

MINUTES
Town of Crested Butte
Regular Town Council Meeting
Monday, October 20, 2014
Council Chambers, Crested Butte Town Hall

Mayor Huckstep called the meeting to order at 6:58PM.

Council members Present: Jim Schmidt, Glenn Michel, Shaun Matuszewicz, and Roland Mason

Staff Present: Town Manager Todd Crossett, Town Attorney John Belkin, Town Clerk Lynelle Stanford

Town Planner Michael Yerman, Parks and Recreation Director Janna Hansen, and Building and Zoning Director Bob Gillie (all for part of the meeting)

APPROVAL OF AGENDA

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

CONSENT AGENDA

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

PUBLIC COMMENTS

Skip Berkshire - 29 Butte Ave – Spoke on behalf of the CB Nordic Center

- Recently completed crafting a master plan for the CB Nordic Center.
- Said the relationship between the Town and the Nordic Center was a strong relationship and a good one that has been mutually beneficial.
- Pointed out Appendix C of the master plan that reflected a really good financial snapshot. He said it painted a picture of a successful enterprise. It depicted a map of where they were, where they have been, where they want to go.
- Mentioned a goal to double skier days in five years, up to 50,000 Nordic skiers. They want to be a destination Nordic resort.
- Said they have appreciated the support the Town has given over the years.

Mary Larson and Andi Burnite – Spoke on behalf of the Creekside Spa located at 120 Elk Ave.

- They have a beautiful spa with ten massage therapists on staff.
- Whatever event affected their business.

- They said that prior to the event being approved, Dano (Dan Marshall) told them a sound stage would be set up in front of their business.
- They experienced limited parking for their clients.
- They were informed that the company would compensate them for lost business based on last year's business plus 10%.
- They have reached out to appropriate Town staff, including Huckstep and Crossett, and they have contacted Mosaic and Fusion representatives. They have received zero response. They then hired an attorney, and they received a response from Crossett.
- They reported they deserve more action and accountability. They were ignored and had to beg for logistics to conduct business as usual.
- They were at the meeting to get accountability for promises.

Susan Eskew – 201 Gothic

- Notified tenants staying in her property during the Whatever event. They enjoyed the event.
- Was hoping the gift of \$500K would benefit the community, not just for toys, but benefit those who live here, like affordable housing.
- All were impacted in some way, and she hoped that the money was here for people that live here.
- There was a change in the contract that they weren't aware of, and she wanted it to benefit people in the community in some substantial way.

Erika Vohman – 111 Whiterock

- Planning for Whatever event happened behind closed doors.
- She mentioned her work in international development in rural communities.
- She asked for Huckstep to resign. Said she was disappointed in Crossett's leadership, and she wondered what kind of legal loopholes Belkin found. She reported to be totally appalled and said leadership was not ok.

STAFF UPDATES

Tom Martin

- Reported on a reverse 911 call that went out to CB South residents the previous night. Martin reported a vehicle pursuit involving a stolen vehicle out of Chaffee County that started in Mt. Crested Butte in the late afternoon and progressed up Slate River Road. The driver was an 18-year-old wanted person. The driver went up and over a ditch to avoid stop sticks, and he was lost by law enforcement in late afternoon. He was spotted in the evening in Mt. Crested Butte. Stop sticks were successfully deployed before he could reach Town, and he drove to CB South on all rims. A foot pursuit occurred when he abandoned the vehicle. Mt.

Crested Butte initiated a reverse 911 call to alert residents in CB South there was suspicious activity, and a resident checked his vehicle, with the keys left in it, and found it was already stolen. The suspect was cooperative in that he pulled over for Colorado State Patrol about ten miles south of CB South.

