

**MINUTES**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Tuesday, August 8, 2017**  
**Council Chambers, Crested Butte Town Hall**

Mayor Michel called the meeting to order at 7:04PM.

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

Staff Present: Town Manager Dara MacDonald, Interim Town Attorney Barbara Green, Public Works Director Rodney Due, and Community Development Director Michael Yerman

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

**APPROVAL OF AGENDA**

MacDonald mentioned that the Town's water counsel would be present, and there would be an additional matter in the Executive Session under legal advice for an update on water court cases.

Item #4 was removed under New Business.

Petito moved and Mitchell seconded a motion to adopt the agenda as amended. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.** Mason did not vote.

**CONSENT AGENDA**

**1) July 24, 2017 Regular Town Council Meeting Minutes.**

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

**PUBLIC COMMENT**

Sam Robards - 113 Elk Avenue

- He was present to speak regarding alley paving.
- There was no public discussion. He suggested a work session.
- Referred to values printed on the agenda.
- He wondered what they wanted Town to look like.

Jason Vernon - Owner of Soupcon Bistro located at 127A Elk Avenue

- He asked for the alley paving to be put on hold until they could look at another solution.
- Paving would be a travesty, and it would be a safety issue.
- The alley had aesthetic charm.

Molly Murfee - 124 ½ Maroon Avenue

- There were better solutions compared to paving the alley.
- Paving would destroy the nature of the alleys.
- They could come up with a solution through public input.
- Cultural and historical artifacts were being removed from Town.

The Council decided to discuss the alley (behind Soupcon) paving under Other Business.

Jim Starr - 323 Gothic Avenue

- He asked for more public input in Town's processes, specific to Cypress.
- Cypress was on the agenda. He noticed there were resolutions, but there were no public hearings.
- He told the Council to slow them down.
- He urged Council not to pass what they were being asked to pass tonight.
- The public needed at least a two week notice for a public hearing.

## **STAFF UPDATES**

Rodney Due

- He would have a meeting with CDOT tomorrow on repairs to 6<sup>th</sup> Street.
- Attended a meeting at Lake Irwin to discuss water. Town had an opportunity to work with CPW to maintain in-stream flows to Coal Creek. MacDonald informed the Council they needed to evaluate out-take during budget.
- Projects were moving along.
- There had been personnel turnover.
- He mentioned incoming bids he was expecting.

Lynelle Stanford

- Asked the Council to let her know before August 18<sup>th</sup> if anyone wanted to serve on the CML Policy Committee.
- Petitions could be circulated starting today, and they were due by August 28<sup>th</sup>.
- The Crested Butte Art Market would be extended a week through August 27<sup>th</sup>.
- The last Alpenglow would be August 14<sup>th</sup>.
- Informed the Council of upcoming events.

Lois Rozman

- She provided numbers for sales tax. Sales tax was up 2% for June and 13% for the year.
- Nancy Talley turned in her retirement notice, effective September 1<sup>st</sup>.

- She notified the Council of possible meeting placeholders for budget: Special meeting on October 23<sup>rd</sup> to set budget for public hearing and a potential 2 hour work session on Monday, September 25<sup>th</sup>.
- Michel confirmed Town could track sales at the Arts Festival.

Janna Hansen

- Softball play-offs had started.
- Ball Bash would be coming up this weekend. Supporters had done well with fundraising.
- Fall sports registrations were opened.
- They had been working on utilities at the Center for the Arts.

Michael Yerman

- Mentioned the August 23<sup>rd</sup> CDOT meeting with the County and the August 17<sup>th</sup> special meeting regarding the Crested Butte Hotel.
- Parking Committee would meet this Thursday at 7AM.
- They were working to eliminate fabric structures around Town.

Dara MacDonald

- The Comedy Festival organizers withdrew their request to increase capacity at Big Mine. However, they were interested in a letter of support from the Town for the event. Council would discuss under Other Business.
- Updated the Council that they would need to schedule a work session for budget priorities.
- She reminded the Council of the G402, emergency and disaster response training.

