that utility upgrades were a big deal in creating a park with winter and summer uses. They identified it would be great to express the mining history around Big Mine and to make it more connected for pedestrians. They addressed a variety of recreational needs within the park. Bishop recognized that the plan had to be phased in order to be done with partners and other opportunities, and they wanted to be sure there was no loss of amenities.

The master plan included improvements to the sledding hill and an addition to the Big Mine Arena for the hockey program. Bishop also cited improvements to the Nordic Center and parking. Snow storage was also important. The master plan considered a

number of amenities and protection of wetlands. Bishop continued to explain proposed improvements to the Nordic Center. She emphasized it would be a project that needed to be phased. She pointed out there were utilities under the rink that would be moved out. Two current park uses would be relocated off site: the skate park and the disc golf course.

Huckstep thanked those involved for their work, and Hansen thanked Western State Colorado University professor, Duane Vandenbusche. Schmidt mentioned the money wasn't there to complete the plan. He mentioned the proposed sales tax increase on the upcoming ballot would help. Bishop added that they calculated a 40% contingency with the costs. Hansen said that master planning was big picture with many projects. They intentionally left the structures plain; BOZAR just discussed their masses and scales. Hansen also mentioned there was a lot of in kind work that went into Town projects, and the estimates were based on hiring contractors. Matusiewicz suggested an art piece on the south end of the backside of the hockey arena. Matusiewicz questioned if the plan would permanently stop the bus from coming into Big Mine. Bishop said the trade off with the bus route would be parking. Hansen said Mountain Express was included in the discussion.

Michel moved and Schmidt seconded a motion to approve Resolution No. 23, Series 2015 with changes to the resolution correcting the meeting date and including the steering committee as recommending the master plan. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

4) Resolution No. 28, Series 2015 – Resolutions of the Crested Butte Town Council Approving the Creative District Strategic Plan.

Yerman stated that the process for becoming a Creative District was a three-year project. He explained they were picking it back up after Council asked for feedback on what the commission might look like. Colorado Creative Industries (CCI) awarded them a facilitator to assist with creating it, and the next steps would be getting recommendations for what the group might be doing. Yerman requested two Council members assist in the process. Schmidt had already agreed to serve.

Representatives from the Creative District were present at the meeting:

Shaun Horne

- The plan ultimately was an expression of Crested Butte's local community.
- It was initiated by and perfectly in line with the Arts Alliance.
- Stated that Crested Butte should be competitive in developing destination creative events.

Ivy Walker – President of the Board of the Artists of the West Elks

- The Creative District connected people to a mind set for collaboration and creativity.
- It supported the organic creativity that was here.

Dusty Demerson

- There was already a vibrant arts community in Crested Butte.
- Town would benefit from an Arts District, and the Chamber and Tourism Association would gain talking points.
- Travelers chose destinations based on arts and cultural offerings, and they were lower impact visitors.
- The Creative District would provide opportunities for artists.
- Businesses benefitted from the Creative District.

Kimbire Woods

- The Arts District would support the vital arts community that initially created the opportunity to be the Arts District.
- The terrain would become extreme in the arts without the Arts District, and they need the Council's help.

Michel moved and Mason seconded a motion to approve Resolution No. 28, Series 2015 adopting the Creative District Strategic Plan. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

5) EPA Update on Standard Mine.

Christina Progress and Jim Hanley, managers for the super fund site at Standard Mine, were present at the meeting. It was explained they wanted to learn from mistakes from the Gold King Mine (GKM) incident. EPA management suspended work at Standard Mine, but it had restarted as of last Thursday.

There were lessons learned from the GKM incident such as:

- Build a good team of engineers and contractors.
- Collect and analyze mine drainage data.
- Develop and exercise an Emergency Action Plan.
- Important to get a hold of the right people in a short period of time.

Hanley gave a project dashboard and budget overview of the Standard Mine project. He explained they were not on schedule because of the suspension of work. They paid stand by time to keep the site secure. He said they were taking the cautious approach to have some protection from a surge event. The idea was never to be in a vulnerable position without some form of protection. Schmidt questioned if they were going to de-water, how much was there and where was it going. Hanley answered that it ended in Elk Creek after going through settling ponds. It would be easy to de-water in a few days. Progress described three or four settling ponds that held 160,000 gallons of water, which provided plenty of room. Hanley added Standard Mine was pretty isolated from other mines with simple hydrology. He emphasized their conservative approach. Progress said they had the ability to treat the water chemically. The settling ponds also helped metals drop out. Huckstep thanked them for being receptive to concern and for being pro-active. Schmidt wondered if there were other mines in the Coal Creek drainage that needed this type of

remediation. Hanley said there was an effort to inventory mines in an organized way and to compile one comprehensive list of mines that put their watersheds at risk. Progress added there was a collaborative effort to identify the main culprits for water quality degradation from mining issues.

6) Resolution No. 29, Series 2015 – Resolutions of the Crested Butte Town Council Authorizing the Expenditure of Up to \$1,000,000.00 from the Town’s Open Space Fund for the Purchase and Conservation of 4,348 Acres As Identified in Exhibit A.

Huckstep referred to a staff report from Yerman with the recommendation to approve. Schmidt wondered why the figure was 4,348 Acres. Yerman explained it was the actual amount of the conservation easement because Trampe had put a portion in easement already.

Schmidt moved and Mason seconded a motion to approve Resolution No. 29, Series 2015. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

7) Discussion and Possible Action Regarding Options for Enforcement of Accessory Dwelling Unit (ADU) Restrictive Covenant Agreements.

Gillie said that Belkin could revise the language in the long-term rental definition, and they could create a different process for ADU enforcement rather than municipal court. There could be a fine, then an appeal to the Town Manager, and then District Court. Schmidt identified two components: enforcement of what Town already had and changing the ordinance for future deed restrictions. Crossett said the stick was to cite an offender into municipal court, but then the burden of proof would be on the Town. Crossett said they could change code, so there was an enforcement mechanism that was more tailored that could apply. Ladoulis identified the objective was they wanted to motivate compliance. He wanted to know what compliance looked like. Ladoulis wanted to talk about carrots. Huckstep said the outcome was shifting units into the rental pool, but they should be shooting beyond just getting them in the rental pool. He said they all talked about how they couldn’t control rent. Matuszewicz pointed out the people were in violation of a contract, and they needed to go after them. Huckstep disagreed with Matuszewicz. He asked if it the definition was having a tenant in the property, or if it was sufficient to put up a for rent sign. Crossett said they could further define what short- term rental meant. Matuszewicz said the price would adjust until they found a tenant. Huckstep asked if the Town would win if sued. Matuszewicz reiterated they had a signed contract with the Town and people were in violation, period. Gillie thought Town had a fairly good level of compliance. If they debated the legality of winning in court, they should continue the discussion until Belkin could be present. Gillie said there was a moment in time when people who didn’t intend to comply had to be forced into compliance. They sent people their covenants every two years. If there were no repercussions, they continue to do it. Gillie suggested the possibility of ratcheting up communications with people. They could get some compliance regardless, and if they had rules they had to be able to enforce them. Schmidt wondered if it would do any good. He thought people had been skating and didn’t care. Gillie didn’t think that

money was a motivating factor. Schmidt saw it as an ethical problem and problem of honor. Gillie said that some people inherited the covenants. Huckstep said these people were not going to come in with a letter; if they wanted something they would have to affirmatively track them down. Mason said they could implement moving forward, but they couldn't do much about people in noncompliance right now. He wondered if the code change would increase enforcement options on existing ADUs. Crossett said the code could be changed, and there would be options with existing ADUs. They couldn't go back and re-write the covenants, but they could change the code. Mason asked Gillie if there were designs tailored to rentals. Gillie said there were not a lot of ADUs going in right now, but there were heated and plumbed accessory buildings. Matuszewicz said they could add the teeth, and Telluride's model worked and had been challenged. Schmidt thought that Belkin needed to present the options at a public meeting. Crossett suggested continuing until Belkin was back. Matuszewicz wanted to give Belkin the opportunity to start drafting an ordinance. Huckstep was not sure if Telluride was comparable to what was happening in Crested Butte.

Priscila Palhava was present in the audience. She voiced concern that with too much stick, people wouldn't build accessory dwellings anymore. Gillie cited benefits for the property owners: the affordable housing fee was waived, the Town paid the tap fee, and they were able to get a taller building and more density on the lot. Palhava wouldn't include an accessory dwelling as a homeowner. The Mayor repeatedly informed Palhava that it was not meant to be a question and answer session.

Matuszewicz moved and Michel seconded a motion to direct the Town Attorney to draft an ordinance to address the proposed changes to the municipal code consistent with John Belkin's memo from September 8, 2015. A roll call vote was taken with all voting, "Yes," except Huckstep voted, "No." **Motion passed.**

8) Approval of the Appropriation of Matching Funds from the Open Space Fund for the 2016 Great Outdoors Colorado Youth Corps Crews Open Space Maintenance Project Grant and Authorizing the Town Manager to Sign the Grant Application.

Yerman explained this grant was the same used to get the Baxter Gulch Trail going. The Forest Service was doing a NEPA study, and he didn't want to push the trail onto Forest Service land. He thought the upcoming section of trail building in the next two years could be achieved with CBMBA, and he didn't need the Youth Corps for four weeks next year. Yerman said the grant would be due on September 25, and they could start addressing needs with the uses that were seen. Crossett agreed it would be a cost effective method.

Schmidt moved and Mason seconded a motion to approve the appropriation of up to \$10,000 of matching funds from the open space fund in 2016 for the Great Outdoors Colorado Youth Corps Crew and authorize the Town Manager to sign the grant application. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

LEGAL MATTERS

None

COUNCIL UPDATES AND COMMITTEE UPDATES

Glenn Michel

- Attended a presentation on the Center for the Arts, and he saw what they were contemplating for the interior.

Jim Schmidt

- Members of the Cemetery Committee were contacting families concerning several monuments that were falling apart, and they were getting permission to stabilize them. They hoped to be done by the end of the summer.

Aaron Huckstep

- Attended a CAST meeting last week. The backcountry issue was occurring across the board. Affordable housing and short-term rental issues were parts of ongoing discussions.
- Referred to a headline in the *Vail Daily*. There was pressure in other communities, and they were saying no to events.
- The Colorado Governor's Tourism Conference would be in Mt. Crested Butte.
- There would be a RTA meeting on Friday.

OTHER BUSINESS TO COME BEFORE THE COUNCIL

Schmidt noticed spikes of rebar on the Lupine Trail, and he asked if Yerman was aware. Yerman guessed a landowner put them in, and he would find a solution.

Matusewicz mentioned when Phish was in Commerce City the lead singer mentioned Crested Butte.

Matusewicz questioned Huckstep on his desire to continue to serve as board president for CAST as a councilman rather than as a mayor. Huckstep said there was no requirement he had to be mayor to serve as president on CAST. Matusewicz questioned if there was a policy in place.

DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

- Tuesday, September 15, 2015 – 5:00PM Budget Work Session
- Monday, September 21, 2015 – 5:00PM Budget Work Session – 7:00PM Regular Council
- Monday, October 5, 2015 – 5:00PM Budget Work Session – 7:00PM Regular

- Council
- Wednesday, October 14, 2015 – 5:00PM Budget Work Session
 - Monday, October 19, 2015 – 6:00PM Work Session – 7:00PM Regular Council

EXECUTIVE SESSION

Schmidt moved and Mason seconded a motion to go into Executive Session to discuss the purchase, acquisition, lease, transfer, or sale of real, personal, or other property interest under C.R.S. Section 24-6-402(4)(a). A roll call vote was taken with all voting, “Yes.”
Motion passed unanimously.

Council went into Executive Session at 10:24PM. Council returned to open meeting at 10:51PM. Mayor Huckstep made the required announcement after returning to the open meeting. No action was taken.

ADJOURNMENT

Mayor Huckstep adjourned the meeting at 10:53PM.

Aaron Huckstep, Mayor

Lynelle Stanford, Town Clerk (SEAL)



To: Mayor Huckstep and Town Council
From: Michael Yerman, Town Planner
Thru: Todd Crossett, Town Manager
Subject: **Copley Lake Preservation Project Funding Request**
Date: September 21, 2015

Background:

The Crested Butte Land Trust will be presenting the Copley Lake Preservation Project to the Town Council to preserve 15+ acres of land that borders Copley Lake. This includes 2,000 feet of the shoreline surrounding half of the lake. The Land Trust is requesting a funding commitment of \$25,000 in 2015 for this project.

