

MINUTES
Town of Crested Butte
Regular Town Council Meeting
Tuesday, August 4, 2015
Council Chambers, Crested Butte Town Hall

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

Council Members Present: Jim Schmidt, Chris Ladoulis, Roland Mason, Shaun Matuszewicz, Skip Berkshire, and Glenn Michel

Staff Present: Town Manager Todd Crossett and Town Attorney John Belkin

Building and Zoning Director Bob Gillie, Public Works Director Rodney Due, Town Planner Michael Yerman, Parks and Recreation Director Janna Hansen, and Town Clerk Lynelle Stanford (all for part of the meeting)

APPROVAL OF THE AGENDA

The agenda was amended to move the Executive Session after Other Business to Come Before the Council.

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

CONSENT AGENDA

- 1) Approval of July 20, 2015 Regular Town Council Meeting Minutes.**
- 2) Approval of Resolution No. 18, Series 2015 – Resolutions of the Crested Butte Town Council Approving the Award of the Construction Contract Between the Town of Crested Butte and M.B. Builders, LLC in an Amount Not to Exceed \$240,052.00 for Phase III of the Historic Denver and Rio Grande Railroad Depot Restoration Project Located at 716 Elk Avenue.**
- 3) Approval of Resolution No. 19, Series 2015 - Resolutions of the Crested Butte Town Council Approving the Intergovernmental Agreement between the Town of Crested Butte and Mt. Crested Butte Water and Sanitation District Regarding Storage Building Construction and Usage Located at the Town Public Works Yard Property.**

Michel recused himself and left the room due to a financial interest associated with a contract on the Consent Agenda.

Schmidt moved and Mason seconded a motion to approve the Consent Agenda. A roll call vote was taken with all voting, "Yes," except Michel who recused himself. **Motion passed unanimously.**

PUBLIC COMMENT

Cari and Kevin Freeman – 711 Riverland Drive

- They own and operate the RV Park in Riverland. They regularly turn people away.
- They asked the Council to consider leasing them Town's property at the gravel pit at Town Ranch where they would operate a seasonal campground.
- There would be tent and RV camping. They estimated 50 total campsites.
- They proposed dry camping, which would include neither water nor electricity. They could potentially build a shower facility.
- Schmidt asked if they considered the Avalanche Park location. K. Freeman said the expenses were off the charts, and they would need a study done by the State. Mason told Crossett to include Yerman on the discussion. Crossett mentioned there would be an issue with utilities.
- Matuszewicz asked how many years the Freemans expected on the lease. They said it would depend on the depth of the project and the costs.

STAFF UPDATES

Janna Hansen

- Mentioned a letter that went out to homeowners on Teocalli Avenue regarding the piping of McCormick Ditch.
- Renner would be on site next week to examine the bubbling on the tennis courts.
- Becker would be in Town next week to complete the dasher boards at Big Mine.
- Ball Bash would be this Saturday and Sunday.

Michael Yerman

- Had been installing signs. Trouble had increased with easement properties, and property owners asked for signs.
- The Youth Corp finished, and they did a fantastic job. Baxter Gulch was closed at the creek, so it was currently an out and back.
- Referred to a letter from the annexors, who said their proposal was suspended. Town would send a final invoice for costs incurred.
- They looked at units in the Ore Bucket Building (for affordable housing). The price to bring them up to code in order to sell them would cause a delay in the construction of Blocks 79 and 80.
- They determined that the statue that was discussed at the last meeting was located on private property. The owner of the statue would be working with the property owner for the time being.
- CBMBA would be hosting an overnight trail day on August 22 and 23 at Avalanche Park.

- Mentioned concern with the bathrooms at the Chamber that had been discussed at a previous meeting. Gillie and Yerman took a look at the bathrooms, and they would come back with numbers for the budget. Berkshire wanted to see covered bicycle parking for people who didn't live in Town to park their bikes.