- Attended a meeting with officials on Ebola. Martin felt local officials were very prepared, and he was impressed by how they would handle the situation. He said initially they would do well in isolating an affected individual and getting him or her out of the county.
- Met with representatives of student affairs at Western. Martin said at Vinotok there were a lot of younger individuals in the 18-22 year-old range who were extremely intoxicated. He said they did not arrive at solutions, but he wanted to tell them it was very concerning. They were receptive, and it was a good relationship builder. Michel asked Martin if he was trying to go after a certain percentage of the problem. Martin said he was trying to be proactive in having something for students to do to deter them from being on the highway, and he agreed that Western students were not 100% of the problem.
- Mason asked Martin with Vinotok and Chili and Beer being on same day if he thought issues were caused by the events lining up this way. Martin said 1,700 people went to Beer Fest, but the energy level at Vinotok was different. He said the difference was what participants used to get buzzed: lots of hallucinogenics and a lot of alcohol. The intoxication was collective across the board with a lot of individuals, and he said overall it felt like a weird night.

Michael Yerman

- Received a formal application for the Slate River Addition Annexation. He will possibly present a conceptual plan at the second meeting in November.
- The Deli Trail workday is on the 29th from 2PM to 6PM. They will work to re-seed the trail.
- Trail kiosk signs for Town Ranch and Big Mine are being presented to BOZAR.
- Transportation Plan meeting November 6 at 6PM.
- Staff is going to the housing foundation tomorrow for funding for Lots 79 and 80, and there will be an update on Monday.

Bob Gillie

- Busy in the building department.
- Anthracite Place is in the PUD phase.
- Probably looking at a new commercial building next to Kochevar's.
- Will be starting to talk again to the Center for Arts to see how their project is moving along.
- Will most likely make a recommendation to the Council on the Jeep rental issue in November.

Janna Hansen

- Becker will be on site next week for dasher boards repair at Big Mine.
- Final tensioning of the cables is happening at the tennis courts.
- SGM work should be complete with design as well as costs.
- Department is winterizing parks and getting ready for winter season.

Lynelle Stanford

- Betty Warren, the new Deputy Clerk, started last week, and she has been a tremendous help to the office.
- Administratively approved Ghost Stories for October 30, 2014 in the library courtyard.

Todd Crossett

- With the hire of Warren the Town is fully staffed for the first time since he started.
- Reported a lot of staff time has been going into the budget process.
- Wrapping up repairs for Whatever USA.
- Reminded the Council of the park funding initiative on the ballot in a couple of weeks.
- Schmidt asked if the slurry coating of Elk would take place in May. The temperature of the asphalt has to be 55 degrees and rising for the coating to take place.

NEW BUSINESS

Resolution No. 15, Series 2014 – Resolutions of the Crested Butte Town Council Authorizing the Expenditure of Up to \$700,000.00 from the Town’s Open Space Fund for the Purchase and Conservation of Approximately 93 Acres Located at Parcel No. 1, The Reserve, Town of Mount Crested Butte, Gunnison County, State of Colorado.

Yerman confirmed the agreement was for the 98-acre Promotory Ranch Parcel that would secure access to Snodgrass. The Town was contributing 24%, and the agreement spelled out how the money would be transferred to the Land Trust. According to TABOR, if the RETT doesn't bring in enough in future years, they would bring forward another funding agreement, but staff felt like they would make the mark. The Land Trust would use a bridge loan until remaining funds were transferred from the Town. 1% for Open Space is contributing to secure two properties in which the Town is not contributing. Ann Johnston, Executive Director of the Land Trust, thanked the Council again for their support. She said they were really, really close to the finish line. She reported to be 90% of the way there. She said three parcels were a bigger project than presented. They needed to raise another \$135,000, but they were excited to solidify this parcel.

Schmidt moved and Mason seconded a motion to approve Resolution No. 15, Series 2014. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

Resolution No. 16, Series 2014 - Resolutions of the Crested Butte Town Council Authorizing the Grant of a License to Ice House LLC to Encroach into the Second Street and Elk Avenue Public Rights of Way Adjacent to 202 Elk Avenue, Lots 15 and 16, Block 28, Town of Crested Butte.