As the Council is aware, the funding commitment for the Trampe Ranch project has used up almost all of the Town's open space funds in 2015 and 2016. With aggressive revenue predictions, the fund balance at the end 2016 is only \$78,000. Staff has discussed this prior commitment funding commitment for Trampe with the Land Trust and the Land Trust has proposed a payback proposal if additional funds are needed from the \$25,000 commitment to allow the Town to fulfill its obligation to the Trampe project. This will be formalized in a funding agreement for the Copley Lake project and the Town would be able to payoff both commitments in 2017.

Recommendation:

Staff recommends the Town Council direct Town staff to prepare a resolution of support for the Copley Lake Preservation Project and a funding agreement for Council's consideration on October 5th.



Copley Lake Overview

Wet and Wonderful: The Gunnison Valley's lakes and wetlands are conservation priorities here on the arid western slope of Colorado. The Crested Butte Land Trust is thrilled to be working with a local landowner to protect 15+ acres at Copley Lake, including almost 2,000 feet of shoreline that surrounds half the lake.

The Crested Butte Land Trust continues to pursue conservation projects that help ensure the environmental and economic strength of the valley, believing that smart land conservation benefits everyone. ***Preserving our crystal clear waters and the surrounding wetlands provides enormous benefits to our community – like water purification and flood control, to name a few.*** These wetlands also provide critical habitat to hundreds of species that also call Crested Butte home.

As a partner of the Crested Butte Land Trust, you are instrumental in protecting the quality of life here. Working to protect Copley Lake is a prime example of how we take on a challenge to contribute to our valley's economic diversity and prosperity. Water and wetlands are important to ranchers, local wildlife, our spectacular wildflowers, and hikers and bikers like you, too.

Copley Lake is also part of the Coal Creek Watershed, which provides the residents and visitors of the Town of Crested Butte their drinking water.

Our fundraising efforts have just begun; together we must act quickly. ***While the landowner has very generously reduced the purchase price to 20% below appraised value, we only have until December 1, 2015, to raise the funds.*** We are in the process of submitting grants – but competition is fierce, and grants that show community support are the most successful. A pledge from the Town of Crested Butte will help us leverage our ability to receive additional funding. ***Time is of the essence - we must raise almost \$100,000 right away.***



Photo: Bob Couchman

The beauty of the Crested Butte area makes powerful impression on all of us – it's the main reason we live here. We stay because of the friendly community, the incredible wildflowers, our clear, clean water, and the world-class trails and skiing. The loss of wetlands and fresh water sources throughout the United States has been expansive. Let's not let that destruction happen here at home. ***Our success lies in the backing of people like you, who recognize how important places like Copley Lake and its wetlands are to our community, and who pitch in when you're needed.*** Please help us demonstrate your community support.

For more information, please contact Ann Johnston, at 970.349.1206 or director@cblandtrust.org.

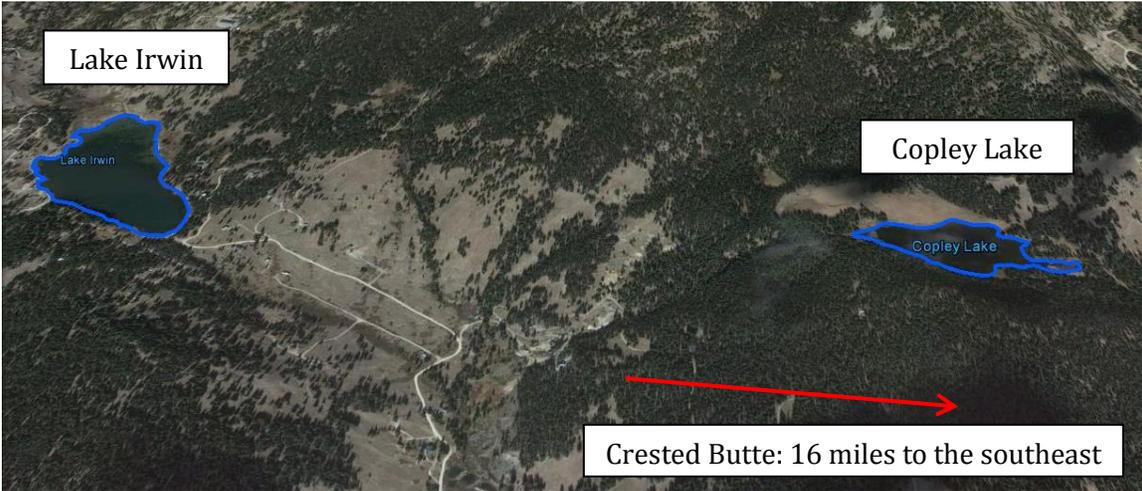
Please help us protect Copley Lake and its surrounding wetlands before it's too late.

Preserving the present for the future

P.O. Box 2224 Crested Butte, Colorado 81224 970-349-1206 cblandtrust.org



- 1: Copley Lake Photograph by Bob Couchman
- 2: Green outline of mining claim to be protected
- 3: Copley Lake location in relation to Lake Irwin and Town of Crested Butte



RESOLUTION NO. 31

SERIES NO. 2015

**RESOLUTIONS OF THE CRESTED BUTTE TOWN COUNCIL
ENCOURAGING ALL REGISTERED VOTERS IN THE
GUNNISON VALLEY TO SUPPORT CONTINUING AND
EXPANDING THE SERVICES OF THE GVRTA BY VOTING
YES ON BALLOT MEASURE 5A IN THE NOVEMBER 2015
ELECTION**

WHEREAS, the Gunnison Valley Transportation Authority (GVRTA) is a joint enterprise between the Town of Crested Butte, The Town of Mount Crested Butte, The City of Gunnison, and Gunnison County; and

WHEREAS, since its inception in January 2003, the GVRTA has effectively assured air service to the Gunnison Valley; and

WHEREAS, the RTA has established free bus service between Gunnison and Mount Crested Butte which alleviates traffic and parking congestion in the valley; and

WHEREAS, since November of 2007, the GVRTA busses have carried over 600,000 passengers, thus significantly reducing private vehicle use, impacts to the environment, and impacts to State Highway 135; and

WHEREAS, 2015 ballot measure 5A will increase funding to enhance senior transportation, air service to the Gunnison Valley, and bus service between the two ends of the valley;

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

We hereby resolve to acknowledge the value and effectiveness of the GVRTA and encourage all registered voters in the Gunnison Valley to support continuing and expanding the services of the GVRTA by voting YES on ballot measure 5A in the November 2015 election.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL THIS ___ DAY OF _____, 2015.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Aaron J. Huckstep, Mayor

ATTEST

Lynelle Stanford, Town Clerk

(SEAL)



VOTE YES on 5A- SUSTAINING OUR VALLEY'S TRANSPORTATION

September 14, 2015

Contact: Molly Mugglestone/Campaign Manager 970-275-8909

molly@mdmpublicaffairs.com

Voters to decide on sales tax increase for sustainable transportation options in the Gunnison Valley

Gunnison County- This fall Gunnison County voters will be asked to support a ballot measure that will increase the sales tax for the Gunnison Valley Rural Transportation Authority (RTA). With ballots being mailed this year on October 13th the Yes on 5A campaign is working to educate voters about the measure and why it's needed for the community's economic wellbeing.

The RTA's two primary missions are to serve the residents of Gunnison County with an energy efficient bus system and maintain and grow air service to and from the Gunnison-Crested Butte Regional Airport. The RTA is a Special Taxing District and is funded by sales tax. The last time a sales tax increase was approved to fund the Gunnison Valley RTA was 13 years ago in 2002 and renewed in 2008.

With the current funding structure of the RTA their Executive Director Scott Truex, has said "We are able to fund a really good air program or a really good free bus program, but not both." It's been 13 years since RTA has asked for new funding. Since then maintenance and operating costs to run the bus fleet have increased significantly and the cost of securing flights in and out of the airport continues to go up.

At the same time bus ridership has nearly tripled in the last 4 years with an expected 118,000 people using the free bus service in 2015. It will cost over \$620,000 each to replace current vehicles with new buses better suited to our climate and the number of miles being put on the busses each year.

The Gunnison-Crested Butte Regional Airport is a vital part of the Gunnison Valley economy. The funds generated by the tax will go towards protecting existing flight service, and securing future flights to and from the airport. That means more flight options for local residents, and more tourism dollars going into our local economy. Research has shown that visitors to the Gunnison Valley that come through the airport stay an average 7 nights and spend \$981. Additionally, the airport supports \$14.3 million dollars in local salaries annually. So increasing the number of seats and flights available into the airport is a direct way to grow our economy.

The sales tax will be a leveling tax, bringing the entire special taxing district up to 1.0%. When the RTA was formed Crested Butte's sales tax for the district was .6% and Gunnison's was .35%. This ballot initiative proposes to balance that out across the district to 1.0% ---which is 10 cents on every \$10 and does not include groceries or energy/gas. With the RTA's mission of serving both ends of the valley with comprehensive bus and air service, the leveling to 1% is being sought to equalize the tax across all areas of the district.

The tax is expected to bring in an additional \$1,250,000.00 to the RTA with the first \$250,000 specifically spelled out in the ballot language to fund senior transportation. The RTA has listened to the senior groups who have asked for increased transportation options and this ballot measure is essential to being able to respond to those needs. The additional money will be used "for expanded bus service along the highway 135 corridor, funding air services and for other services consistent with the mission of the RTA."

"The Yes on 5A campaign is a common sense approach to continue to fund the RTA in a way that our entire valley's diverse population can benefit from. By leveling up and down valley, all of us will be equally contributing to our whole valley's economic vitality. We all benefit from increased air service which keeps our tourism engine going. We all benefit from less cars on our highways with energy efficient RTA busses getting people to work and to play. We all benefit when our senior population can thrive and get where they need to go. No one likes a tax increase, but this is crucial for our communities' success and we hope you will vote yes when your ballot arrives in the mail in October," says *Yes on 5A-Sustaining Our Valley's Transportation* campaign manager Molly Mugglestone.

###



VOTE YES on 5A- SUSTAINING OUR VALLEY'S TRANSPORTATION

The Gunnison Valley Rural Transportation Authority (RTA) has two primary missions that serve the residents of Gunnison County:

1. Maintain and manage a long term, energy efficient public ground transportation system.
2. Work with the airlines to maintain and grow air service to and from the Gunnison-Crested Butte Regional Airport.

The RTA is a Special Taxing District (a governmental entity) and is funded by sales tax.

- The sales tax is collected on all retail sales in the district except for groceries and energy.
- The District includes the entire County except for Marble, Pitkin, and Ohio City.

Why 5A, Why Now?

- Many residents in Gunnison Valley including students and seniors enjoy the convenience and economic benefits of the RTA's free bus service, but it's not really free. Did you know it costs the Gunnison Valley RTA \$125 to run a bus one-way between Gunnison and Mt. Crested Butte? In fact, ridership has increased from 48,000 people to 118,000 people since 2011.
- A survey done several years ago showed that 35% of the ridership of the free bus was Western students (and it can be assumed that this number continues to go up each year as the bus schedule has expanded to accommodate more riders during ski season).
- It will cost over \$620,000 each to replace current vehicles with new buses better suited to the service (80% of the first bus will be paid for with a Federal grant from CDOT).
- The Gunnison-Crested Butte Regional Airport is a vital part of the Gunnison Valley economy. The funds generated by the tax will go towards protecting existing flight service, and secure future flights to and from the airport. That means more flight options for local residents, and more tourism dollars going into our local economy.
- Research has shown that visitors to Gunnison Valley that come through the airport stay an average 7 nights and spend \$981. So increasing the number of seats and flights available into the airport is a direct way to grow our economy.
- The Gunnison-Crested Butte Regional Airport has 149 direct employees and 249 indirect

employees, resulting in \$14.3 million dollars in local salaries annually.

- The Gunnison-Crested Butte Regional Airport generates \$177 million dollars in annual direct and indirect output, and \$5.5 million in tax revenue by commercial aviation visitors. These numbers can grow with additional funding.
- Except for United air service from Denver, the airlines require Minimum Revenue Guarantee Contracts to fly to Gunnison. The RTA needs the new revenue to secure those contracts and keep flight coming in and out of Gunnison.

Conclusion

On October 13th ballots will be mailed out and registered voters will be asked to consider ballot number 5A, a sales tax increase to generate additional funding for our bus and air service operations. This increase will be on sales tax, will not be reflected in household food purchases and will equal 10 cents on every \$10 purchase.

The last time a sales tax increase was approved to fund the Gunnison Valley RTA was 13 years ago in 2002 and renewed in 2008. Since then the cost of maintaining the bus fleet over time and negotiating deals with the airlines has increased significantly.

We encourage you to **VOTE YES ON 5A!**

What Can You Do?