## **PUBLIC HEARING**

### **1) Ordinance No. 20, Series 2017 - An Ordinance of the Crested Butte Town Council Amending Section 6-4-10 to Add the Term Booth.**

Michel confirmed proper public notice had been given. Stanford read the definition of booth as discussed at the last meeting. The public hearing was opened. There was no one present who wanted to comment, and the public hearing was closed. The meeting was moved to Council discussion.

Schmidt confirmed with Yerman there was not a conflict in the classification of the definition of fabric structures. Ladoulis updated the Council on a question he had for Stanford, and it was clarified that Mattice's use would not become non-conforming.

Merck moved and Mitchell seconded a motion to approve Ordinance No. 20, Series 2017. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **2) Ordinance No. 21, Series 2017 - An Ordinance of the Crested Butte Town Council Approving an Intergovernmental Agreement with the Town of Mt. Crested Butte for the Formation and Ongoing Operation of Mountain Express.**

Michel confirmed proper public notice had been given. The public hearing was opened. There were no comments from the public. The public hearing was closed, and it was moved to Council discussion. There was no further discussion by the Council.

Merck moved and Petito seconded a motion to approve Ordinance No. 21, Series 2017. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

## **NEW BUSINESS**

### **1) Presentation by Parks and Recreation Director Janna Hansen on the Big Mine Warming House Concept Plans.**

Hansen presented to the Council. She showed a slide naming the people on the team working on the plans, and she introduced those who were present. They evaluated pros and cons of renovation versus new construction and decided it would be a detriment overall to keep the old building. They recommended moving forward with all new construction.

Hansen explained the details of the site plan. Next, Hansen proceeded to explain the layout of the rink level. She described the plans and functionality for the main level, which would be grade level with the existing training area. The upper level was primarily for Nordic Center functions, and it included an office for hockey.

Schmidt questioned the roof and roof shed. Ben White, the architect, explained about roof pitches. MacDonald recognized that it had been helpful to have Molly Minneman involved. Hansen told the Council that they were asking for a blessing to proceed. Michel asked how they would pay for it. Hansen explained the phases, as well as varied uses and options for additional summer uses. Michel confirmed it worked within the Big Mine Master Plan.

Hansen compared the master plan to the current plan. She listed potential funding sources, including that private donors represented \$2M. Michel questioned ice refrigeration. Hansen answered that it was incorporated in a different phase. He asked if the plan would allow the skate park to remain. Hansen said it could stay if there was a chance to relocate the sledding hill. Mitchell questioned the timeline and Hansen reviewed. They hoped for construction in 2019.

Executive Director of Crested Butte Nordic, Christie Hicks, acknowledged the price tag had increased, and they were excited about the floor plan. It felt like a community center and not just a sports facility. The Nordic Center supported the proposal. Karen Stock stated that refrigerated ice was important, and they appreciated the locker rooms. She would expect better feedback for refrigeration, as compared to locker rooms. Mitchell questioned the cost of refrigeration. Hansen concluded with outstanding items that needed to be determined.

## **2) Discussion on the Boater Easement and Improvements to the Public Works Yard with Cypress Foothills, LP.**

Yerman provided an update from the Mountain Express meeting as it related to the bus barn expansion project. A fence would create snow removal problems, which were solved by a new bus structure that would house the current fleet. Yerman explained the costs associated and that they would go through BOZAR in September. There was a short discussion on DOLA grant funding. MacDonald outlined the timing of potential DOLA grants.

Cameron Aderhold and Marcus Lock were present on behalf of Cypress Foothills, LP. Aderhold presented background on the boater access easement agreement. He showed a slide with an overview of the plat and a slide depicting the access zone, including boat access and fishing. There was a hatched area designated as a boater launch that went halfway into the river. There would be an easement going halfway into the river, and they would give Town an easement to allow people to float down the river through the property. Float fishing would be allowed on the south side of the bridge. They moved the access to the north of the bridge because of the sewer outfall on the south side. Michel asked if people could stand halfway across the river, and it was confirmed they could.