Bob Gillie

- Three houses were proposed in the Cell Blocks.
- They would break ground on 123 Elk this year.
- BOZAR had a full agenda for August.

Lynelle Stanford

- Mentioned upcoming special events.
- Stated the first day for candidates to circulate petitions was August 4, and they were due to the Clerk's Office by end of business on August 24.

Todd Crossett

- They were fighting water in Blocks 79 and 80, but they were largely on schedule.
- Region 10 contributed to a study funded by DOLA to get Phase 1, broadband service into Montrose. Phase 2 would move from Montrose out into the communities. They had to figure out how to get broadband from Montrose to Gunnison and then up valley. There was legal and political wrangling as to how to make it work. The hardware was here, but it was not being used. DOLA requested that Region 10 submit by August 1. DOLA would come in with a 50% match, and it would cost about \$80K for Town.
- There was a lot of scrambling around this last week with special events, but everything went smoothly. There were a lot of people in a limited amount of space.

PUBLIC HEARING

1) Ordinance No. 5, Series 2015 - An Ordinance of the Crested Butte Town Council Granting a Ground Lease to Gunnison County Electric Association, Inc. for the Installation of an Electric Vehicle Charging Station on a 20' x 20' Portion in the Southeast Quadrant of Town Plaza as Identified in the Ground Lease.

Mike McBride, CEO of Gunnison County Electric Association (GCEA), was present. Huckstep confirmed proper public notice had been given. He referenced a staff report from Gillie with the recommendation to approve. Ladoulis wondered if the lease contemplated if the demand (for the electrical vehicle charging station) was higher or lower than expected. Crossett said no one had looked that far into the future. McBride recalled an early version of the agreement did have a provision that would have required them to upgrade with technology. There was no price limit, so they had some concern. GCEA was okay with either idea. He acknowledged they would take some time to be utilized, and it was a ten-year lease. There was no further Council discussion.

Schmidt moved and Michel seconded a motion to approve Ordinance No. 5, Series 2015. A roll call vote was taken with all voting, "Yes," except for Matuszewicz, who voted "No." **Motion passed.**

NEW BUSINESS

1) Update from the EPA on Standard Mine Activities.

Christina Progress, Jim Hanley, and Steve Wharton were present from the EPA. They comprised the site management team for Standard Mine. Progress explained they had started work underground, initiating a clean up strategy to reduce contaminated water coming out of the mine. They needed to do rehab of underground mine workings. They were working on two levels this year. Level 1, the lower level, had an existing adit that was caved in. They were driving another tunnel to intercept workings. They wanted to meter flow coming out of the mine. In addition, they were working on Level 3, the upper level because mine water flowed from top to bottom. In order to reduce contamination in Level 1 they wanted to seal off the upper areas. Schmidt referred to the Keystone Mine and said that consultants plugged one area and cracks occurred everywhere else. Progress said they could help meter the water. It could either be treated, or it could be emptied into Elk Creek during periods of high flow. Mason asked if the next phase would incorporate treatment. Progress said they planned a monitoring period of water from both adits into Elk Creek. A possible plan would be to implement a second phase, which included a bioreactor treating water coming out of the mine. Belkin wondered who would operate the bulkhead that had been mentioned. It was explained that the Department of Health would operate it. Belkin further questioned if the Federal Government had delegated it to the Department of Health. Progress said it fell under the Clean Water Act.

2) Discussion and Possible Decision in Consideration of a Request from the Gunnison Valley Regional Housing Authority to participate in a Regional Housing Needs Assessment in 2016.

Yerman explained the goal was to get the assessment going this fall. County Commissioners have asked municipalities to confirm they would contribute in 2016.