- FOLLOW US ON FACEBOOK www.facebook.com/voteyes5A and for more information and contact information visit www.sustainingourvalleystransportation.com
- To make a donation to the campaign please send a check to Sustaining Our Valley's Transportation at P.O. Box 523 Gunnison, CO 81230
- Contact molly@mdmpublicaffairs.com for a yard sign and for ways to get involved.

5A Ballot Language

GUNNISON VALLEY TRANSPORTATION AUTHORITY (RTA) BALLOT QUESTION

SHALL GUNNISON VALLEY TRANSPORTATION AUTHORITY ("RTA") TAXES BE INCREASED \$1,250,000 IN 2016 AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER FROM INCREASING THE LEVY TO A 1.0% TAX (TEN CENTS ON EACH \$10.00 PURCHASE) WITHIN THE RTA DISTRICT BOUNDARIES UPON EVERY TRANSACTION OR OTHER INCIDENT ON WHICH A SALES TAX IS LEVIED BY THE STATE (WHICH DOES NOT INCLUDE ENERGY OR FOOD FOR HOME CONSUMPTION), FOR THE PURPOSE OF FUNDING SENIOR TRANSPORTATION WITHIN THE DISTRICT WITH THE FIRST \$250,000.00 RAISED, FOR EXPANDED PUBLIC BUS SERVICE ALONG THE HIGHWAY 135 CORRIDOR, FOR FUNDING AIR SERVICE, AND FOR OTHER PURPOSES CONSISTENT WITH THE MISSION OF THE RTA; AND SHALL ALL AMOUNTS RECEIVED BY THE RTA FROM SUCH TAXES AND OTHER REVENUES AND EARNINGS THEREON BE COLLECTED AND SPENT WITHOUT LIMITATION OR CONDITION AS A VOTER-APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?



Staff Report September 21, 2015

To: Mayor and Town Council
Thru: Todd Crossett, Town Manager
From: Bob Gillie, Building and Zoning Director
Subject: **Alcohol Use in Retail Establishments**
Date: September 10, 2015

Summary:

There is a proposal to have the Town consider allowing retail outlets to sell beer and wine. The contention is that other jurisdictions are allowing this. This proposal is being forwarded by Travis Underwood of Chop Wood Mercantile.

Evidently this type of use can be approved by the state liquor authority as a beer and wine license. The cost to the applicant would be \$1000 to the local jurisdiction and \$1025 to the State for the initial application. On a yearly basis the fee would be \$48.75 to the Town and \$351.25 to the State. The applicants would be required to serve sandwiches and light snacks as part of the State requirements.

The question is if the Town wants to allow more alcohol outlets from a philosophical standpoint and if so how to regulate and apply a fair rule set to the use from a practical angle.

Background:

Philosophical: On the philosophical side, the question is whether it is desirable to allow expanded alcohol use in Town and what impression that might make on our clientele? There are currently 51 liquor outlets in Crested Butte, purportedly the highest number per capita in the state. Is it fair to those currently serving food and alcohol to allow other uses to do so? Is it a good idea to let children see expanded drinking venues?

If retail can serve alcohol then what other uses should be able to? Is it okay for personal service establishment (massage therapists, lawyers or oxygen bars)? At what percentage of business derived from the sale of alcohol should cause a reclassification of the use?

Practical: On the practical side there were several questions. Firstly, what is the right mix of regulation to make sure that the rule set is fair to those uses such as bars/restaurants that have paid higher taps and met more stringent parking requirements?

Taps – Restaurant/Bars – The base rate for a restaurant/bar is 1.36 which gives you 375 Square feet of seating. Each additional 375 Square feet of seating is an additional .55 of an EQR.

Retail –Retail businesses are charged 1 EQR for 1500 square feet of space.

Obviously the issue here is that Bars and Restaurants use more water and have more waste water than retail outlets. They process food, they wash dishes, and they flush more toilets. The question for retail outlets is will they use disposable cups or will they wash glasses and plates? Will there be a higher load on the waste water system caused by people consuming liquids?

- **Parking** – Restaurants/Bars – The first 1000 square feet of a restaurant is 1 space for each 500 square feet for the first 1000 square feet, 1 space per 250 square feet for the next 1000 square feet and 1 space per 100 square feet above 2000 square feet.

Retail – Each 500 square feet of retail space is one parking space.

The issue here is that once the infrastructure for a restaurant (kitchen and bathrooms) go in additions to floor area are likely to be seating which creates additional demand for parking. If the sale of liquor at a retail establishment creates more traffic in the establishment, as one would think the objective is, is the 500 square feet per parking space still adequate?

- **Bathrooms** – Restaurant/Bars – All restaurant bars are required to have male and female bathrooms once they exceed 1200 square feet.

Retail – Mercantile uses which serve less than 50 people need only on unisex bathroom (1500 sq. ft.)

- **Food** – Bars and restaurants – typically have full service kitchens and things such as hoods and per-treatment facilities which can be costly.

Retail – If you serve alcohol then you must serve food although it is possible to limit this to items that are not cooked and prepared on site but this should be made a matter of regulation.

- **Serving** – Bars and restaurants –Servers must have TIPS certification. They must control who they serve to and are required to keep alcohol from leaving the premises.

Retail – Does the same standard apply?

Process -Other questions that may come up are related to process. All bars and restaurants in town are conditional uses and must be granted the use by the Board in a public hearing process. This gives the Town the ability to talk about trash removal, deliveries, etc. as well as give the neighbors a chance to react to the proposal. Retail outlets on the other hand are permitted uses and may be implemented without public process if allowed in the zone. Retail may exist in the C zone but the service of food and alcohol is not so there would have to be a carve out for this zone. Should the service of alcohol in an establishment be subject to the conditional use procedure and a new use category established?

Discussion:

Pros:

1. There might be an increase in sales tax from allowing beer and/or wine sales in additional locations
2. This would be responsive to a trend being promoted by the retail sector.

Cons:

1. This could lead to more enforcement issue for the marshal's department.
2. This could have a negative effect on the Town's brand as a family friendly environment.
3. This could lead to additional uses requesting the same serving capabilities.
4. This could lead to fairness issues related to other establishments that serve food and alcohol.

5. This would require more Council public hearings for liquor licenses and more Bozar process if it is decided to allow it.

Legal Implications: Logically we would need to create a new category of conditional use for this use and develop a rule set to control certain aspects such as time of service, limitation of types of food prepared on site, limitations on serving implements that don't require washing, limitation on size of serving area without additional bathroom facilities.

Financial Implications: It would be helpful to have the income derived from the retail sales and food and alcohol sales be reported separately to help track the use.

Recommendation: The clerks, marshals, zoning and public works department heads met to discuss this proposal. The general consensus was that the cost and issues related to the proposal was out of proportion to the likely benefits to the Town and recommends that the proposal not be pursued.

Proposed Motion:

Negative: If the Council wishes to not pursue the proposal then communicate this to the staff.

Positive: If the Council wishes to pursue the proposal then move to direct the staff to develop an ordinance to create a new conditional use and rule set associated with it and refer the matter to the Bozar for a recommendation.

Lynelle Stanford

From: Travis Underwood <travis@chopwoodmercantile.com>
Sent: Monday, September 14, 2015 4:12 PM
To: Lynelle Stanford
Cc: Lisa Cramton
Subject: Chopwood - Retail / Beer License

Hi Lynelle -

Here is the letter to council.

Dear Council --

Chopwood Mercantile is a new outdoor lifestyle retail boutique in the Penelope's building at 120 Elk Ave. The premise of our business is all about social connection, community involvement and sharing stories. There has been a shift in outdoor retail across the industry and we are bringing a fresh perspective to Crested Butte. One aspect of our business is to have a beer and wine only license. We are NOT trying to be another bar. The purpose of the license will be to add social engagement and for special events. We would be installing 2-4 taps, serve coffee and non-alcoholic beverages. Our hours are 10-6 m-f and 10-4 Sunday during the busy seasons. We will also be dedicating 1 tap proceeds to a monthly non-profit.

Retail is a changing landscape and there are a vast number of credible images in retail that have added craft beer to their offering. Running stores, Outdoor Gear Stores, Bike Shops, Whole Foods and now Target all are offering craft beer and wine.

Please read the SNEWS Outdoor Article about Retail / Craft Beer : <http://www.snewsnet.com/news/gear-and-beer-outdoor-retailers-offer-in-store-brews-to-tap-more-traffic/>

Sampling of retail with beer stores:

Colorado Based Businesses that are retail serving beer/wine:

Shoes and Brews - Longmont
Denver Bicycle Cafe - Denver
Cripple Creek Backcountry - Carbondale
CyclHops - Longmont

Out of state:

VeloCult - Portland
The Hub - North Carolina
Redpoint Climbers Supply - Oregon
Crowsfeet Commons - Bend, Oregon

I have checked with the Colorado Liquor laws as well the Colorado Health Dept and we would meet all their requirements for licenses / health code once we installed some additional wash sinks.

Chopwood Mercantile is already getting a regional following and we are working on a Denver Location that will have a full tap room as well. Launching the business in Crested Butte is an asset for Crested Butte and a tax revenue generator.

Thank you for your consideration.

Best Regards,
Travis Underwood and Lisa Cramton - Owners
Chopwood Mercantile



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Gear and beer: Outdoor retailers offer in-store brews to tap more traffic

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Outdoor retailers and craft brewers are teaming up on shopping experience that e-commerce can't offer.

Related Content

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Outdoor Retailer to stay in Salt Lake City through 2018 with new dates

Has your outdoor business taken the OIWC pledge?

The hottest new gear from Outdoor Retailer's 2015 Open Air Demo

Funding fun: 2015 Outsiders Ball raises \$265,000 to get more youth outdoors

Download your free copies of the Summer Market O.R. Dailies, Days 1-4

Brand blackout: Night 0 at Summer Market is for the Outsiders Ball

Join us this summer at the Outsiders Ball

Backcountry.com acquired by private equity investor TSG Consumer Partners

By M.T. Elliot - November 11, 2014

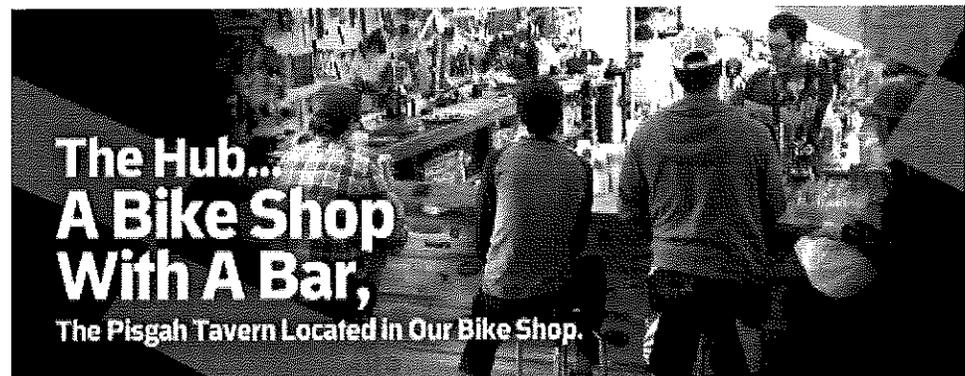
This might bring new meaning to the phrase: "shop 'til you drop."

Several outdoor and fitness retailers are beginning to serve beer and wine in their stores. It's all part of the evolving brick-and-mortar "shopping experience, with live events and perks that virtual shops can't compete with.

The partnership between the local craft brewers and the outdoors is already a close one. New Belgium and Sierra Nevada advertise and sponsor many events for the active lifestyle set, including at Outdoor Retailer.

The trend of gear and beer is blossoming in Colorado and North Carolina: states known for craft brewers. Retailers willing to jump the hurdles of construction and alcohol permits report growth in both customer base and in sales.

The Hub, a bike shop and outdoor supplier in Pisgah Forest, N.C., added a bar with four taps five years ago. Now they have six taps, and a covered deck to accommodate more drinkers outside. "Weekend Days it's standing room only. packed in here for sure," said co-owner Jordan Salman.

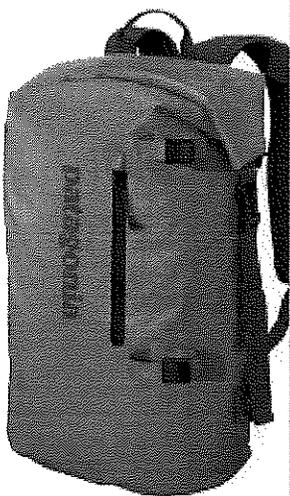


It's something online retailers can't provide: community. If that sounds like a stretch, consider the "buy local" loyalty associated with craft beer drinkers.

"What was most interesting as a retailer wasn't that you get people a little bit boozed up and they open their wallets...", Salman said. "It's that people that come in here develop a relationship with us and then they're not buying on the Internet anymore."