Aderhold provided details on the trail, responding to Mason. Michel asked when they would decide on design for the area. Yerman said they were anticipating concept review in September and the petition application later in the fall or winter. Aderhold reviewed property lines and the phasing of the plan.

Schmidt was notified that Cypress accessed their property through the cemetery. It was getting off on the wrong foot. Aderhold apologized and assured the Council it would not happen again.

MacDonald questioned the easement to the river, the expectation of enforcement, and the benefit to the Town of having an easement to the river. Michel asked if they could stop people from floating down the Slate River. Scott Miller, water counsel to the Town, concurred there was no right to float as the river wasn't considered navigable. Mason asked how they would accommodate traffic at the river access. Yerman stated there would be on-street parking and a turnaround point.

## **3) Resolution No. 51, Series 2017 - Resolutions of the Crested Butte Town Council Approving a Development Improvements Agreement for the Slate River Development.**

Yerman explained that a development improvements agreement (DIA) was for the Town's protection, and he listed the reasons it was important. Michel questioned the construction of 8<sup>th</sup> Street. He confirmed the public did not have recourse as it had already been decided. There was a discussion around 8<sup>th</sup> Street and the context of decisions.

Mason asked about the opportunities for the public to comment. Yerman reviewed meetings in which the topic had been discussed. Mason identified that there wasn't literally a public hearing. Michel suggested a public work session. Green said there was an upcoming opportunity at the meeting in September.

Merck moved and Mason seconded a motion to approve Resolution No. 51, Series 2017 for the Slate River Annexation Development Improvements Agreement subject to approval of the Town Attorney of the performance guaranty. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**4) Resolution No. 52, Series 2017 - Resolutions of the Crested Butte Town Council Approving a Water and Sewer Service Agreement for the Slate River Development with Cypress Foothills, LP.**

Removed from the agenda.

**5) Resolution No. 53, Series 2017 - Resolutions of the Crested Butte Town Council Approving a Water and Sewer Easement Agreement for the Slate River Development with Cypress Foothills, LP.**

Yerman explained that the resolution approved the easement for water and sewer utilities. It permitted Town's access to the water and sewer infrastructure. It was important to Public Works.

Merck moved and Mitchell seconded a motion to pass Resolution No. 53, Series 2017, resolutions of the Crested Butte Town Council approving a water and sewer easement agreement for the Slate River Development with Cypress Foothills, LP. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**6) Ordinance No. 22, Series 2017 - An Ordinance of the Crested Butte Town Council Approving the Lease of a Portion of the Property at 308 Third Street to West Elk Bahk Do Moo Duk Kwan, DBA West Elk Martial Arts.**

MacDonald explained the tenant was long-term, and the lease had expired. The tenant was already paying a rate at the threshold set by the Council.

Schmidt moved and Mason seconded a motion to set Ordinance No. 22, Series 2017 to public hearing at the August 21<sup>st</sup> Council meeting. **Motion passed.**

**7) Discussion on the Ordinance Setting Ballot Language for Vacation Rental Tax.**

MacDonald reminded the Council of the direction to Staff to develop a Plan B if the County couldn't move forward with the ballot question. She outlined the reasoning behind a resolution versus an ordinance. The ballot language could be set by resolution. Michel suggested that they propose the ordinance once it was certain they would move

forward. MacDonald informed the Council they would have the opportunity to withdraw the ballot language.

MacDonald asked what percentage they would consider. Green explained they had the ability to enact an excise tax. The Council had to decide if they would tax all lodging, or just vacation rentals. Michel said they shouldn't be included (in the tax) if they were already paying commercial property taxes. Yerman pointed out a hotel would also be subject to ROAH. Mason recalled that they were never talking about all lodging. There was a discussion around the terms and definitions of short-term rentals and vacation rentals. Schmidt questioned the tax related to a 31 - 90 day rental. MacDonald thought it would be hard to track.

