

**MINUTES**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, June 3, 2019**  
**Council Chambers, Crested Butte Town Hall**

Mayor Schmidt called the meeting to order at 7:08PM.

Council Members Present: Will Dujardin, Candice Bradley, Chris Haver, Laura Mitchell, and Paul Merck

Staff Present: Town Manager Dara MacDonald, Town Attorney Jo Seavy, and Community Development Director Michael Yerman

Finance Director Rob Zillioux, Parks and Recreation Director Janna Hansen, Town Clerk Lynelle Stanford, and Open Space/Creative District Coordinator Mel Yemma (for part of the meeting)

Schmidt mentioned the topic of the work session, the demolition moratorium, and that they needed to spend more time discussing it.

**APPROVAL OF AGENDA**

Stanford requested that #4 and #5 be removed from the Consent Agenda and added to the beginning of New Business.

Haver moved and Mitchell seconded a motion to approve the agenda as amended with Alpenglow and Street Vault moved to New Business. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**CONSENT AGENDA**

- 1) May 20, 2019 Regular Town Council Meeting Minutes.**
- 2) Artists of Crested Butte Art Market Special Event Application Closing the Zero Block of Elk Avenue on Sundays beginning June 16<sup>th</sup> through October 6<sup>th</sup>, Except the Sundays of the Arts Festival and ARTumn. On September 15<sup>th</sup>, 2019 the Event Would Close the 1<sup>st</sup> and Elk Parking Lot Because of ARTumn.**
- 3) Ride the Rockies Special Event Application for Town Park on Saturday, June 8<sup>th</sup> and Sunday, June 9<sup>th</sup> and Special Event Liquor Permit for Saturday, June 8<sup>th</sup> and Parking at the Gravel Pit from June 8<sup>th</sup> to June 16<sup>th</sup>.**
- 4) Alpenglow 2019 Special Event Application and Special Event Liquor Permit in Town Park on Mondays from June 17<sup>th</sup> to August 12<sup>th</sup>.**

5) **CB Street Vault Special Event Application Closing the 100 Block of Elk Avenue on June 15<sup>th</sup>, 2019.**

6) **4<sup>th</sup> of July Parade Special Event Application Closing Elk Avenue from 1<sup>st</sup> Street to 9<sup>th</sup> Street, 3<sup>rd</sup> Street from Alley to Alley, 8<sup>th</sup> Street and 9<sup>th</sup> Street from Elk Avenue to Red Lady on July 4<sup>th</sup>, 2019.**

7) **Crested Butte Bike Week Special Event Application and Special Event Liquor Permits for June 28<sup>th</sup> and June 29<sup>th</sup>, 2019 Closing the 1<sup>st</sup> and Elk Parking Lot, Four Way Parking Lot, 1<sup>st</sup> Street from Maroon Alley to Sopris Avenue, and the Zero and 100 Block of Elk Avenue on June 28<sup>th</sup> and Using Town Park on June 29<sup>th</sup>.**

8) **Junior Crested Butte Bike Week Special Event Application for June 28<sup>th</sup> through June 30<sup>th</sup>, 2019 Utilizing the Elk Avenue Closure for the Chainless on June 28<sup>th</sup>.**

9) **Moms Demand Action Wear Orange Art Installation Special Event Application in the Garden Area in Front of the Tennis Courts at the Four Way from June 14<sup>th</sup>, 2019 through June 30<sup>th</sup>, 2019.**

10) **Approval of Creating an Additional Marshal Position.**

11) **Resolution No. 8, Series 2019 - A Resolution of the Crested Butte Town Council Authorizing the Grant of a Revocable License to Samantha Smiles LLC to Encroach Into the Right-Of-Way Adjacent to Elk Avenue and Lot 14 and the East Half of Lot 15, Block 28, Town of Crested Butte.**

12) **Approval of Permanent and Temporary Sculptures in Town Park as Recommended by the Creative District Commission.**

Merck moved and Dujardin seconded a motion to approve the Consent Agenda with the deletion of #4 and #5. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **PUBLIC COMMENT**

Mike Knoll - 232 Trent Jones Way

- He is the owner of Kochevar's and President of the Bartenders Association that subsidizes the town taxi.
- Alpine Express was asking for a much higher subsidy amount to continue the town taxi service.
- He asked for help from the Town.
- Schmidt said they would move the topic for discussion at the end of New Business.

Kent Cowherd - 901 Teocalli Avenue

- He understood Clark's Market was having trouble getting contractors. He felt the building was an eyesore, and he suggested the Town encourage the work be done.
- He thought the Council should discuss STRs with the Mt. Crested Butte Council at their next joint meeting.
- He recommended that no demolition happen to buildings built under the 2015 Building Code.