Gillie confirmed nothing had changed since his staff report. He said they were probably considering more licenses for this project, but their immediate interest was to secure this license. Schmidt asked how the project might affect parking on the west side of the building on 2nd Street. He wondered with their prior history of construction at Scarp Ridge Lodge if there were restrictions on the time they might be working on the project, thereby blocking off the area. Gillie said they didn't want it garbled up come wintertime. He said it shouldn't take them more than a couple of weeks to get in the micro piles. He said the micro piles themselves would be a foot below grade, and they would not be obstructions on the surface. Gillie reported Ice House LLC owned two feet of sidewalk, and they would have to put micro piles in the front. He said it should take a couple of weeks, and hopefully be done by Thanksgiving. Gillie said there would be more talk about how they would lift up the building to be sympathetic to Town and visitors. He did say there would probably be a boardwalk there this summer. Schmidt confirmed they would not be moving the building into the street. Gillie answered that was the purpose of doing micro piles. Schmidt voiced concern that other buildings owned by this company have taken extraordinarily long to complete, and he asked if there would be an agreement relative to the staging and how it works. Belkin answered the Town had a right of way ordinance which addressed mechanisms to how they use the right of way for construction. He said license agreement provisions were included in the permit. Dumpsters and parking are all covered in the code now. Huckstep asked what would happen if they failed to be finished by Thanksgiving. Belkin said there would be fines, but it would be interplay of Gillie's and Due's worlds. Gillie said it was in the Town's best interest to see buildings rehabbed; it is to the Town's advantage to get through in the least interruptive way possible.

Mason moved and Schmidt seconded a motion to approve Resolution No. 16, Series 2014 and the associated revocable licensing agreement. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

Discussion and Possible Action Regarding Award Consulting Services Agreement to Mundus Bishop Design, Inc., a Colorado Corporation for the Big Mine Master Plan in an Amount Not to Exceed \$81,000.00.

Huckstep confirmed that nothing had changed from Hansen's staff report. Schmidt asked about Mundus Bishop. Hansen said they were a design firm that specialized in park design, and they had experience in working with historic preservation. They have multiple offices. Tina Bishop, who will be taking the lead on the Big Mine project, is a part-time local resident. Crossett further explained Mundus Bishop had done a lot of

work in ski country. Hansen said out of four strong proposals, they interviewed three candidates. Schmidt confirmed the final plan would be completed at the end of May.

Michel moved and Schmidt seconded a motion to award the Big Mine Master Plan consulting services to Mundus Bishop in an amount not to exceed \$81,000.00. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

Presentation by Richard Van Gytenbeek of Trout Unlimited, Colorado River Basin Outreach Coordinator, Requesting the Council's Support for the Core Values: Five Common Sense Principles Which Speak to Cooperation, Protection of Agriculture, Protection of Open Space and Habitat, Upgrading Irrigation Systems and Employing Innovative Water Conservation and Management Practices.

Richard Van Gytenbeek presented to the Council on the purpose of "Our Colorado River," which is a project of Trout Unlimited to improve the quality of the Colorado River and its tributaries. Van Gytenbeek requested the Council sign on in support of their set of five core values: Cooperation, not conflict; Protect our quality of life; Modernize irrigation; Innovative management; Keep our rivers at home. They are a resource conservation group that exists to promote healthy rivers. They build collaboration between recreational and tourist communities. Agriculture needs water, and the economic benefit is \$1B. Recreation and tourism need water, and the economic benefit is \$9B. Sustaining flow, sustaining community. Together they are a powerful force. "Our Colorado River" works on habitat restoration, improving irrigation, and boosting stream flows. A slide in the presentation depicted an enclosure to fence livestock from a stream in order to restore habitat and continued grazing. Also, Van Gytenbeek explained the purpose of a relief ditch was to improve irrigation infrastructure on the Gunnison. Other benefits of a relief ditch were: fish passage, boater safety, improved irrigation efficiency, and reduced channel disturbances. Van Gytenbeek then listed and explained the core values, and he again asked the Council to consider supporting the core values by signature. He also said the Council members could sign as individuals. Van Gytenbeek said if the Council knew of conservation projects, they would provide technical expertise as well as private and public sources of money. Huckstep said to just give the Council an idea, the Upper Gunnison Conservancy just made the decision to embrace these values. Huckstep questioned the perspective of the ranching community. Van Gytenbeek answered that the ranching community makes a point that each valley is different. They all irrigate in different ways and have different hydrologies. Each valley is different, and each is individual and unique from one another. The prior appropriations system assumes that everything that is not used is going to make its way back to channel, and most of the water comes back to be used beneficially down stream. In response to the question if they support further storage projects on the Western slope, Van Gytenbeek said, "Yes, they do." He said if it's done correctly and it pulls water during wet years, it's probably a good idea. Schmidt asked him if Trout Unlimited took a position in the big debates a few years ago concerning the recreational use compared to property rights on rivers. Van Gytenbeek said they have not taken a position; they have simply stayed out of the debate. The Council discussed the method they would use to show support. Van Gytenbeek said Ouray County supported the core values via a resolution. It was a clear resolution that