Keep Gear Dry in a Stormfront

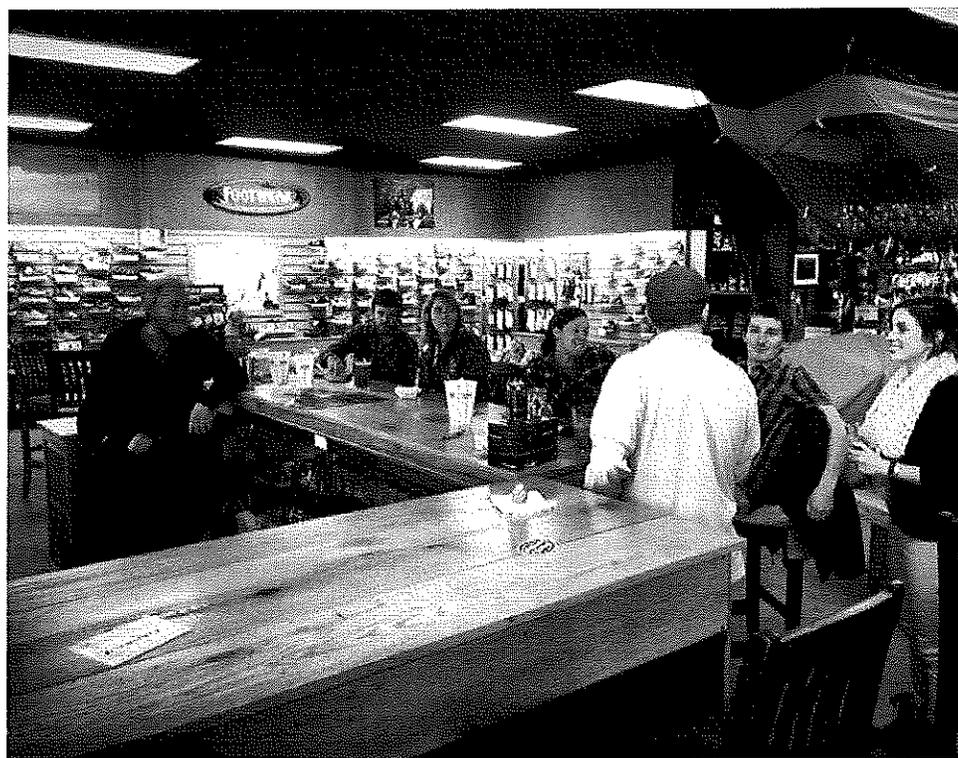
Shop our welded waterproof Stormfront collection



Initially concerned the bar could ruffle feathers in the community; Salzman said she's found outdoor enthusiasts aren't offended by a beer or two. Serving soda and juices makes it family friendly, too. To comply with alcohol laws, the bar is technically a private club called the Pisgah Tavern which requires a free membership. Members can take their beers outside, or sit at the bar overlooking the bike mechanics. "It's a little bit of a distraction at times, but it's good entertainment."

The Hub sits next to a popular trail leading into Pisgah National Forest, making the store a prime destination to meet up and for a post-ride reward beer. Salzman sees customers regularly instead of once a month, she said. And the customers aren't the only benefactors. "Our employees have a shift beer at the end of the day... and split the tip jar."

Not far away, in Asheville, N.C., Trent Thomas opened up the Conspiracy bar inside the well-established outfitter Black Dome Mountain Sports. He set up the bar at the windowed end of his long storefront so it was visible from the road. That was last December, and he's already considering ways to expand concept by spring.



Black Dome's location is more dependent on car traffic than foot traffic, and the bar acts as both a pit stop for commuters and meeting spot for groups. The bar hosts everything from birthday parties to fundraisers. "We're definitely seeing customers that are new to us," Thomas said. "I really cut back on our traditional advertising and the bar has more than made up for that."

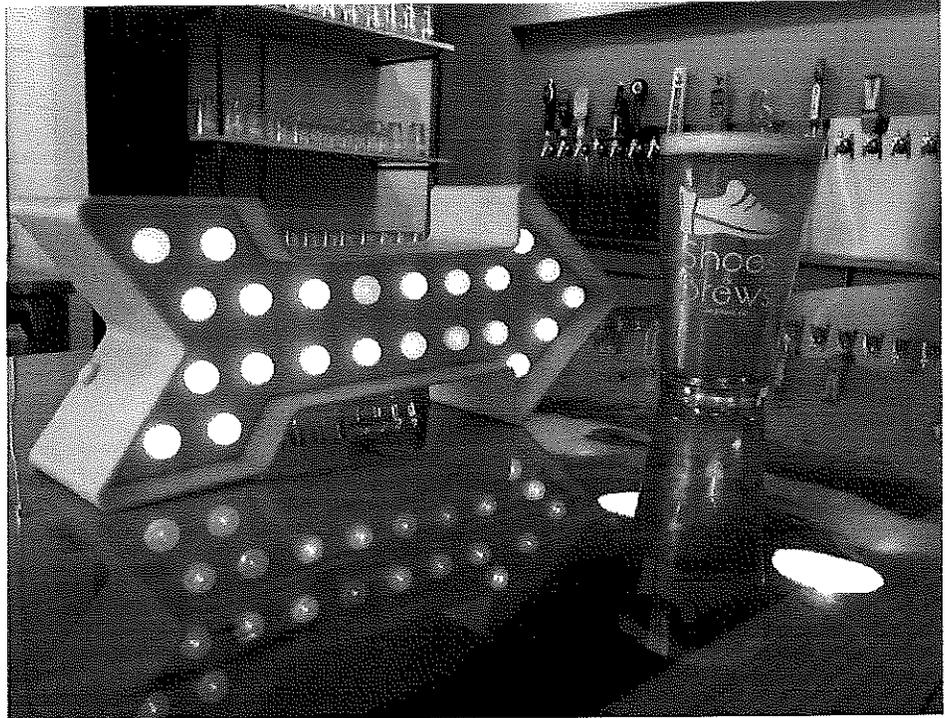
Conspiracy is its own business within the store, but both close at 7 p.m. Customers of the bar can browse with a beer in hand, though few do, Thomas said. The menu includes sandwiches and sides prepared by other companies, which meet the state alcohol requirements that allow him to also serve wine.



Thomas and his staff are big on selling half-beers, served in nine-ounce glasses especially when pouring some of the heavier fare, like an 8-percent Imperial. It's also an easier way to sample more beers from the area's 20-plus microbreweries. Thomas said the portion size seems to be just right for a new type of customer he's noticed: the kind who sit and enjoy a beer while their friend or spouse shops in the store.

For the owners of Shoes and Brews in Longmont, Colo., mixing running and beer has always been part of the plan. Some of the owners ran track and cross-

country in college and would go out for beers afterward. They saw a niche, and opened the combo store last December.



Ashlee Velez, co-owner and accounts manager, said the two rooms are very much two different, specialized businesses that benefit one another. The running store is in the front of the store. The taproom is in back and has its own side entrance and outdoor patio area.

The mostly-glass dividing wall allows views of the other half, and access through one door. The separation keeps beer out of the running store, which isn't permitted for alcohol, and allows the sides to keep different hours. The bar is open until 9 or 10 p.m. and they've discussed later hours. The 20 taps pour a revolving inventory of regional beers, often exclusive to the area, and they serve prepared foods.





The layout means people can approach the bar without passing through the running portion up front, and gives it its own identity, which Velez said attracts plenty of non-runners. The joint venture has already resulted in customer crossover. "It's nice to see people from the brew side come in and getting shoes and fit from the running side," Velez said. And for runners already set of the season, the bar is still a draw. "It's an active community, so a runner is just as likely to come back after riding bikes on the nearby trail system."

—*M. T. Elliott*

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Beer Does Good. Pint Nights in the Name of Charity.

Posted on June 2, 2011

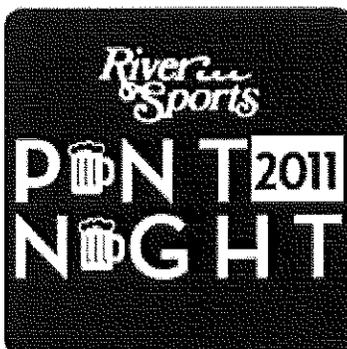
PINT NIGHT
FREE PINT GLASS + ONE FILL-UP

- FREE Pint Glass for 1st 200 people (must be 21+ up)
- 6pm - 9pm (see monthly schedule below)
- Jam Style Music
- Xtra Fill-Ups \$5
- Proceeds to Featured Charity

River Sports
www.riversportsoutfitters.com

BEARDEN
Beer Market
EST. 2010

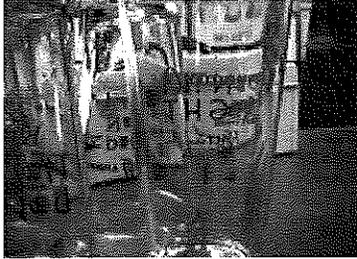
Independent stores thrive when they host community events. When done successfully, these events help businesses financially but they also add excitement to the store's reputation. Consistent promotions and events in the store calendar are a fun way to keep constant "buzz" around brands. Whether it's involvement in an athletic race, boating event or a routine trunk show, hosting promotions and events as part of your store's routine gives your customers a reason to come to the store besides just shopping. Of course, the goal is to get them to shop, but it's a great way to build the community and loyalty that will make them come back when they need something. A recent example of a simple and successful promotion is the River Sport Pint Night. It's proof that beer can do great things for a community... seriously.



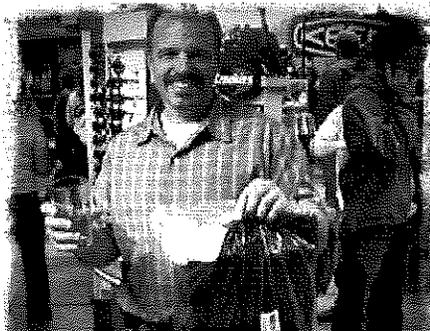
“At River Sports Outfitters we brainstormed ways to bring the community into our store while giving back locally. We wanted to support local businesses, spend and keep our money in the community and support local charities because its what keeps our community thriving,” stated Laura Jones of River Sports Outfitters. River Sports Outfitters created a series of Pint Night gatherings from April to October, inviting the community to enjoy locally brewed beer and support non-profits that protect land, promote recreation and perform community outreach.

The Details.

Consumers pick up a free branded pint glass at River Sports Outfitters filled with local beer, enjoy live music and lend support to one of the chosen local charities. The first beer is free and refills are \$5. All the proceeds from beer sales plus 10% of the store’s sales from that night go to the partner



charity.



Pint Night Goals:

- Raise River Sports community involvement.
- Partner with local charities and find a way to give back to the community.
- Bring consumers into the store for pure fun to enforce a store culture that is based around enjoying life.

The Results:

There was such an amazing response that Pint Nights quickly grew from four scheduled events to seven! Events brought in a diverse group of consumers and organizations that serve the community

from the Amputee Coalition of America to the East Tennessee Climbers Coalition and the Legacy Parks Foundation.



Laura Jones summed up the results: *“The first Pint Night we partnered with the Amputee Coalition of America and raised enough money to send a child to a special camp designed for amputees that provides the chance for children to come together, learn from each other, learn from adults who are amputees themselves and develop peer support. We were thrilled with the outcome of the event. The return on investment more than paid for itself with the additional store sales, awareness and added event marketing to a new diverse group of consumers ...as an independently-owned store we want to be able to serve our community by bringing people together and supporting local organizations that do good things right here at home.”*

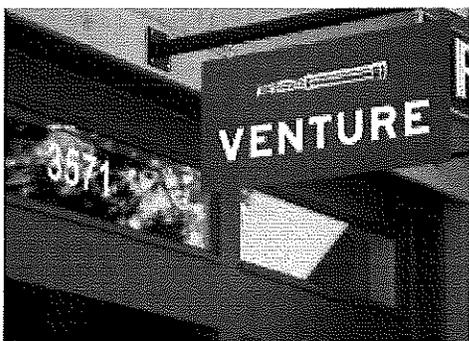
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Showcasing independent retailers that inspire, support and inform:



[Venture Quality Goods](#), shares how they are using visual merchandising to reach a younger men's market.

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Staff Report

September 21, 2015

To: Mayor and Town Council

From: Todd Crossett, Town Manager

Subject: Request by Coal Creek Watershed Coalition (CCWC) for the Town to File for Party Status Regarding State of Colorado Temporary Modification Standards for Coal Creek.

Date: September 21, 2015

Background and Summary:

Please see "Coal Creek Temporary Modifications" fact sheet by Steve Glazier of CCWC attached. There will also be a presentation by CCWC on the subject at the Council Meeting.