### **STAFF UPDATES**

- Schmidt referred to the memo from the Town Manager.
- Schmidt acknowledged the letter from restaurant owners asking the Town to consider paving the alley South of Elk between 2<sup>nd</sup> and 3<sup>rd</sup>. Merck recognized it would be advantageous to have the paving done. MacDonald suggested they schedule the discussion for an upcoming agenda. Haver wanted to consider it with other costs.
- Schmidt mentioned they were collecting topics for the upcoming meeting with Mt. Crested Butte. Haver stated his ideas to discuss were joint housing efforts, climate action planning, and the STR tax.
- Mitchell suggested the Marshals enforce two-hour parking on Elk Avenue. Dujardin agreed.
- Dujardin recognized MacDonald for her work on the OVLC.
- Schmidt brought up the questions on stop bars and painting the word STOP at intersections. He acknowledged problem areas that needed STOP on both sides. Dujardin knew of people who wanted more on the street. He suggested STOP be painted at 2<sup>nd</sup> Street and Gothic. Haver stated 6<sup>th</sup> Street itself needed STOPS painted. He also thought the bus route could benefit. The stop bars would be painted at every stop sign.
- Yerman announced they would be advertising for a member on the Climate Action Plan Committee. He wanted to extend the invitation for a youth member to Nola Hadley.

### **OLD BUSINESS**

#### **1) Update on Block 76 Lottery.**

Yerman updated on the number of applicants for the lottery. Staff was concerned about moving forward with Phase 2 at this time. He was comfortable they would sell out Phase 1 with a push in marketing efforts. Haver questioned how a down payment assistance program could help buyers in striving for a higher AMI category. Yerman recommended they take the month of June to determine if business owners were interested in purchasing units to rent out to employees. There was a lot of interest in the 120% AMI price range. He asked the Council for direction on approaching the business community. Schmidt asked process questions regarding the lottery. MacDonald stated that in the future, Town could tap funds to buy down the sales prices to help set people up for long-term success.

Merck moved and Dujardin seconded a motion to direct Staff to pursue sales of units in Phase 2 to employers for use as employee rentals, up to ten units. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **NEW BUSINESS**

#### **1) Alpenglow 2019 Special Event Application and Special Event Liquor Permit in Town Park on Mondays from June 17<sup>th</sup> to August 12<sup>th</sup>.**

Stanford explained the reason the event was removed from the Consent Agenda. The event organizer had yet to provide a certificate of insurance, naming the Town as certificate holder and additionally insured, including liquor liability coverage.

Ryan Kay, Performing Arts Director at The Center, stated Joel Benisch, Board President and the insurance agent, reached out to MacDonald. Seavy understood there was no objection to adding the Town as additionally insured. They needed to work through specific language. MacDonald elaborated that Benisch wanted specific wording in the language in the permit.

Merck moved and Dujardin seconded a motion to approve the Alpenglow special event application and special event liquor permit contingent upon a certificate of insurance being provided before the event. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

#### **2) CB Street Vault Special Event Application Closing the 100 Block of Elk Avenue on June 15<sup>th</sup>, 2019.**

Stanford reported that the event organizer, Derick Hinch, originally proposed to use the 200 Block of Elk Avenue for the event. Staff did not approve using the 200 Block, but they were amenable to closing the 100 Block for the event. Changes were last minute to the application, and Staff, Mountain Express, and the Fire Department had not signed off for their approvals of the event in the 100 Block of Elk Avenue. Hinch outlined details of the event. He stated there were 15 people that had signed up. MacDonald clarified the reasoning behind the Staff's recommendation.

Haver moved and Dujardin seconded a motion to approve the CB Street Vault Special Event application on the contingency that Staff, Mountain Express, and the Fire Department sign for unanimous approval. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

#### **3) Presentation from the Colorado Energy Office and Possible Action Releasing a RFP for Energy Services Company to Conduct Investment Grade Audits of Town Facilities.**

DeLynne Southern, Technical Specialist with the Colorado Energy Office (CEO), introduced herself. She provided overviews on their mission and initiatives. She

summarized the energy performance contracting partnership and explained the Energy Performance Contracting (EPC) five-step process. Southern reviewed support provided by the CEO, energy efficiency measures, water efficiency measures, and renewable energy measures. Yemma explained how she learned about the program, and she summarized the process. Yemma informed the Council that the cost of the audit could be rolled into the EPC. Yerman stated there could be a Phase 2 beyond the audit.