they were adopting, having no bearing on land development regulations or water rights. Elected officials have been concerned that it will come back to haunt them in the court of public opinion. Gunnison City Council supported by letter. San Miguel County had their chair go on the website to sign. Schmidt asked to whom Van Gytenbeek was sending the letter. He answered it would hit the governor's desk the 15th of December. Van Gytenbeek said a goal was to try to represent as many diverse users as possible on the Western Slope. They're worried about the amount of water. The Front Range has many options to get water. Once a water right is adjudicated, it's water under the divide. He said they would welcome support at any time. Huckstep said they would further discuss support and their method of support under other business.

Presentation by Coal Creek Watershed Coalition on Upper Slate River Watershed Plan.

Zach Vaughter, director, and Ashley Bembenek, technical coordinator, from the Coal Creek Watershed Coalition presented on the Upper Slate River Watershed plan. They explained their water plan would be completed by October 31. It has been a process two years in the making. The water plan is a comprehensive plan that combines existing information and the input of local stakeholders to address water quality impairments. In 2011, they expanded to include the Upper Slate River watershed. The Town of Crested Butte is an active stakeholder with the Coal Creek Watershed. Vaughter reported they wanted to leverage data that was out already. From that data, they were able to prioritize impacts and provide a foundation to move forward with projects. The Upper Slate River Watershed is northwest of Crested Butte, comprised of 34 square miles on the east side of the Ruby Range and 71 streams and rivers. The land ownership for the Upper Slate River Watershed: 80% of the watershed is publically owned, 42% is designated as wilderness, and 20% is privately owned. The Town of Crested Butte or the Crested Butte Land Trust holds a large portion in conservation easements. Water quality standards protect local water uses including: aquatic life, agriculture, and recreation. 80% of the water quality met the standard. 20% failed to meet the standard. There were three causes of impairment and subsequent solutions listed:

- Drill hole – one of many holes drilled to map molybdenum beneath Mount Emmons. Improper abandonment resulted in artesian flow at the drill hole and very acidic water. Low Ph allows different metals to enter the system. After the drill hole closure project, water no longer reaches the surface. It is dispersed to the subsurface as ground water. Additional monitoring will occur in 2015.
- Daisy Mine - several portals. Very acidic water with elevated metal concentrations. Named a high priority abandoned hard rock mine. The Daisy Mine Reclamation Design and Implementation developed a reclamation plan that may include water control, waste repository, and passive water treatment. Strong candidate for NPS funding in 2017.
- The Red Well – naturally occurring source. Approximately 2800 years old. Three major sources of metal. Each of the sources is tributary to Redwell Creek.

GB trail passes through the Gunsight processing area reclamation. There are four prominent benches made of mine wastes. Due to extensive recreation in the area, the site is a human health risk. Funds are needed for construction.

Benefits to Town include:

- Improved water quality to support aquatic life, recreation, agriculture, and local water supplies
- Economic development: projects outlined in the Watershed Plan would bring in additional funds.
- Broad, local support will help secure more funds such as letters of support to accompany grant applications.

Schmidt asked Vaughter if anything was coming out of Poverty Gulch. He said the beaver ponds have discoloration. Bembenek answered that out of 30 samples, levels were below water quality standards, and less than ½ percent of exceedents. She explained that discoloration could be due to natural sediment movement. They did a landform study and found that in the upper watershed, all the sediment that moves is entirely natural. Below the Pittsburg town site, there are human caused issues and points of concern. Michel wondered if bathrooms at Oh Be Joyful were one of the big 3. They said all E. coli levels have been below standards. They said they have considered a pit toilet or more permanent solution relatively soon as well as a public outreach component.