Temporary modifications of in-stream water quality standards have been in place for Lower Coal Creek for over 20 years. They are reviewed every three years by the Colorado Water Quality Control Commission (WQCC).

At the 2012 hearing, US Energy WQCC required US Energy to develop a study plan to address uncertainty regarding pollution sources contributing to Coal Creek. Data collection relevant to the three-year study will culminate late this year.

The WQCC is set to review the Lower Coal Creek Temporary Modifications and particularly to evaluate progress on the study. This process is likely to be continued into 2016 at minimum and may include new rule making involving new standards for Coal Creek.

CCWC is requesting that, based upon its inherent interest in the Town's Watershed, the Town apply to WQCC for party status in order to participate in these upcoming proceedings.

Town Attorney, John Belkin, has been consulted and no conflict for the Town has been identified.

The deadline for application is on or about September 26.

Financial Considerations:

The Town will need to engage special counsel if approved for party status. A reasonable special counsel selection would be Barbara Greene or someone of similar background. Cost is estimated at \$5,000 - \$10,000. That amount would need to be added into the 2016 budget. It is likely that some

of that expense will be incurred in the current year – which would potentially lead to a budget amendment in the General Fund under Legal.

Pros:

The Town has inherent interest in its watershed. Gaining party status would allow the Town to participate in the proceedings and to provide comment.

Cons:

There will be a cost to the Town as per above.

Staff Recommendation:

Direct Staff to make application for Party Status relevant to State of Colorado Temporary Modification Standards for Coal Creek by the deadline.

Coal Creek Temporary Modifications

The Colorado Water Quality Control Commission (WQCC) has the option to adopt temporary modifications in certain cases where in-stream water quality standards are not attained. Temporary modifications create a temporary standard that is less stringent than the original water quality standard. Temporary modifications may be granted by the WQCC when two conditions are met; 1) an existing permitted discharge has a demonstrated or predicted water quality-based compliance problem and 2) there is significant uncertainty regarding the water quality standard or the source and nature of existing water quality.

At a minimum, temporary modifications are subject to review and WQCC approval every three years. The duration of the temporary modification is established by the WQCC on a case-by-case basis, based upon several factors. In order to support an extension of temporary modifications the WQCC will consider whether an implementation or study plan for eliminating the temporary modifications is in place, how that plan has been implemented, and the impact of the temporary modifications on the uses of the stream.

In lower Coal Creek (Segment 12) temporary modifications have been in place for over twenty years. U.S. Energy has demonstrated a water quality-based effluent compliance problem at the historic Keystone Mine Water Treatment Plant and uncertainty is attributed to the source and nature of existing water quality in the Coal Creek watershed.

As part of the 2012 WQCC Hearing to review the temporary modifications in Coal Creek, U.S. Energy was required to develop a study plan to address uncertainty regarding pollution sources in the Coal Creek watershed. The three year study plan proposed collecting surface water samples throughout the Coal Creek watershed and groundwater samples from the underground workings of the historic Keystone Mine. The plan also called for an evaluation the nature and source of pollution at the Keystone Property and in the Coal Creek watershed. Data collection will be completed in late 2015 (unless additional work is proposed by U.S. Energy to address remaining uncertainty).

The data collected as part of the study plan will be used to propose site-specific standards for Coal Creek by characterizing various pollution sources in the Coal Creek watershed. The 2015 WQCC Hearing will be used to evaluate U.S. Energy's progress in implementing the study plan, the study plan's effectiveness at addressing the objectives, and the time necessary to propose site-specific standards for Coal Creek.

In their proposal for the 2015 WQCC Hearing U.S. Energy proposed an extension of the temporary modifications to December 31, 2017. Their rationale for this extension is to allow time for data collection and analysis in 2016. The proposal also includes participation in the 2016 WQCC Hearing as a concession for the extension of the temporary modification.

Timeline for 2015 Temporary Modifications Hearing

September 29, 2015: Deadline to request party status for the 2015 temporary modifications rulemaking hearing. Complete a form and submit to the WQCC staff.

October 6, 2015: Prehearing statements due. U.S. Energy will submit a request to extend the temporary modifications and provide a rationale for the extension.

October 13, 2015: Informational hearing for Regulation 35. U.S. Energy should submit a statement to notify the WQCC of their intent to delay the temporary modifications and resolve them in conjunction with the Gunnison Basin hearing (rather than in the temporary modifications hearing or in a special hearing).

October 20, 2015: Study Plan Call Number Four to discuss materials in the prehearing statements, provide updates and potentially discuss the groundwater component of the study plan.

October 27, 2015: Responsive prehearing statements for the 2015 temporary modifications hearing due. CCWC will submit a letter. At this time we anticipate that the letter will support the proposed extension of the temporary modifications, propose more stringent temporary modifications using data collected during the study plan, and provide an analysis of water quality on the Keystone Property and identify areas where water quality is impaired.

November 10, 2015: Prehearing Conference. Participation is mandatory for parties. The conference will assign the amount of time for each topic to assure the hearing is completed in a timely fashion. CCWC and HCCA, as a parties to the hearing, will participate.

November 24, 2015: Rebuttal comments due. CCWC will submit a letter.

December 11, 2015: Deadline for public comments. Parties to the hearing will not be able to submit new or additional comments at this time.

December 14, 2015: Temporary Modifications hearing in Denver.

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September 11, 2015

The Honorable Aaron Huckstep, Mayor of Crested Butte
and Members of the Crested Butte Town Council
Crested Butte Town Hall
PO Box 39
Crested Butte CO 81224

Re: Gunnison Basin Roundtable

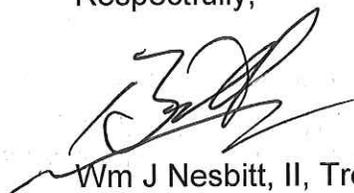
Dear Mayor Huckstep and Members of the Town Council:

Please consider this letter my request to be reappointed as the Gunnison Area Municipal representative to the Gunnison Basin Roundtable. Michelle Pierce, the roundtable chair, has asked that all reappointments be complete in time for the next meeting, October 5, 2015.

I would like to continue with the work that has been started, particularly the Governor's Statewide Water Plan, and would like to be involved in the next phase.

The City of Gunnison as already approved my reappointment (copy of that letter is attached). I look forward to answering any questions you may have in this regard.

Respectfully,



Wm J Nesbitt, II, Treasurer
Upper Gunnison River Water
Conservancy District

WJN,II:kps

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City of Gunnison

August 25, 2015

Michelle Pierce, Chair
Gunnison River Basin Roundtable
P.O. Box 518
Lake City, CO 81235

Dear Michelle,

The City of Gunnison has been involved with the state-wide water planning efforts for many years and gratified to see a draft plan developed. While many of the discussions have been attended by various staff throughout these years of work, William J. Nesbitt has been immersed in the plans development in many ways for much of this time.

He currently represents our basin's interests with vigor while respecting the views of others. We have been thankful for his involvement and willingness to keep our constituents well informed of the progress made throughout this ongoing process. His knowledge of water matters and his passion to protect our watershed's values cannot be understated.

We respectfully ask you to consider our endorsement of his continued involvement as an active representative on the Gunnison Basin Roundtable and request that he be reappointed for another term. Thank you for all the good work you have done as well.

Sincerely,

Richard Hagan; Mayor

Stu Ferguson; Councilor

Matt Schwartz; Councilor

Robert E. Drexel; Mayor Pro Tem

Leia Morrison; Councilor



WATER QUALITY / QUANTITY COMMITTEE (QQ)

P.O. Box 2308 • Silverthorne, Colorado 80498
970-468-0295 • Fax 970-468-1208 • email: qqwater@nwccog.org

September 15, 2015

VIA EMAIL: COwaterplan@state.co.us
Governor John Hickenlooper
Colorado Water Conservation Board
Diane Hoppe, Chair

Re: Northwest Colorado Council of Governments Water Quality/Quantity Committee
(QQ) Comments on July 2015 Draft of the Colorado Water Plan

Dear Governor Hickenlooper, CWCB Chair Hoppe, and CWCB Board Members:

The following are the Northwest Colorado Council of Governments Water Quality/Quantity Committee ("QQ") comments on the July 2015 draft of Colorado's Water Plan (the "Plan").

As you know, QQ is a subcommittee of and the official water policy arm of the Northwest Colorado Council of Governments. The purpose of QQ is to enable its member jurisdictions to protect and enhance the headwaters of Colorado while facilitating the responsible use of water resources. Its membership comprises municipalities, counties, and water and sanitation districts in Grand, Summit, Pitkin, and Eagle Counties; Gunnison County; Park County; the Town of Crested Butte; and the City of Steamboat Springs. The Colorado River Water Conservation District is an associate member of QQ. QQ actively participates in the Colorado River Basin Implementation Plan and has been engaged in statewide water policy discussions for nearly 40 years.

Thank you for your hard work in compiling this document and attention to QQ's earlier comments on draft sections of the Plan. Our comments follow the order of the chapters in the plan, and conclude with a compilation of previous comments from QQ that have not yet been addressed.

COMMENTS

Chapter 3. Overview of Each Basin

Mainstem Colorado Basin.

The Plan does not adequately describe the challenges to the headwaters communities that have been caused by the significant transmountain diversions ("TMDs") from the headwaters of the Colorado River. Such a description would aid policy makers in

Governor John Hickenlooper

Colorado Water Conservation Board

Re: Northwest Colorado Council of Governments Water Quality/Quantity Committee
(QQ) Comments on July 2015 Draft of the Colorado Water Plan
September 15, 2015

understanding why the headwaters region is so concerned about further water resource development. We recommend adding the following information:

More than 500,000 AF of water per year is diverted from Grand, Summit, Eagle and Pitkin Counties to the front-range. Grand and Summit Counties lose 60% of native flows to TMDs, which are 100% consumptive from the basins-of-origin.¹ The Colorado Basin Implementation Plan estimates that an additional 140,000 AF will be diverted through projects such as “the Moffat Collection System Project, Windy Gap Firming, Eagle River MOU, future Dillon Reservoir Diversions, firming in the Upper Roaring Fork and Fryingpan Rivers, and Colorado Springs Utilities expanded diversions from the upper Blue River.”²

These TMDs “result in adverse economic, environmental, and recreational impacts.”³ Impacts to water quality include “decreased dilution flows [for wastewater treatment]; decreased spring runoff ‘flushing flows’ which move accumulated sediments and impact fish spawning habitat . . . ; decreased aquatic life habitat; increased stream temperature and other water quality concerns associated with changes to channel morphology, and loss of high quality ‘headwaters’ with low pollutant concentrations.”⁴

Chapter 6. Water Supply Management for the Future

6.3.3 Land Use.

QQ appreciates sections in the Plan that emphasize the significant influence that land use planning and development has on water supply and demand, and how water supply planning implicates future development potential in areas from where the water is taken. QQ offers several comments to strengthen this section as follows.

¹ Coley/Forrest Inc., "Water and Its Relationship to the Economies of the Headwaters Counties," Northwest Colorado Council of Governments, p. 7, December 2011, <<http://nwccog.org/wp-content/uploads/2015/03/Response-to-Perceptions-REVISED-03.12.14.pdf>>.

² SGM, Colorado Basin Implementation Plan, Executive Summary, p. 1, July 14, 2014.

³ Colorado River Water Conservation District, Policy Statement on Transmountain Water Diversions, revised July 2011, available at <http://www.coloradoriverdistrict.org/conservypress/wp-content/uploads/2014/10/20110719-policies_TMDs.pdf>.

⁴ Northwest Colorado Council of Governments, 208 Regional Water Quality Management Plan, C-27, 28, revised 2012, available at <<http://nwccog.org/wp-content/uploads/2015/04/Upper-Colorado-Watershed-2012-208-Plan.pdf>> and more generally at <<http://nwccog.org/programs/watershed-services/>>.

Governor John Hickenlooper

Colorado Water Conservation Board

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Actions.

1. The first action is to “[e]ncourage the use of local land use tools.” QQ recommends that the Plan specify a role for CWCB and the Department of Local Affairs to develop additional training or other resources to assist local governments to plan for and adopt regulations that facilitate “water wise” land uses. The CWCB should also consider facilitating interactive cross-basin discussions about land use goals and how the goals are implemented through land use regulations. Cross-basin discussions would assist different regions of the state to share best practices, such as water-wise landscape requirements, while understanding how the planning and land use decisions in one part of the state affect the future of other parts of the state. Cross-basin discussions are essential to achieving the goals of the Plan. Although QQ comprises communities in the headwaters, cross-basin discussions should not be limited to transmountain issues. Discussions between basins in the eastern part of the state and the front range also are vitally important.