Berkshire moved and Schmidt seconded a motion to approve the Town supporting GVRHA efforts to conduct a regional housing needs assessment with matching funds from the affordable housing fund not to exceed \$15K in 2016. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

3) Ordinance No. 6, Series 2015 – An Ordinance of the Town Council of the Town of Crested Butte Submitting to the Registered Electors at an Election to Be Held on November 3, 2015, the Question of Whether Town of Crested Butte Taxes Shall be Increased by \$500,000 Annually Beginning on January 1, 2016, and by Whatever Amounts are Received Thereafter, with a Sales Tax and Use Tax of One-Half of a Percent (0.5%, or Five Cents on Each \$10.00 Purchase) to Provide Revenue for

Parks and Recreation Facility Maintenance, Parks and Recreation Capital and Programs and Trails and Said Increase in Use Tax to be Applied as it Always Has Been under the Crested Butte Municipal Code; Setting forth the Ballot Title; Providing for the Conduct of the Election; and Amending Certain Provisions of the Crested Butte Municipal Code if a Majority of the Registered Electors Approve the Ballot Issue.

Michel said that "...Shall be increased by \$500,000 annually..." should include "up to" \$500,000 annually. Crossett explained the language was crafted with TPL to make the description attractive on the ballot. He said he could gather concerns, and he could work with TPL to come up with changes. Berkshire did not like the sentence. Huckstep said it could be legally required. Matuszewicz didn't want to rewrite. Crossett said Town wanted to grow with the revenue. He would reengage TPL.

Berkshire moved and Schmidt seconded a motion to set Ordinance No. 6, Series 2015 for public hearing on August 27, 2015 with the understanding the subject will be amended for clarity. **Motion passed.**

4) Update from the Coal Creek Watershed Coalition on the Upper Slate River Watershed.

Zach Vaughter, Executive Director of the Coal Creek Watershed Coalition, explained they had been serving since 2003. At first, their main focus was Coal Creek, but they expanded to include the Upper Slate River Watershed. They completed many water quality studies. He was present to talk about human waste in the Upper Slate River Watershed. The 2014 plan took a holistic approach. There was not a water quality issue yet; it was more of a social issue at this point. However, if they didn't take a proactive approach, they could see impacts to water quality. During a six-week period during the summer of 2014 they collected 400 gallons of human waste at the "Musicians Camp" dispersed camping area. They were collecting data from 2015, starting July 6, and they collected 220 gallons of human waste. Originally, they had support from the Forest Service, but due to the reallocation of funds, the support was lost. Vaughter asked the Council to contribute \$500 this season to keep the portable toilet at "Musicians Camp" for longer into the fall. Huckstep thought they could find a place from which to contribute \$500. Berkshire was also supportive, but he was disappointed in the Forest Service. He thought they should express concern to representatives in the Senate. Huckstep said there were developments underway they could pick up under Other Business. Huckstep asked Vaughter if they had considered a donation box right next to the toilets. Vaughter said they had a donation jar and signs. Mason questioned the request for \$1K for 2016. Vaughter explained they would apply through the Town's grant process in the upcoming year. Schmidt wondered if they had asked for money from the County. Vaughter said he would continue to explore funding opportunities, and he would share with the Council at the end of the season.

Schmidt moved and Mason seconded a motion to appropriate \$500 from Council Discretionary Funds to Coal Creek Watershed Coalition to extend the length of time the

portable toilet will be at “Musicians Camp.” A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

Steve Glazer requested he could provide public input. He witnessed a problem with the Bureau of Land Management (BLM). BLM was not paying attention to user days as rafting was increasing on the Lake Fork. Private property owners filed a civil suit, and the rafting business went under. It was time to ask the Forest Service to create a permitting management plan in the Slate River for dispersed camping. It would be helpful for Town to take the initiative because Town was part of the situation in attracting people. It was time to manage better.

5) Update, Discussion and Possible Direction Regarding SB – 152 and Related Ballot Measure to Allow the Town to Provide Telecommunications Services and Facilities Restricted by Title 29, Article 27, C.R.S.