LEGAL MATTERS

None

COUNCIL REPORTS AND COMMITTEE UPDATES

Glenn Michel

- Will report jointly with Mason on RTA updates.

Shaun Matuszewicz

- Reported the Center for Arts is continuing with fundraising, and they are meeting with key donors.

Jim Schmidt

- Cemetery Committee met last week, and the request for budget for 2015 was increased to \$15K. He said there were three main objectives the committee listed: weed spraying program, mapping and re-platting of cemetery (existing road on gravesites - easier to re-plat rather than make straight with roads), and the stabilization of monuments.
- Concerning the wrap of Whatever, he sent out the tentative agenda. The Center for Arts is available as a location for the meeting if the Town Council Chambers

would not provide sufficient space. Schmidt said they have over a month to flush out and get suggestions for the meeting.

- Michel mentioned the process the hospital in Dallas went through when they dealt with Ebola. He said it was really informative how they chose to approach it as a team with no finger pointing. He said it would be best to use a highly intellectual method to analyze and come up with solutions.

Roland Mason

- Said there is always potential for a movie, TV, or commercial shooting to take place in the area, so issues need to be addressed.
- Mountain Express meetings are changed to the 2nd Thursday in the month, instead of Monday.
- Said they had an interesting meeting. Some highlights were: Ridership is up 30% in October and they should see a spike in sales tax that generally corresponds with ridership; Year to date ridership is 17% up; The newest bus, a bike themed bus, is almost done being painted.
- Mountain Express will be providing service to CB South for the winter. RTA and Mountain Express have worked together to form a schedule that would almost provide full service.
- The bus stop is right next to the hockey rink, which is centralized and provides parking for people.
- The original cost of \$66,000, which included capital costs for an extra bus, was reduced to \$49,500, which just covered operating costs.
- Will provide six busses, three trips in the morning and three trips in the afternoon, for 110 days during ski season.
- Michel said they were directed to go back to Council and see if Council will agree to help fund. He explained they were not asking Council for additional funds. They would use sales tax money that is already allocated.
- They hoped for it to be implemented in the Transportation Plan, possibly in lieu of having a large parking structure. There is great potential for our economy to be tied to CB South's economy.
- Mason confirmed the current funding only covers winter service up to April 5th.
- Michel said the additional CB South service also has another bus coming through town and picking up at the Four Way.
- Mason said there would be surveys handed out at the bus stops and to please fill one out.

Aaron Huckstep

- Discussed at the RTA meeting was big haul leakage when passengers use the Gunnison airport for departure or arrival but not both.
- Average spend per passenger was \$1,000.

- At some point, Council needs to decide if they're contributing to the late night bus.
- CAST is in Ouray on Thursday and Friday.

OTHER BUSINESS TO COME BEFORE THE COUNCIL

Huckstep listed three items to be discussed under other business: indemnity agreement from Belkin, Creekside Spa, and resolution or letter of support for Trout Unlimited.

Schmidt referenced an email he received from Owen that said he couldn't make this meeting or December meetings. Schmidt emailed back and expressed he didn't want to be caught in the same situation as they were with past council member, Wirsing. Owen responded and said he understood, and he would make a decision to determine how much time he could dedicate to Town Council.