Haver moved and Bradley seconded a motion to request Staff to move forward with a RFP to hire an ESCO to conduct an investment grade audit. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

#### **4) Approving Letter to the Gunnison Watershed School District Regarding Dispute Resolution.**

Schmidt read prepared thoughts he had, which included the background around the school, its locations, and the Town. He brought up the history behind Town Ranch. He recalled past proposals the school brought to BOZAR. He acknowledged the present school fit in with the character of the Town. He was disappointed the District was taking the position they did not need to go through BOZAR. Haver looked forward to seeing how they could resolve the understanding of the IGA.

MacDonald identified areas of conflict, including the BOZAR process. The Town's assertion had been that any changes at the campus were subject to BOZAR review and approval under the 2009 IGA. She remained hopeful they could reach a resolution. She identified that mediation should be established to take place at the end of the period of discussions between the Town Manager, Superintendent, and representatives from the Board and Council, if needed. John Sullivan encouraged the group to review parking lot maintenance and the term of a new IGA during the discussions as well.

Superintendent Leslie Nichols shared optimism with MacDonald they could find a way to reach an agreement. The Board's guidance was to have a mediator scheduled at the end of the 60-day period, in which discussions would take place. The Board found the process outlined by MacDonald to be agreeable.

Merck and Schmidt volunteered to serve on the committee to discuss, and Haver said he would too. Mitchell encouraged them to look forward. She supported Schmidt and Merck serving. Tyler Martineau introduced himself as the school board representative North of Round Mountain. He intended to ask the Board to appoint him to serve on the committee to meet in advance of the mediation.

Mitchell moved and Merck seconded a motion to approve sending the attached letter to the School District Superintendent to invoke the Dispute Resolution Provision of the Intergovernmental Agreement dated May 11, 2009 between the Town of Crested Butte and Gunnison Watershed School District RE-1J and to appoint Paul and Jim as representatives. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**5) Resolution No. 9, Series 2019 - A Resolution of the Crested Butte Town Council Amending the Fee Schedule for the Town of Crested Butte, Colorado for the Fiscal Year 2019, Beginning the Fourth Day of June and Ending the Last Day of December 2019.**

Zillioux stated the resolution was housekeeping on the fee schedule to help the Town cover costs on water meters. Town historically added 10% to the cost for management. Also, there was a fee added to the fee schedule for a subdivision exemption, and event fees were added for certain facilities.

Mitchell moved and Merck seconded a motion to approve Resolution No. 9, Series 2019. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**6) Ordinance No. 24, Series 2019 - An Ordinance of the Crested Butte Town Council Approving the Lease of the North Unit (Located in the Upper Level of the Chamber of Commerce Visitors Center - A Town Owned Building) Located at 601 Elk Avenue to the Crested Butte Arts Festival.**

Zillioux informed the Council that this ordinance was the continuation of updating formal leases. Town continued to charge nominal rates.

Mitchell moved and Bradley seconded a motion to set Ordinance No. 24, Series 2019 to public hearing on June 17<sup>th</sup>. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**7) Ordinance No. 25, Series 2019 - An Ordinance of the Crested Butte Town Council Approving the Lease of 814 Teocalli Ave (a Town Owned Building) to Matthew Davis.**

Schmidt confirmed Davis worked for the Town. Zillioux explained Davis was picked via lottery. He reviewed square footage of the property and the rent.

Merck moved and Mitchell seconded a motion to set Ordinance No. 25, Series 2019 for public hearing at the June 17<sup>th</sup> meeting. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**8) Ordinance No. 26, Series 2019 - An Ordinance of the Crested Butte Town Council Approving the Lease of 812 Teocalli Ave (a Town Owned House) to Dylan Bova.**

Schmidt confirmed Bova worked for the Town. Zillioux said Bova was picked via lottery. He reviewed square footage of the property and the rent.

Mitchell moved and Dujardin seconded a motion to set Ordinance No. 26, Series 2019 for public hearing at the June 17<sup>th</sup> meeting. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

## **9) Tobacco and Nicotine Products Tax Discussion.**

Schmidt received a call from the National Tobacco Board or similarly named organization that was very concerned about the agenda item. MacDonald reviewed the inception of the discussion and what was allowed with recent legislative changes. She reported on what she learned from Basalt, Aspen, and Avon, and she provided summaries on what had been done in each jurisdiction in her staff report. Staff recommended that funds be allocated into the General Fund.

Haver questioned numbers related to cost and taxes, and he wondered what the goal was. Schmidt said they could use the funds for prevention. MacDonald identified the goal was to reduce the use of tobacco and nicotine products. Haver would be behind countywide consideration, but he did not know how effective the tax would be. His concern was that it was easy to put a tax on a small number of people. Schmidt had no problem putting the question to the voters. MacDonald said the attorneys could begin drafting a resolution. Schmidt asked about the age limit, which they determined could be changed via ordinance. The Council directed Staff to move forward with a resolution.