Crossett explained that this ballot measure came last minute from the County. The County thought it was a good time to move forward because broadband was important. Crossett’s recommendation was if the County moved on it and was willing to pay the bill, then it was a good time to jump on the bandwagon. If they didn’t, then there was not harm in waiting until next year. Setting the ordinance (No. 7) for hearing gave Town time to make the decision by meeting the deadline for the first reading. SB-152 went back to 2005, and it curtailed government’s ability to participate. It was a bigger deal in rural areas compared to the Front Range. There was not a lot of downside. Berkshire felt people would warm up quickly if there was no increase in taxes. Crossett recommended setting the ordinance for public hearing. Huckstep said it allowed Town to compete into the future.

6) Ordinance No. 7, Series 2015 – An Ordinance of the Town Council of the Town of Crested Butte Submitting to the Registered Electors at an Election to Be Held on November 3, 2015, the Question of Whether the Town of Crested Butte Shall Re-Establish its Rights, without Increasing Taxes by the Measure, to Restore Local Authority that has been Denied to Local Governments by the Colorado General Assembly, to Provide High-Speed Internet, Including Improved High Bandwidth Services Based on New Technologies, Telecommunications Services and/or Cable Television Services as Expressly Permitted by Article 27, Title 20, C.R.S.; Setting forth the Ballot Title; and Providing for the Conduct of the Election.

Belkin confirmed for Ladoulis that most municipalities were involved.

Berkshire moved and Matuszewicz seconded a motion to set Ordinance No. 7, Series 2015 for public hearing at the August 17, 2015 Regular Meeting. **Motion passed.**

7) Resolution No. 20, Series 2015 – Resolutions of the Crested Butte Town Council Approving the Intergovernmental Agreement with the Gunnison County Clerk and Recorder Regarding the Implementation of the Confirmation Card Process Described in Title 1, C.R.S.

Belkin, referring to discussion at the special meeting, said the indemnity asked for stock carve outs, subject to existing law, and County Attorney David Baumgarten rejected changes requested by the Town. Baumgarten cited the governmental immunity provision. Berkshire said his comments about the County's responsibility never should have been construed as blame for the County. They were the head of the whole enterprise, and they should lead to the remedy of the problem. It should come from the top down. Huckstep said the conversations hadn't been placing blame on the Elections Office and the County Clerk. Crossett said they had been collaborative in working with the County. They had been grappling with problems not caused by anyone here. Berkshire asked if they should read into Baumgarten's desire for all of the indemnification as a real credible threat. Belkin cautioned they couldn't measure a lawsuit. Berkshire said that without gross negligence they had demonstrated a good faith effort to move forward. Michel added that as part of the effort, the Town would actively promote through print, radio and the Internet. Crossett said Town wanted to get the information out. There was difference in opinion on how well the project could work. Baumgarten was not overly optimistic, but he agreed the promotion piece was a big piece. Town couldn't force people to do the right thing, but they could encourage them to do the right thing. Crossett said the biggest piece was the agreement with the County. Berkshire saw the agreement expired at the end of the year. Schmidt said the State established the system of the mail only ballot. Berkshire said to engage with the County to make one voice to the State.

Mason moved and Ladoulis seconded a motion to approve Resolution No. 20, Series 2015 and to direct Staff to notify the Council if they would exceed \$1.5K in promotion costs. A roll call vote was taken with all voting, "Yes," except for Matuszewicz who voted, "No." **Motion passed.**

LEGAL MATTERS

The Council questioned Belkin on the letter from the annexors stating they were suspending their proposal to the Town. Belkin explained that in the concept they agreed to clean up the dump and here were the documents. They said they didn't know how much it was going to cost. Belkin didn't think they really understood what they were getting into. He recognized they might try to go to the County. Ladoulis confirmed the annexation process was essentially terminated. Belkin had received a letter, written by Yerman, which said Town accepted the suspension and was wrapping up the books. Schmidt asked where the indemnity and security numbers came from. Belkin worked with a lawyer from Bryan Cave, and he felt \$20M was perfect. The insurance had to cover a lot of things, and it had to be on top of the indemnity that had to be backed by assets. Belkin asked if the Council thought \$5M would be enough. He said that even if there were nothing, it would still cost at least \$4M, and they would have to haul materials to Grand Junction. They were not fully liquid and were going to borrow money from a bank. Belkin thought Town was being fair. It was in the agreement that if the risk profile was less, they could come to Council and ask for it to be restructured. Huckstep asked if the Council had interest in doing anything further. Berkshire was concerned Council was