2. QQ suggests that the Plan encourage the CWCB to use the SB 15-008 training to share land use tools that protect river corridors, riparian areas, and water quality. The summary of QQ’s Land Use/Water Conservation Workshop from May of 2014 provides some examples, including management plans for river and stream corridors, regulations that define development areas on properties, construction management regulations, revegetation requirements for disturbed areas, and setbacks from riparian areas.⁵ A 2011 report from the University of Montana, *Bridging the Governance Gap: Strategies to Integrate Water and Land Use Planning*, offers additional examples of local regulations to protect and restore community water sources, including “zoning and subdivision rules aimed at protecting sensitive stream corridors, aquifer recharge initiatives, and clustered development to minimize impervious surfaces.”⁶ The Water Information Program also provides a substantial list of resources related to water and land use planning.⁷

3. QQ also recommends that the SB 15-008 trainings incorporate discussions of growth management tools, such as those that QQ identifies in its white paper, *Response to Perceptions Influencing the Colorado Water Plan*.⁸ For example, local governments can:

⁵ Available at <[http://nwccog.org/wp-content/uploads/2015/03/SUMMARY.NWCCOGQQ-LandUseWaterConsvnWorkshop-5-7-14.FINAL .pdf](http://nwccog.org/wp-content/uploads/2015/03/SUMMARY.NWCCOGQQ-LandUseWaterConsvnWorkshop-5-7-14.FINAL.pdf)>.

⁶ Sarah Bates, *Bridging the Governance Gap: Strategies to Integrate Water and Land Use Planning*, Second Edition, Center for Natural Resources and Environmental Policy, The University of Montana, 23 (2011), available at <http://cnrep.org/documents/montana_policy_reports/26910-Public-Policy-Water-Land-Use-Report-2011.pdf>.

⁷ Available at <<http://nwccog.org/wp-content/uploads/2015/03/Water-and-Land-Use-Planning-Reference-List-from-WIP-Website.pdf>>.

⁸ Pages 3-4, March 2014, available at <<http://nwccog.org/wp-content/uploads/2015/03/Response-to-Perceptions-REVISED-03.12.14.pdf>>.

Governor John Hickenlooper

Colorado Water Conservation Board

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- require phased development in order to ensure adequate services will be available, such as water and sewer services, and to ensure that existing services will not be unduly burdened by new users;⁹
- condition the issuance of a building permit on making or paying for necessary public improvements;¹⁰
- assess impact fees to lessen adverse impacts from development;¹¹

regulate the rate of population growth through developing growth management systems,¹² such as establishing a set number of development permits available on a competitive basis,¹³ a set number of water and sewer taps distributed to proposed developments on an as-available basis,¹⁴ or a set rate of growth that limits the number of development permits issued per year;¹⁵ and

- identify areas most appropriate for growth in county and municipal master plans¹⁶ and regulate the location of development.¹⁷

4. QQ supports the “incorporation of land-use practices into water conservation plans” described in Action Three. This action will help to facilitate discussions between water suppliers and land use decision-makers. Coordination should be enhanced where the water supply and land use are carried out by two different entities that serve the same population, or where the two functions are carried out by two departments of the same government but fail to coordinate with each other.

⁹ C.R.S. § 29-20-104 (1)(f).

¹⁰ *Bethlehem Evangelical Lutheran Church v. City of Lakewood*, 626 P.2d 668, 671 (Colo. 1981).

¹¹ C.R.S. § 29-20-104 *et seq.*; C.R.S. § 30-28-133 (4)(a)(II); *Bd. of County Comm'rs of Douglas County, Colo. v. Bainbridge, Inc.*, 929 P.2d 691, 698-99 (Colo. 1996).

¹² *Construction Industry Associate of Sonoma v. City of Petaluma*, 522 F.2d 897 (9th Cir. 1975), *cert. denied*, 424 U.S. 934 (1976).

¹³ "Chapter 6: Growth Management Quota System (GMQS) and Transferable Development Rights (TDR)," Pitkin County Land Use Code, July 2006, available at <<http://www.aspenpitkin.com/Portals/0/docs/county/countycode/chapter%2006.pdf>>; *Wilkinson v. Bd. of County Comm'rs of Pitkin County*, 872 P.2d 1269, 1276 (Colo.App. 1993).

¹⁴ "Title 11 Chapter 3, Growth Management Program," Westminster Municipal Code, 1 Jan. 2011, available at <<http://www.ci.westminster.co.us/CityGovernment/CityCode/TitleXI/3GrowthManagementProgram.aspx#s8>>; *see also P-W Investments, Inc. v. City of Westminster*, 655 P.2d 1365 (Colo. 1982).

¹⁵ "Chapter 18.70, Residential Growth Management," City of Golden Municipal Code, updated through October 2013 <<http://sitetools.cityofgolden.net/Code.asp?CodeID=728>>.

¹⁶ C.R.S. § 31-23-206 for municipalities; C.R.S. § 30-28-106 for counties.

¹⁷ C.R.S. § 29-20-104 (1)(e).

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5. QQ recommends that local governments identify water use goals (for example a GPCD goal, or percent reduction in certain sectors) in their master plans. That would provide a framework for local governments to assess how to best achieve their water use goals, and allow local governments to measure development proposals against these goals whenever master plan compliance is a condition of land use approval.

6.6. Environmental and Recreational Projects and Methods.

Stream Management Plans.

1. QQ appreciates the detailed recognition of stream management planning in the Plan as well as the new source of funding made available in the 2015 CWCB Project Bill to help initiate these efforts. QQ also supports including the discussion of stream management plans that is incorporated into the Colorado River Basin Implementation Plan.¹⁸

The discussion between QQ and various stakeholders on stream management planning resulted in these proposed changes to the description of stream flow management plans:

Well-developed stream management plans should be grounded in the complex interplay of *biology*, hydrology, channel morphology, and alternative water use and management strategies, and should ~~include~~ explicitly consider the flow ~~dynamics~~ and other structural or management conditions needed to support both recreational uses and ecosystem function. A stream management plan should: (1) assess existing biological, hydrological and geomorphological conditions at a reach scale; (2) identify optimal flow and other conditions needed ~~minimum flow needs for to support~~ environmental and recreational water uses ~~given appropriate geomorphic conditions~~; (3) ~~incorporate environmental and recreational values and goals identified~~ both locally and in a basin roundtable's BIP; and (4) identify and prioritize alternative management actions to ~~maintain or improve flow regimes~~ achieve measurable progress toward optimal flow and other conditions. Such plans can provide a framework for decision-making and project implementation related to environmental and recreational water needs for basin roundtables, local stakeholder groups and decision-makers.

The steps necessary to developing a stream management plan

¹⁸ For example, see SGM, Colorado Basin Implementation Plan at 30, 46, and 47.

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include: (1) identifying the plan's objectives; (2) identifying and prioritizing ecological and recreational values; (3) establishing ~~flow and protection~~ goals for flow and other conditions in order to protect or improve important environmental and recreational attributes on ~~for~~ streams and rivers within a given watershed; (4) collecting and synthesizing existing data describing flows for river ecosystems, boating, or other needs in the watershed; (5) assessing existing physical and biological conditions of stream reaches, including geomorphieological and riparian conditions; (6) ~~developing quantitative flow targets to meet articulated goals selecting quantitative measures that can be used to assess progress made toward goals;~~ (7) ~~determining what new information is needed and the best methods for obtaining that information;~~ (8) quantifying specific numeric flow recommendations (or ranges of flow) or other conditions to ~~support~~ protect or improve environmental and recreational values; (9) identifying temporal, geographical, legal, or administrative constraints and opportunities that may limit or assist the ability to meet environmental and recreational goals; and (10) implementing a stakeholder-driven process for identifying and prioritizing environmental and recreational projects. Stream management plans should provide data-driven ~~flow~~ recommendations that have a high probability of protecting or improving environmental and recreational values on streams and rivers.

Chapter 9. Alignment of State Resources and Policies

9.4 Framework on More Efficient Water Project Permitting Processes.

From our experience permitting water supply projects, early stakeholder coordination is the best way to make the permit process more efficient. The CWCB and other state agencies are better suited to the neutral role of facilitating discussions among competing interests rather than advocating for or against projects in permitting, especially when the state may have a regulatory responsibility.

QQ offers these general recommendations for this section, followed by more specific comments by subsection.

1. QQ recommends that Section 9.4 focus primarily on “frontloading” permitting processes through coordinated early stakeholder engagement and discussions such that significant issues, local concerns, information and data requirements, level of detail,

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agreement on mitigation concepts, etc. are addressed upfront before a project gets mired in NEPA. The state could provide a valuable role in facilitating this upfront coordination of permit requirements among local, state, and federal permitting entities.

With early, upfront conversations about site specific conditions in the actual areas affected by proposed projects, the NEPA process would be better and more precise because it would not examine alternatives that never would have been possible in the first place given a realistic understanding of local conditions.

2. QQ remains extremely concerned that the Plan continues to focus on a framework for state endorsement. As currently written, the draft Plan states:

[T]he State could provide endorsement of the project before the Final EIS. As described above, each state agency would provide their recommendations to the Governor's office that could then communicate to the appropriate federal agency that the State supports or does not support a given project. . . . Such state endorsement would allow the State to encourage completion of the EIS and ROD. (p. 372)

QQ does not support the idea of the state communicating its support or non support of a project to federal regulators, or encouraging completion of an EIS or ROD, especially before permitting and mitigation for project impacts are complete. The state's regulatory role in the 401 Certification should not be compromised in any way, nor should it be an advocate for any project unless all stakeholders request that it assume such a role.

3. QQ remains concerned that the proposed framework for state endorsement adds additional burdens to the permitting process. One look at Figure 9.4-4 reveals how this effort complicates the permitting process. The focus on bumping up 401 Certification is unnecessary if the joint coordination mentioned above occurs. Often, the 401 Certification is seen as burdensome because applicants have to provide additional data and analysis. They may have gathered water quality information for the federal NEPA process without determining what data is necessary for the WQCD analysis, or they may have used a methodology not adequate for purposes of the 401 Certification. Through better coordination, the assessment of water quality for NEPA purposes could be enhanced to meet the regulatory requirements of the WQCD 401 program. That alone would streamline the permitting more effectively than the convoluted process laid out in Figure 9.4-4.

1041 Local Permits.

This section should refer generally to local government authorizations to reflect that local governments have authority to permit water projects in addition to the authority granted by the Areas and Activities of State Interest Act (1041). The Plan should recommend that local governments be included with state and federal agencies in upfront discussions of

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permit application needs and mitigation approaches, and note that local approval is required. The Plan could enhance statewide understanding of the local permit process by summarizing the environmental and socio-economic impacts that local permits seek to minimize or avoid.

This section also states:

Local governments may not pass regulations that are completely prohibitive of the building of municipal water facilities and expansion of existing projects. (362-3)

While it is true that local governments cannot prohibit water projects, this quote overstates and takes out of context the holding of *City and County of Denver by and through Board of Water Comm'rs v. Board of County Comm'rs of Grand County*, 782 P.2d 753, 762 (Colo. 1989):

The Land Use Act gives Grand County and Eagle County the power to regulate, but not to prohibit, Denver's operation of extraterritorial waterworks projects. See *Town of Glendale v. City and County of Denver*, 137 Colo. 188, 194-95, 322 P.2d 1053, 1057 (1958); cf. *City of Thornton v. Farmer's Reservoir and Irrigation Co.*, 194 Colo. 526, 533, 575 P.2d 382, 388 (1978) (Water Rights Condemnation Act violated article XX because it gave municipal commissions power to prevent acts of condemnation by home rule cities).

First, the holding in that case was limited to projects sponsored by home rule cities, but the statement in the Plan incorrectly applies the holding to all project applicants. Second, this statement could be read to ignore the power of a local permit authority to deny a 1041 permit for a project that cannot satisfy requirements that are legally imposed under H.B. 1041 and the implementing regulations. The court expressly *rejected* the cities' argument that the denial of a permit application was the same as a prohibition. The Act specifically provides that the permit authority *shall deny* a 1041 permit for a proposed activity that does not comply with 1041 guidelines and regulations. C.R.S. § 24-65.1-501 (4). Such denial does not abrogate home rule authority. *City of Colorado Springs v. Board of County Comm'rs of the County of Eagle*, 895 P.2d 1105, 1116-1117 (Colo. App. 1994) (*cert denied* June 5, 1995).

Potential Conceptual Framework for State of Colorado Support of a Project.

QQ recommends eliminating the entire “framework for state endorsement.” This proposed framework goes well beyond the Executive Order, which directed the CWCB to “streamline the State role in the approval and regulatory processes regarding water projects.” Additionally, QQ remains unclear what state “endorsement” for a project will mean.