Ladoulis asked about the numbers used to estimate the tax that would be generated. Michel wondered what the Town would do with the funds. Yerman said funds would be used for housing for essential service workers to start.

Michel redirected to the decision on the percentage. Ladoulis thought 5% was asking that aspect of the community to shoulder a lot of the burden. Yerman reviewed what the funds could be used for. MacDonald explained the rationale and that the tax shouldn't be construed as a burden because it was a pass through. Ladoulis asked what other communities were doing. Michel recognized they were trading off long-term housing to short-term rentals. Mason said the idea was to address workforce housing. They needed to give it a chance to work. Michel reminded it was a pass through tax. Mitchell was willing to try for 5%. Schmidt agreed with 5%. The Council decided to move forward with 5%.

MacDonald asked if the Council wanted the ballot language to refer to a policy adopted by the Council, or if the Council wanted to include a list of how the funds could be utilized. Ladoulis wanted to see it go to rentals. He asked what the limitations were to the affordable housing fund. MacDonald reviewed uses of the fund. Mason suggested that they add workforce housing, which would be more towards the rental side. No one voiced disagreement.

The Council agreed the attorney could engage Butler Snow to advise on the ballot language and related issues.

Lastly, they discussed the withdrawal of the municipal tax. Schmidt said the Town might reduce or eliminate if a County-wide measure was implemented in the future. MacDonald suggested they state the intention.

## **LEGAL MATTERS**

None

## **COUNCIL REPORTS AND COMMITTEE UPDATES**

Paul Merck

- Attended a straw bale open house. They were interested in working with the school.
- The Coldharbour meeting was postponed.

Laura Mitchell

- Attended Mountain Express/Cypress meeting.

Roland Mason

- The full amount in Mountain Express's reserves was \$450K. It would take all of the reserves for the bus barn. They could probably absorb with strong sales tax. They wondered what the building would look like without the \$200K DOLA grant.
- Had a special meeting for RTA. They discussed giving \$200K to the TA for ticket buy-downs. The problem with the load factor was people coming in and not having a lot of people leaving. Michel explained the reasoning for the funding.
- They had a new CNG bus that was currently in the shop.
- There were antics on the RTA bus, and he reminded that there were cameras on the busses.

Glenn Michel

- Attended Mayor-Managers meeting.

Chris Ladoulis

- Wayfinding Committee would bring a proposal forward on August 21<sup>st</sup>.
- They would be starting Parking Committee meetings this week.
- Anecdotally, it was a busy weekend.

Jackson Petito

- Would attend the Parking Committee meeting.

Jim Schmidt

- The 40<sup>th</sup> Reunion was a success.
- Cemetery Committee would have a dedication ceremony on September 29<sup>th</sup> for the Jokerville site. They contemplated inviting Governor Hickenlooper. He asked the Council to email him on their thoughts.
- Housing Committee meeting would be tomorrow. There was less than enthusiastic support for putting a question on the ballot.

**OTHER BUSINESS TO COME BEFORE THE COUNCIL**

Glenn Michel

- Stated the chairs in the Chambers were getting dated. He requested new chairs. No one disagreed.

- Informed the Council that he wanted to schedule a review of the Town Manager in September.
- Referred to the special meeting. Council directed the Town Manager to put on the next agenda a discussion and appointment of Sullivan Green Seavy as the Town Attorney. The Council requested an engagement letter, and they wanted a one-year agreement with a six-month review.