Secondly, Schmidt mentioned the annexation plans that were handed in to Yerman. He said this Council has never had an annexation, and that piece of property has some unusual characteristics. He voiced concern the staff might take the developer down a road that is unacceptable to the Council. Referring to what he saw last time, there was meeting after meeting after meeting, and the Council was leading the applicant on and on. A year and half of meetings ended up nowhere. Schmidt didn't want staff to go through the whole process, and then come to Council. The property is unique because it was a former dump, and there is a river running through it. Belkin said Yerman would bring the concept plan review in November. He said where it ended before was because of the dump issue. Belkin said he would provide the Council with a memo on how to handle, and he would make a recommendation to the Council to look at it as a quasi-judicial matter. Belkin said he would make recommendations based on being involved in other annexations. He will articulate it in a memo and the Council can decide what they want. Belkin said the planner was to make recommendations to the Council. He said let the planner do the planning, and the Council can make the decisions. Schmidt voiced further concern with the potential clean up problem. Belkin said they would have the opportunity to talk about it. Staff has had the application for four working days. Huckstep said an executive session could be added to instruct the negotiators. Huckstep said it would help to get some input. Belkin said that was the point of the concept review in less than a month. Crossett explained that over the last year, the applicant has come in and tossed ideas at the staff such as what could be no starters and what could be issues with the code, in order to prepare to come with an application. He explained their plan had just arrived. Mason confirmed the plans were coming before the Council as the Council and not coming before them as the Planning Commission. Belkin told the Council that Yerman brings fresh ideas, and he's done annexations before. Michel said the Council needed to be very, very careful with the process. He said they needed to be careful to be transparent. He does not want to circumvent the process. Schmidt said they have never told a developer what they think about the site of a former town dump. He was concerned about this as a different thing, and at least the Council and staff have to get together because someone will be driving down the wrong road. Belkin said with the concept plan, they will have plenty to chew on.

The discussion returned to the topic of the Creekside Spa. Per Belkin, Crossett sent an email response to them, in which he clarified the Town does not have a policy or mechanism to compensate business owners because they feel worse for the wear when Town has a special event. Crossett said it was not just because Town doesn't want to, but also because they can't. He said as soon as the door is opened, it becomes untenable very quickly. Crossett went back and collected emails, a tremendous amount of communication, and he reached out to H Baum, Stephanie Prater, and Dan Marshall for their specific notes as to what was communicated. He said he would check back in with event organizers, but he could not guarantee a successful outcome. Matuszewicz added he felt like this one was different. They made a verbal agreement and were misled. He thought it the Council's job to stick up for constituents and get an answer one way or another. Huckstep said his only concern was that no one from Mosaic had direct communication with these business owners. Crossett cited mixed emails with what event organizers were willing to do.

In regards to the request of Council support from Trout Unlimited, the Council members were asked if anyone was opposed to having a resolution on the agenda or would the preference be a letter of support. Belkin said he preferred resolutions. The Council decided to review the resolution passed by Ouray County to determine if aspects of it may be used to show support in this situation.

Matuszewicz said Owen had missed very few meetings, and it was hard to scramble before an election. Schmidt said he had been on Councils when people have disappeared. Mason said Wirsing made every third meeting. Schmidt said the Town had legislation in the code because there was someone who moved out of town who refused to resign, and they had no way to address that at all. He said he could certainly understand that people have personal problems and responsibilities, but they also have responsibility to the Council. Schmidt said Owen was aware and did not want to string the Council along, and he would make a decision in a week or ten days. Michel said to be representatives they have to be here. He said they have personal things but they have an obligation to each other and want to respect that. Schmidt said Owen would try to be back the first meeting in December. Huckstep said he was dealing with a fluid situation that was personal in nature.

In regards to the release and indemnification agreement, there was a memo from Belkin. It was related to getting the ice rink put back together. Belkin said the agreement allowed the Town to contract with Becker. It was to get the Mosaic folks happy or semi-happy to release them from liability of work that comes from Becker.

Schmidt moved and Mason seconded a motion to approve the Release and Indemnification Agreement provided and to direct the mayor to sign. A roll call vote was taken with all voting, "Yes." Except Matuszewicz voted, "No." **Motion passed.**

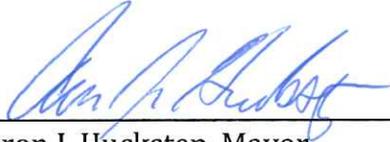
Schmidt added two items: Congratulations to the high school soccer team for winning the conference, and he wished Lee Dickelman a speedy recovery from heart surgery.

DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

- Monday, November 3, 2014 – 6:00PM Work Session – 7:00PM Regular Council
- Monday, November 17, 2014 – 6:00PM Work Session – 7:00PM Regular Council
- Monday, December 3, 2014 – 6:00PM Work Session – 7:00PM Regular Council

ADJOURNMENT

Mayor Huckstep adjourned the meeting at 9:28PM.



Aaron J. Huckstep, Mayor



Lynelle Stanford, Town Clerk

(SEAL)