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However, if this framework remains in the Plan, QQ offers the following comments and revisions.

Initial Studies and Stakeholder Involvement.

It is unclear from this language whether the proposed framework process would only apply to projects that seek technical or financial support, or whether the proposed framework would be required for all projects.

Project Meets Factors.

The proposed factors for a water project to receive a state endorsement (identified on pp. 368-69 of the July 2015 draft Plan) continue to raise concerns for QQ members.

1. If the CWCB uses a set of factors to assess a water project, QQ supports the factors being used to determine where the state might “commit to a resource-intensive approach at the beginning of the permitting process . . . include[ing] coordination with local governments and stakeholders as well as cooperating agencies.” (p. 369) QQ recommends the CWCB consider adding more information on how the factors would play into such a determination.
2. QQ recommends revising the factor that evaluates whether a project “[i]nvolves local government consultation” to read:

The project has been approved by the affected counties, conservancy districts, and conservation districts in the area from which water would be diverted.

The need for local approval is supported by QQ and also by thirty local governments and the Colorado Basin Roundtable in the West Slope Principles for the Colorado Water Plan.¹⁹ Moreover, agreements that led to the Moffat Expansion Project and the Windy Gap Firing Project all rest on the requirement that local governments approve a proposed water project. Finally, the Colorado River Cooperative Agreement would never have been forged without a similar provision.

3. These factors introduce new potential for intrastate conflict. For example, one factor is whether the proposed project is identified in a Basin Implementation Plan (“BIP”). This raises the question of which BIP controls, especially where an applicant wants to develop a water project supported in the BIP for the area to be served, but that is opposed in the BIP for the area from which the water will be taken. Another factor is whether a project meets a SWSI-defined need. QQ recommends clarifying that a SWSI-defined need is typically limited

¹⁹ These Principles are available at <http://nwccog.org/docs/qq/waterplan/Principles%20w%20updated%20endorsement%20100614.pdf>.

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to consumptive uses and that it may be in conflict with nonconsumptive needs identified in BIPs. QQ recommends adding an additional factor to address these conflicts:

Addresses and mitigates negative impacts to defined needs in any basin's BIP, including consumptive and recreational /environmental needs.

Preliminary Technical Review for State Processes.

This section of the Plan has been revised from earlier versions to no longer suggest an early 401 certification before the Final EIS. However, the draft still advocates for the WQCD to issue a "contingent" 401 Certification after the Draft EIS. This section states:

CDPHE would evaluate whether the preferred alternative adequately addresses water quality impacts, and includes sufficient mitigation and enhancements for water quality . . . each agency would then provide the Governor's office their recommendations on the project.

QQ does not support the state issuing a "contingent" 401 Certification or any type of endorsement before a Final EIS is issued, committing to certification based on a Draft EIS that is, almost by definition, incomplete. QQ has no concern with a contingent certification following the Final EIS.

The following is a list of some of QQ's concerns with an early "contingent" 401 Certification:

1. The 401 Certification, though implemented by the state, is a requirement of federal law. The state is charged with making a determination that the project will comply with state water quality requirements. The determination would be legally vulnerable if it followed on the heels of a pre-decisional opinion.
2. Draft EISs often do not contain mitigation plans since those regularly are delayed until the Final EIS is released. A contingent 401 Certification may include superfluous or contradictory requirements compared to the final mitigation proposal. For example, neither the Moffat System Expansion Project Draft EIS nor the Windy Gap Firing Project Draft EIS contained complete mitigation plans. More complete mitigation proposals were developed in consultation with local interests after the Draft EIS was released, many of which affect water quality.
3. Most projects and the analysis of their impacts change between the Draft and Final EIS in order to address comments received from agencies and the public.
4. Local governments have their own permitting processes that prohibit significant degradation of water quality. An early 401 Certification would not be able to take into

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account water quality mitigation imposed by the local government that might obviate the need for the WQCD to impose the same conditions.

5. Issuing a “contingent” 401 or endorsement of a project based only on the Draft EIS would make it harder for the WQCD to change or deny certification based on the more complete FEIS and based on the WQCD’s own process, including anti degradation review.

6. There is no evidence that a contingent 401 Certification would streamline the permit process.

Chapter 10. Critical Action Plan

In general, this section of the Plan offers important actions that the General Assembly and state agencies can reference in order to protect the values identified at the beginning of this chapter.

The first value mentioned is “a productive economy that supports vibrant and sustainable cities, viable and productive agriculture, and a robust skiing, recreation and tourism industry.” The paragraph that explains this value does not mention recreation and tourism economy again at all. For example, the paragraph says:

. . . water planning for the future must reflect careful deliberation and balancing of the many municipal, industrial, and agricultural uses throughout the state.

QQ recommends revising this sentence to read:

. . . water planning for the future must reflect careful deliberation and balancing of the many municipal, industrial, ~~and~~ agricultural, *recreational, tourism, and environmental* uses throughout the state.

Please add that in many areas of the state, including QQ region, recreation and tourism drive the economy and contribute substantially to the recreation and tourism economy in metro areas as well. A reference to the 2011 Coley/Forest report would be useful.²⁰

10.3. Strategic Goals and Actions.

- I. Develop a Multi-purpose Funding Plan.**
- a. Align Existing Funding.**

²⁰ See fn 1.

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1. Action Five. Because the demand for stream management plans (which Chapter 6 refers to as stream flow management plans) and watershed plans may be greater than \$1 million, QQ recommends this action be revised as follows:

5. Continue to provide \$1 million *or more* annually to support stream *flow* management and watershed plans.

2. Action Six. This action states:

6. Investigate the potential for the CWCB to become a project beneficiary through an arranged partnership for projects that are central to fulfilling the goals of Colorado's Water Plan.

QQ supports multi-purpose projects as one way to maximize the efficient use of the state's water resources and minimize impacts. However, it is unclear what the CWCB's role as a project beneficiary would look like. Chapter 9 offers this same suggested action but does not discuss what the CWCB's role would entail. QQ recommends further explaining this concept both in Action Six and in Chapter 9.

II. Promote Multi-purpose Initiatives.

a. Improve Permitting Processes.

1. It is not necessary to "provide an opportunity for state endorsement" if permitting is more efficient and effective.

2. Action One is to "conduct a series of lean events with permitting agencies and stakeholders . . ." What is a "lean event"?

3. Action Six. This action should be rewritten to be consistent with Chapter 9. Chapter 9 states that the CWCB developed the conceptual framework for state endorsement "to encourage more discussion among state agencies and stakeholders." Action Six, however, connotes that establishing a process for state endorsement is a foregone conclusion.

QQ recommends revising this action to be consistent with Chapter 9 and to reflect that the proposal to develop a pathway to state endorsement of a project is not to be a foregone conclusion:

6. ~~Determine how Colorado will endorse a project after preliminary or contingent 401 certifications and fish wildlife mitigation plans are completed.~~ Facilitate discussion among state agencies and stakeholders to determine if Colorado might

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*endorse a project, and at what stage in the permitting process
such endorsement might occur.*

II. Promote Multi-purpose Initiatives.
c. Facilitate Alternative Transfer Methods.

1. Action One states:

1. Support the maximum use of water rights by exploring opportunities to create more flexibility for various types of water transfers.

QQ supports such efforts to maximize the use of water rights only if such use of water rights includes recreational, environmental, and other “nonconsumptive” uses.

2. QQ recommends an action item that explores opportunities to reduce transactional costs for alternative transfer methods.

III. Promote Vibrant Sustainable Cities.
c. Integrate Land Use and Water Planning.

QQ suggests a fourth action item of legislating that community master plans must include water use goals.

Please contact us with any further questions.

Sincerely,

Northwest Colorado Council of Governments Water Quality/Water Quantity Committee

cc: James Eklund
Rebecca Mitchell
Jacob Bornstein
Kate McIntire

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UNADDRESSED QQ COMMENTS

The following comments from QQ on the December 2014 draft of the Plan remain unaddressed. QQ asks that the CWCB address these comments in this last round of revisions to the Plan.

Chapter 5. Water Demands

Overview of Environmental and Recreational Needs.

Generally, this section does an excellent job of describing the measure of environmental and recreational needs around the state. We would like to reiterate one comment QQ voiced about an earlier draft of this section. On page 81, the Plan states:

The ability to decree water using instream flows and recreational in-channel diversions provides Colorado with important, effective tools for meeting environmental and recreational needs and for supporting state and federal values.

While QQ agrees that these are important and often effective tools for meeting environmental and recreational needs, they are not always effective. In many ways, these tools provide the minimum for meeting environmental and recreational needs, and do not take into account important ecological functions such as flushing flows, bank flows, water quality needs, and many other factors in overall stream health. Also, many instream and RICD flows regularly go unmet, especially in drier years, as they hold more junior water rights in most basins.

QQ recommends adding an additional sentence:

These tools can be supplemented in the future to be more effective; they are best implemented within the context of stream management plans that analyze the environmental and recreational needs of individual stream reaches.

Chapter 6. Water Supply Management for the Future

6.2 Meeting Colorado's Water Gaps.

Page 109 discusses BIP treatment of water quality management needs, saying:

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Although water quality is not an issue traditionally studied by the basin roundtables, every BIP addresses water quality. Section 7.3 summarizes the BIP water quality efforts.

However, basin roundtables regularly approve grants for projects that improve water quality, either through a multi-purpose project or as a stand-alone benefit. We recommend changing this wording to reflect that basin roundtables do regularly address water quality:

~~Although water quality is not an issue traditionally studied by the basin roundtables,~~ Every BIP addresses water quality. Section 7.3 summarizes the BIP water quality efforts.

Meeting Colorado's Environmental and Recreational Needs.

This section focuses on the number of stream miles with existing protections. The BIPs still identify needed projects on these stretches, indicating that these protections aren't necessarily adequate. This section should at least acknowledge that even stream sections with some protection may need further protection.

Table 6.2-4, "Summary of how each basin meets its E & R gaps," is confusing, especially when compared to information in the below text describing each BIP. The Table lists the "number of new projects with stream mile information" for each BIP. It's unclear why this particular metric is important in the table, especially since those numbers are very small when compared to the actual number of E & R projects identified in each BIP. For example, Table 6.2-4 only lists three new projects in the Colorado BIP "with stream mile information," but the text of this section points out that the Colorado BIP identifies 59 E & R projects. The introduction to the table would benefit from a separate column for total number of E & R projects identified in BIPs.

We also encourage the CWCB to highlight ongoing innovative work to address environmental and recreational issues in tandem with agricultural issues. The Colorado Ag Water Alliance has done considerable work around this issue. In addition, the Plan should highlight existing innovative projects, such as the recent Colorado Water Trust deal to achieve agreement amongst farmers and ranchers to leave more water in the heavily diverted Little Cimarron River.²¹

6.3.1 Municipal Conservation.

The plan should include the Eagle River Water and Sanitation District ("ERWSD") in the bulleted list of water conservation examples across the state on pages 145-146 to provide

²¹ For more information on this project and its potential applicability around the state, see <http://www.postindependent.com/news/16089562-113/innovative-water-use-plan-could-help-crystal>.

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more examples from different regions of Colorado. We recommend including the below paragraph, provided to QQ from ERWSD, as an additional bullet point:

Eagle River Water and Sanitation District/Upper Eagle Regional Water Authority. *These water providers operate under a CWCB-approved water conservation plan whose goal is to preserve in-basin water resources for stream flows, recreation and future consumptive and non-consumptive needs, while still meeting their municipal water supply obligations. Tiered rates, first implemented in response to the drought of 2002, permanent year-round water use regulations and educational outreach to customers have reduced water sales per single family equivalent by 24 percent. Current efforts are focused on additional improvements to outdoor water use efficiency, which consumes resources that could serve future needs, reduces local stream flows and results in water quality impacts from landscaping runoff. These entities are developing water budgeting and working with land use authorities to coordinate water use and water quality approval criteria for new development and landscaping guidelines that support water use efficiency objectives.*

6.3.3 Land Use.

This is an important section of the Plan, but many people statewide may not understand why and how this connection is so important. The introductory language says on page 165, “The manner by which Colorado develops into the future will have a strong influence on Colorado’s future water supply gap and vice versa,” but provides no information on how that would occur.

This section would benefit from additional information on how local land use planning affects water demands and how water sensitive land use planning can reduce water demands, and thus the Gap, in the future.