painted negatively in the way they crafted the letter. Matuszewicz said they didn't need to respond. Berkshire agreed. Mason said it didn't warrant a response. Ladoulis and Michel agreed. Schmidt's only problem was he wondered to what degree Town was responsible for the dump. Matuszewicz reiterated they had no obligation to respond. Berkshire asked if there was significance to suspension rather than termination. Belkin said they reserved the right to say they could come back at a later date. He said they had a lot of options. They gave them ten options to cover \$10M. They tried to make it performance based rather than prescriptive.

COUNCIL UPDATES AND COMMITTEE UPDATES

None

OTHER BUSINESS TO COME BEFORE THE COUNCIL

Huckstep referred to the campground proposal by the Freemans. Crossett said he would talk to them, and he didn't need anything from the Council. He would say that Town had already discovered the reality of using the Tommy V bathrooms for camping. He would talk them through what they found to determine if they thought it was still viable. Michel wanted to find out the reality of acceleration and deceleration lanes required for Avalanche Park. Yerman also speculated they were needed. Crossett suggested they held off pursuing the Avalanche Campground because of the upcoming funding initiative. Ladoulis reminded Crossett of the protocol required to follow the process of a RFQ. He didn't want Crossett to convey approval on behalf of Town. Michel wondered what Town code said about campgrounds within Town limits.

Huckstep recognized that the Slate River Valley was a topic of concern. It had come to his attention that the Forest Service and County Commissioners were having a work session in Gothic. He thought Town ought to be participating in it. Crossett said the Forest Service had been collecting data for a study. Michel said the general comment was that as Town embraced more vitality and sales tax, they had the obligation to look at impacts and what they were causing. He thought the Town Council needed to wrestle through a policy discussion.

Matuszewicz wanted an ADU work session on September 8. He thought they had great information. He felt that even though they looked at numbers in Town, there were ADUs all over the valley. They could develop a more significant program than just in Town.

Schmidt mentioned the Election Committee that came from the special meeting. The Charter was specific in the Election Committee forming 30 days before the election. He said that things had changed since it was written, and he would like the Staff and the attorney to contact CML concerning what overriding State changes to law that needed to be changed in the Charter. Belkin said it was Town's election, and the County was a vendor. He didn't think the Charter anticipated contracting with the County for elections. He said the Town needed to set up the Election Commission. It was intended to be made up of people who were not elected. Belkin said the first section of the Charter could be

changed by ordinance, and it was workable. Belkin said they needed to try to adjust to current times, and they needed to have the conversation with the voters about changes to the Charter. Belkin would provide a two-page memo on the Election Commission, and the Council agreed.

DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

- Monday, August 17, 2015 – 7:00PM Work Session – 8:00PM Regular Council
- *Tuesday*, September 8, 2015 – 6:00PM Work Session – 7:00PM Regular Council
- Monday, September 21, 2015 – 6:00PM Work Session – 7:00PM Regular Council

EXECUTIVE SESSION

Schmidt moved and Mason seconded a motion to go into 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) relative to settlement discussions with Western Colorado Events, LLC regarding the costs and expenses of repairing Elk Avenue. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

Council went into Executive Session at 9:00PM. Council returned to open meeting at 9:26PM. Mayor Huckstep made the required announcement after returning to the open meeting. No action was taken.

ADJOURNMENT

Mayor Huckstep adjourned the meeting at 9:27PM.



Aaron Huckstep, Mayor



Lynelle Stanford, Town Clerk (SEAL)