MacDonald updated the organizers of the Comedy Festival on Council discussions after the last meeting. They followed up by asking for a letter of support from the Town for the festival as a whole. She asked if the Council wanted to entertain a letter of support and if so, what the scope was of the letter. Mason said they didn't know what the event was, and they needed more information. He wanted to know exactly what the proposal was. Michel thought that Town had exceeded the capacity. Ladoulis stated that it was a strange procedural precedent. MacDonald said they were interested in coming to speak to the Council. Petitto wouldn't say no to discussions. Michel summarized the Town was okay with comedy, and they were guarded about the event. Schmidt was ambivalent, but he heard many negative comments. He couldn't see writing a letter of support. He thought the response would be different if the timing was different. The Council did not support asking the organizers of the event to present.

Michel brought up green power brought forth in the work session.

Schmidt moved and Ladoulis seconded a motion that the Town go ahead, if it was less than \$5,000 for an entire year, to immediately purchase green power for the Town of Crested Butte. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

Due updated the Council on the process for deciding to pave the alley behind Soupcon. He explained that construction of the Green Drake building caused pooling of water in the alley. The engineer came back with solutions, to include paving the alley. The neighbors combined money to make the paving happen. The bids were due this Friday. Merck questioned if materials like pavers could be used instead. Ladoulis guessed they could come up with a solution. Michel recognized the cost and maintenance of materials. The timing of the work was discussed. Michel acknowledged the value of parking spaces. Mason thought there needed to be a process for the community to be involved, concerning alley aesthetics in general. Due said they could still curb and gutter to help with drainage. Mason asked if the alley would be plowed in the winter, and Due said nothing would change with plowing. Michel attempted to summarize that there was not support to move forward with paving the alley. Ladoulis suggested they accept the public input and come up with a better solution. MacDonald said they could look at the 21<sup>st</sup> as the next deadline. Due reminded the Council that the engineering work had already been done. Schmidt wanted to see other solutions. MacDonald asked if they were looking for an aesthetic solution or an engineering solution. Michel attempted to narrow the scope of the discussion for the next meeting. The bid would be on the next meeting agenda. They might not accept the bid. Ladoulis said the Council could address the disdain of blacktop, and he was not a big fan of including on another agenda.

Ladoulis suggested a work session on alleys. MacDonald said they could exclude that alley from the bid. She asked what information they needed for discussion. Merck wanted a meeting where they could work to come to an agreement, to get drainage without paving. Yerman informed the Council of budget implications. Ladoulis proposed the solution of moving forward with the bid, cutting out the Soupcon alley. He suggested they direct Staff to remove that element from the bid being received this week and to table the project until further notice. Mitchell wondered why they didn't just look at the drainage factor. Mason said it was a small price to pay to eliminate issues and to mark parking. He supported Staff. He said to pave it, and then have a discussion about alleys in Town. Schmidt suggested that they leave it on the next agenda. Michel summarized they would leave the paving bid as is, and the Council would be faced with a decision at the next meeting to pave that section or to do nothing.

- Mitchell thought the speed limit indicator signs were great, but they needed speed limit signs.
- Mason asked if there could be the word, stop, painted at intersections in the spring striping.
- Schmidt invited a County Commissioner and all to the Public Policy Forum on global warming.

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

- Monday, August 21, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- *Tuesday*, September 5, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, September 18, 2017 - 6:00PM Work Session - 7:00PM Regular Council

Michel mentioned the budget work sessions and upcoming meetings that had been discussed during the meeting.

#### **EXECUTIVE SESSION**

Water Counsel to the Town, Scott Miller, was present for both Executive Sessions.

Michel read the reason for Executive Session:

1) 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 water rights.

Schmidt moved and Mitchell 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 Executive Session at 11:14PM. The Council returned to open meeting at 11:22PM. Mayor Michel made the required announcement before returning to open meeting.

Michel read the reason for Executive Session:

1) 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).

Petito moved and Mitchell 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 Executive Session at 11:24PM. The Council returned to open meeting at 11:52PM. Mayor Michel made the required announcement before returning to open meeting.

**ADJOURNMENT**

Mayor Michel adjourned the meeting at 11:53PM.

  
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Glenn Michel, Mayor

  
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Lynelle Stanford, Town Clerk (SEAL)