## **10) Discussion and Possible Consideration of a Letter of Support for Abel Chavez' Application for the Department of Energy Grant AOI 6b: New Mobility Services in Rural America.**

Yemma explained Chavez was encouraged to apply for the grant, and she read the title of the grant. She reviewed the areas of focus. Chavez was interested in using Mountain Express as a case study and demonstration project. They were asking for a letter of support for the grant.

Merck moved and Haver seconded a motion to authorize the Mayor to sign the letter of support. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

## **11) Discussion on the Late Night Town Taxi (Brought forward from Public Comment).**

Schmidt summarized the question was about additional funding for the late night taxi. Mitchell explained that Alpine Express increased the price. She thought Mountain Express and RTA could come together for a solution. The problem was the busses did not run after Midnight because the County did not plow after Midnight. There were also staffing issues. Mitchell was looking for direction from Council members. There was discussion on late night transportation options. Schmidt agreed it was tough to staff. Mitchell said they needed to provide the service. The Council directed the discussion to be an agenda item at the next meeting.

## **LEGAL MATTERS**

Seavy told the Council there would be ongoing discussions regarding the insurance on the Alpenglow special event application. The issue was likely to be resolved.

## COUNCIL REPORTS AND COMMITTEE UPDATES

### Will Dujardin

- He stated the elected officials' dinner was relatively productive.
- He went to Lake City with the Growing Water Smart team.
- He attended the OVLC meeting, and he thought sustainability was an important pillar.
- At the Upper Gunnison River Water Conservancy District meeting he learned the Mesa was projected to fill.
- They were looking at having an employee unit or two at the Mountain Express bus barn.

### Candice Bradley

- She would have a Creative District meeting this week. She pointed out the approval of the sculptures on the Consent Agenda.
- She attended the CML meeting. There were two affordable housing bills that passed. She learned about marijuana onsite use and delivery. The question on public consumption was left open and up to the municipalities.

### Chris Haver

- Haver identified that Prop CC and DD were coming up in the next election.
- He would have a Chamber meeting this week. They were debating Fat Bike Worlds for the future. The Fat Tire 40 was cancelled this year because of snow.
- Health and Human Services offered a Block grant for health and life issues.
- Dujardin thought it seemed the Chamber did not want to do the Fat Tire 40. He recognized there were events that were really important to the community. Haver agreed the Chamber was moving towards supporting the businesses directly.

### Laura Mitchell

- They had a Mountain Express retreat. They talked about moving out of town.

### Paul Merck

- He had upcoming meetings this week.

### Jim Schmidt

- The Council attended the intergovernmental meeting on the 29<sup>th</sup>. Town offered to host the meeting in September. They determined that the host could decide what kind of meeting it would be.
- He went to the CB reunion dinner.
- He polled those who would attend CML. He thought the joint meetings were productive.
- He mentioned the Gunsight Bridge grand opening next Monday.
- Ride the Rockies participants would be arriving Saturday.
- He met with the outgoing Town Manager of Vail.

## OTHER BUSINESS TO COME BEFORE THE COUNCIL

MacDonald said Dan Greene would start back at work on Wednesday.

MacDonald heard from one person interested in the open Council position. Dujardin heard from someone interested in Council at election time because of the pay raise.

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

- Monday, June 17, 2019 - 5:00PM Work Session - 7:00PM Regular Council
- Tuesday, July 2, 2019 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, July 15, 2019 - 7:00PM Regular Council

Schmidt asked about scheduling a work session to discuss the demolition moratorium.

## EXECUTIVE SESSION

Schmidt read the reason for the first Executive Session: for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e) regarding open space.

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

Schmidt read the reason for the second Executive Session: for a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b).

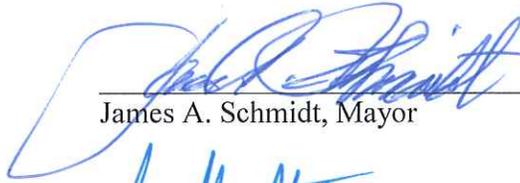
Mitchell moved and Dujardin seconded a motion to go into Executive Session. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

The Council went into the first Executive Session at 9:43PM. They returned to open meeting at 10:24PM. Mayor Schmidt made the required announcement upon returning to open meeting.

The Council went into the second Executive Session at 10:24PM. They returned to open meeting at 10:32PM. Mayor Schmidt made the required announcement upon returning to open meeting.

**ADJOURNMENT**

Mayor Schmidt adjourned the meeting at 10:34PM.

  
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James A. Schmidt, Mayor

  
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Lynelle Stanford, Town Clerk (SEAL)