Under the action item Strengthen Partnerships, we recommend including water conservation districts and water conservancy districts to the first listed partnership, Local Municipalities/Local Water Providers

Chapter 8. Interbasin Projects and Agreements

The introduction to this section says that the reason for creating intrastate agreements is to “align key parties’ interests and understanding so that Colorado has a united voice when

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dealing with interstate and federal negotiations and litigation about water exiting the state.” Many of the example agreements listed do not pertain to water leaving the state or interstate agreements. Some of them are explicitly to provide water supply for a particular water provider while taking into account some of the concerns of the areas from which the water comes. These agreements are multi-purpose and have significant benefit to many regions of the state. This section should be clear that the focus of the examples listed was not to better situate the state in interstate negotiations, but to benefit particular stream sections, address stream- or segment-specific problems, and to benefit water users.

The summary box at the beginning of this chapter should be revised for additional clarity. Bullet “C” states that this chapter will “[u]se the Draft Conceptual Agreement as an integrated package of concepts” to address environmental resiliency, higher conservation commitments, and facilitate a possible transmountain diversion project in the future. QQ members are concerned about any plans to facilitate a transmountain diversion project and would recommend a more general reference for future water projects, whether they are in-basin or cross-basin.

Finally, we recommend that this chapter add additional language explaining how the conceptual agreement would be used and the roles of various stakeholders in any sort of conceptual agreement.

Existing Stakeholder Agreements and Projects.

Windy Gap Firing Project. The discussion states:

This water will be supplied via the Colorado-Big Thompson Project, so the BOR must approve a contract allowing use of federal facilities.

This sentence should be updated to refer to the Amendatory Contract that was finalized last year. QQ would be happy to provide this to the staff.

The description also does not explain that the Colorado-Big Thompson is a federal transmountain diversion project. QQ recommends the following changes to explain this to readers:

Chimney Hollow Reservoir would allow the Subdistrict to divert more water from the Colorado River because the Subdistrict can use it to make more room in Granby Reservoir. This water will be supplied via the federal Colorado-Big Thompson Project, so the *Bureau of Reclamation* must approve a contract allowing use of federal facilities.

The Plan states “[Windy Gap Firing Project] is operated by Northern Water’s Municipal Subdistrict.”

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Please revise the statement to read as follows:

It is operated by Northern Water's Municipal Subdistrict, *and as a result Northern has unique obligations to mitigate impacts in the Colorado River basin imposed by statute under the Water Conservancy Act.*²²

Please revise paragraph 3 as follows to be more accurate:

... As part of the 1041 permit approved by Grand County, the Subdistrict has entered into agreements with ~~local governments and environmental nonprofits~~ the County, Middle Park Conservancy District, Northwest Colorado Council of Governments, and the Colorado River Water Conservation District that provide ecological enhancements to the Colorado River to offset some of the historical and projected impacts caused by diversions. The Windy Gap Bypass Funding Agreement provides \$2 million to construct a bypass around the reservoir . . .

Chapter 9. Alignment of State Resources and Policies

9.1 Protecting Colorado's Compacts and Upholding Colorado Water Law.

This section says on page 332 that the state will "continue to assure the proper balance between the State and Federal roles in Colorado's water law and water management system." While this statement alone is an acceptable goal for the Plan, the information that follows is concerning for several reasons. First, this paragraph lists several federal policies that have "called into question the balance in State and Federal roles," but does not explain why or how these policies affect the state or water law and management. The Forest Service has withdrawn its directive on groundwater management. Resource management plans are not in any way a "new policy" and should not be included as such.

²² C.R.S. 37-45-118 (b)(II):

Any works or facilities planned and designed for the exportation of water from the natural basin of the Colorado river and its tributaries in Colorado, by any district created under this article, shall be subject to the provisions of the Colorado river compact and the "Boulder Canyon Project Act". Any such works or facilities shall be designed, constructed, and operated in such manner that the present appropriations of water and, in addition thereto, prospective uses of water for irrigation and other beneficial consumptive use purposes, including consumptive uses for domestic, mining, and industrial purposes, within the natural basin of the Colorado river in the state of Colorado from which water is exported will not be impaired nor increased in cost at the expense of the water users within the natural basin. The facilities and other means for the accomplishment of said purpose shall be incorporated in and made a part of any project plans for the exportation of water from said natural basin in Colorado.

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Second, this paragraph makes a concerning statement about bypass flows. The paragraph states:

. . . [T]he State has also had to grapple with the federal assertions of authority to mandate bypass flows as a resource management tool. To the extent they interfere with and potentially undermine water rights as decreed and administered within the State, Colorado maintains that bypass flows should not be a preferred method for managing water on federal lands. Rather, before federal agencies seek to impose bypass flows as a resource management tool, they should work with the State to identify how such use will comport with the water rights administration under Colorado law.

In the QQ region, bypass flows that require water to be released to save a stream from dry-up have been and continue to be a central method to protect watershed health as mitigation for transmountain diversions on federal lands. The federal government often imposes bypass flows as part of their special use permitting of a water project on federal land as part of the agency's mandate to protect the health of the public lands. Courts have upheld bypass flows as part of the Forest Service's special use permitting process. *See Trout Unlimited vs. U.S. Dept. of Agriculture*, 320 F. Supp. 2d 1090 (D. Colo. 2004), *appeal dismissed*, 441 F 3d 1214 (10th Cir. 2006).

The next action is that the state will "continue to work within Colorado's local structure." QQ appreciates this point and would like to stress that because of the significant role local governments play in permitting water projects, this statement is of the upmost importance to this chapter. This paragraph points out that local governments have considerable authority "explicitly conferred to them by state law." We recommend clarifying that local governments, especially home rule authorities, also have considerable *implied powers* under their police power to protect public health, safety and welfare.

9.2 Economics and Funding.

QQ does not support the use of state funds for a TMD except through existing programs available through the CWCB or the Water Resources and Power Authority. Page 341 of this section identifies the potential need for additional state funding to:

. . . support innovative water projects, such as multi-use, alternative agricultural transfers, or a new transmountain diversion with a sufficient back-up supply on the eastern slope, combined with significant environmental and recreational enhancements that meet the criteria of the [IBCC] . . .

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Because the idea of state funding for a new TMD does not have consensus throughout the state, the Plan should not discuss the use of state funds for such a project as if it were a well-accepted proposal.

Lynelle Stanford

From: R Mason
Sent: Friday, September 04, 2015 7:14 PM
To: John Spencer
Cc: Lynelle Stanford
Subject: RE: Hearing from the crowd

Dear John,

Thank you for your input. I am forwarding your email to the Town Clerk. It will be added to the public record.

Sincerely
Roland Mason

Sent via the Samsung Galaxy S@6 active, an AT&T 4G LTE smartphone

----- Original message -----

From: John Spencer <johns@oncethere.com>
Date: 09/04/2015 1:02 PM (GMT-07:00)
To: R Mason <RMason@crestedbutte-co.gov>
Subject: Hearing from the crowd

Roland:

I saw the article in the paper asking for feedback on the long term housing issue. I have been in Crested Butte since the mid-80's and my wife since the mid-70's. Our children attended school in Crested Butte for many years before we moved to Austin, TX. We continue to own a house in Crested Butte on 3rd Street. We do not rent it all and at this point we spend less than 4 weeks a year in it.

We have seen Crested Butte through the good times and the bad. When the bubble burst in about 2002, all you heard in Crested Butte was about how we needed marketing, marketing, marketing. Proudly, I was one of a handful of votes in town against the whole Tourism Bureau. We had seen all these cycles before.

The whole short term rental is a scapegoat, in my opinion. Let's say we put severe curbs on short term rentals. This has a downward effect on values. So now my \$750,000 house is worth \$600,000. Is anyone in their right mind going to use a \$600,000 property for long term rental? Of course not. All you have done is torpedo the tax base by 20%.

Many years ago I built a house at 430 Butte (I sold it a few years ago). I went to Bill Crank and told him I would like to take the accessory dwelling and give it away - free - to anyone who we could mutually agree was making a meaningful contribution to the community (teacher, volunteer firefighter, etc.). All I wanted in exchange was after 10 years, to be able to have some level of control. He turned me flat down. I had fully intended to go to Stephanie Noemi and Cathy Sporcich over at the school so I could have a teacher live there and caretake presumably for many years. These types of real solutions (not scapegoating) are what is

required. It is incredibly disappointing, but not surprising, to read the invective coming out about short term rentals in Crested Butte. The solution is NOT trying to squash them.

I read cover the cover the Association of Ski Towns report. It was full of inaccuracies and blatant misrepresentations about Austin, for example. I sent it over to a friend who runs Turnkey, a large property manager in Austin. He told me to look at the experience of Maui. They tried to squash short term rentals many years ago with predictable results - loss of tax revenue and net ZERO incremental long term rentals. They backed off, looked for real solutions to the problem, including accessory dwellings and care taking opportunities, and had much better results.

Crested Butte is not the fist place to deal wit this. Think about places like Nantucket - an island! Is nantucket the same place it was 30 years ago? No. It is much different. And so is Crested Butte. We would all love to go back in time, but it's not going to happen. We need to deal with both the property rights and the economic realities inherent in our system, for better or worse. Responsible leaders will embrace constructive, creative solutions, which in turn need to acknowledge that Crested Butte has changed and it isn't going back. Don't forget, 10 years ago, everyone was whining about we need marketing, marketing, marketing.....The vote tally backs up my claim. Well, now they got it.

John Spencer
johns@oncethere.com
www.oncethere.com
1101 Capital of Texas Highway
Building J, Suite 202
Austin, TX 78746
(956) 748-9193

Lynelle Stanford

From: Aaron Huckstep
Sent: Tuesday, September 08, 2015 3:17 PM
To: Kim Sherman
Cc: Lynelle Stanford; Todd Crossett
Subject: RE: RBO's

Hi Kim,

Thank you for your email regarding the potential regulation of short-term rentals in town. I am copying Town Clerk Lynelle Stanford so your comments can be shared with the Council and become part of the Council's record on the matter. I appreciate your input.

Best Regards,

Aaron J. Huckstep ("Huck")
Mayor, Town of Crested Butte
Direct: (970) 349-2009
Town Hall: (970) 349-5338

From: Kim Sherman [mailto:kimkshe@hotm.com]
Sent: Tuesday, September 08, 2015 3:04 PM
To: Aaron Huckstep
Subject: RBO's

Dear Mayor Huckstep,

As you know, the town of Crested Butte is currently developing two large affordable housing projects. Wouldn't it seem prudent to measure the impact of these developments before attacking Rentals By Owner "RBO"? By seeking to penalize RBOs, the individuals that will be hurt the most are families with mortgages. Is that what you intend to do when the affordable housing projects may significantly help the issue already?

Individuals who can afford million dollar second homes in most cases can afford to not rent out their homes. Rather than rent to a seasonal worker (which would prohibit them from using their home) they will sit empty, hurting the tourism and real estate economies, and damaging a lot of people's income from cleaning and property management. If the home is a family's primary home, penalizing RBO's make it significantly harder for families to buy it.

Penalizing RBO's actually make town less affordable! Such changes will make families like mine who live here permanently and full time suffer and scrape when we counted on renting half of our duplex, possibly short term, to pay our mortgage. Our house is zoned for short term or long term rentals, which is something we paid a

premium to have. How can the town now say we may not be able to rent it out the way we choose or we are going to pay even more fees to do so? We already paid a transfer fee when we bought the property plus we have property tax, and then we will have pillow tax and a lodging tax. You can't really think that having a family pay more fees to live here is helping town.

Unless there is something wrong with having families in Crested Butte? Our 3 kids all had jobs in town this summer. My husband and I work in Gunnison County. All five of us contribute to the economy and town. Why is this worse than a person who wants to rent cheaply in town for four years so they can walk home from the bar? I understand wanting this convenience. Throughout my youth I would have loved to not take a train (that I had to pay for) for an hour into the city center because I could not afford to live downtown. This is true of every city in the world. I never dreamed of going to the city and demanding they make it affordable for me to live downtown and saying the way to do that was to add fees to working families. But this is what is being asked of you, and you are actually considering it!

We instead saved for half of our lives to get a mortgage in Crested Butte and now you think we need to pay more fees. Why are we being targeted because we have to pay a mortgage instead of renting? Why is town trying to tell us what we can and cannot do with our property when zoning rules have already done this?

Having a variety of people, including families, in town is much more interesting than just one group. The town is currently underway with projects for affordable housing. See those projects through before penalizing those with a mortgage. Please don't hurt families just trying to live here also.

Sincerely,

Kim Sherman

October 5, 2015

Work Session

Budget @ 5PM

New Business

Presentation by CBMR of the Teocalli Expansion Plan and Consideration of a Letter of Support Regarding the Same

Future Worksession Items:

- Vending at the Four Way
- Cemetery Committee (Update and planning future work)
- 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)
- CBMBA and Trail priorities/signage (basically – what is the future plan for new trails/existing trail completion in the valley? What should be our priorities as a Council?)
- 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