

**MINUTES**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Tuesday, September 3, 2019**  
**Council Chambers, Crested Butte Town Hall**

Mayor Schmidt called the meeting to order at 7:06PM.

Council Members Present: Will Dujardin, Candice Bradley, Mallika Magner, Laura Mitchell, and Paul Merck

Staff Present: Town Manager Dara MacDonald, Town Attorney John Sullivan, and Community Development Director Michael Yerman

Town Clerk Lynelle Stanford, Public Works Director Shea Earley, Town Planner Bob Nevins, and Design Review Coordinator Molly Minneman (for part of the meeting)

Schmidt mentioned the topics of the work session that preceded the meeting.

**APPROVAL OF AGENDA**

MacDonald recommended a discussion on the transfer of Phase 2 to Bywater under New Business. Sullivan requested an Executive Session regarding Bywater, which was added to the agenda after comments from Joel Wisian.

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

**CONSENT AGENDA**

- 1) August 19, 2019 Regular Town Council Meeting Minutes.**
- 2) Vinotok Special Event Application and Special Event Liquor Permit for the Harvest Feast Closing the 100 Block of Elk Avenue on September 20<sup>th</sup>, 2019, the 200 Block of Elk Avenue on September 21<sup>st</sup> with a Rolling Closure of Elk Avenue from the 200 Block to the Four Way, and the Four Way Lot from September 20<sup>th</sup> to September 23<sup>rd</sup>.**
- 3) Approval of 2020 Council Priorities.**
- 4) Resolution No. 17, Series 2019 - A Resolution of the Crested Butte Town Council Supporting the Efforts of Gunnison County and Others to Keep the Road to Green Lake Open to the Public Because it is a Public Road.**

Magner wanted to address the 2020 Council Priorities. Discussion on the topic was added as item #5 to New Business.

Merck moved and Mitchell seconded a motion to approve the Consent Agenda with the removal of item #3 moving to New Business. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **PUBLIC COMMENT**

None

### **STAFF UPDATES**

- Schmidt referred to the report from MacDonald in the packet.
- Magner commented on the MEMC hauling permit requesting 46 vehicles on Whiterock. She questioned the sizes of the trucks.
- Pertaining to the agreement with the Fire Department, Schmidt asked about discussion on the pump room.
- Schmidt also questioned the fiber broadband project. MacDonald explained the broad financial solutions.
- Schmidt relayed Haver's thought on the resolution supporting the Library District's tax measure. The Council requested information from the library explaining the tax measure.
- Schmidt elaborated upon MacDonald's report of the CAST meeting.
- Stanford reported on the election, explained deadlines, and listed the candidates.
- The Council was interested in supporting Leave No Trace.
- There was a brief discussion around scheduling the next intergovernmental dinner.

### **PUBLIC HEARING**

#### **1) Continuation of Public Hearing for the Slate River Annexation.**

Yerman reminded the Council of the background on the Slate River Annexation. Staff anticipated they would get the application for preliminary plan to review agencies by the end of next week. Staff asked that the public hearing be continued to December 16<sup>th</sup>. Staff was also looking for a date after October 14<sup>th</sup> to meet as the Planning Commission.

Schmidt opened the public hearing. He then confirmed the sledding hill would not be used this year.

Jim Starr - 323 Gothic

- He urged the Council to look at requiring at least two of the six lots to be affordable housing.

Kent Cowherd - 901 Teocalli Avenue

- He encouraged the Council to ask for retail space to be allowed in the area adjacent to the Gas Cafe, specifically a Space to Create.

John Hess - 325 Sopris Avenue

- He recalled a resolution that dictated there would be no commercial development outside of existing Town boundaries at that time.
- He supported Starr's comments on affordable housing. He wanted all of the six lots to be deed restricted or all of them to have accessory dwellings.
- He recognized there was no senior housing in Town. He suggested a location for an assisted living center.

Schmidt closed the public hearing.

Magner 100% agreed with the Town's philosophy on interspersing affordable housing throughout Town. She asked Sullivan if they could compel the developer to provide affordable housing. He did not believe they could, according to the pre-annexation agreement, but he would look into it.

Mitchell moved and Merck seconded a motion to continue the Slate River Annexation public hearing until December 16<sup>th</sup>, 2019. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

## **OLD BUSINESS**

### **1) Discussion on The Corner at Brush Creek.**

Schmidt referenced the three considerations posed in MacDonald's staff report as paths forward for the Council.

Greg Wiggins - Chair of the East River Regional Sanitation District and the Skyland Metropolitan District, which are related to each other

- He explained East River's jurisdiction and the mechanics of the sanitation district.
- Everyone on the Slate River side needed to augment water. He explained the logistics.
- Gatesco stated they could not augment the water, and Wiggins explained why they could not. They were pushing for water and a plant on the Slate River.
- Residents in Skyland had been paying fees for years.
- Gatesco spoke of petitioning out. The board thought they needed to stay in the district.
- Magner questioned Wiggins on Gatesco petitioning out and the downside. Wiggins elaborated. He spoke regarding potential growth. Schmidt questioned the number of units that would be a tipping point to their system.

John Hess

- Summarized the issue he heard regarding the Slate and East Rivers.
- He asked about a pipe discharging water back to the Slate.

Kent Cowherd

- Questioned when the sanitation district would need to expand.

Schmidt asked Earley about discharging below the Town's plant. Earley explained that the Town's permit came up for approval every five years, and there could be effects caused by an additional system from the development. Yerman identified there was a 201 plan in place.

Schmidt assumed the Council wanted a follow up meeting with Mt. Crested Butte. He stated Mr. Gates put forward a new plan. He asked if the Council wanted to talk about anything other than the three items identified in MacDonald's staff report. Magner relayed Haver's suggestion, in which she concurred, that the Town should engage the services of an expert in affordable housing to determine whether the project fulfilled the needs of the community. Mitchell needed more information. Dujardin agreed with the concept of engaging someone, but there was not a fully concrete plan to critique. It would be best once a preliminary plan had been submitted. Merck agreed with Haver that it would be nice to have outside information, but he wondered whether they were looking at engaging someone to plan the project. The discussion became focused on the previous needs assessment.

The Council discussed parking. Schmidt commented that the five acres were really important. Mitchell asked Earley about washers and dryers being included in the EQR. Mitchell questioned Schmidt why they needed five acres for parking. He stated his reasoning. Magner wondered what other new things would be brought forward by the developer. She wanted to see it in writing. The discussion returned to washers, dryers, and parking spaces. Mitchell thought the biggest rub was the contingency of building more. Merck pointed out the ace in the hole was whether the parties conveyed the property. Gatesco's attorney, Kendall Burgemeister, identified the concern of the limit of 156 units. Down the road, if there were obvious need, they would go through the LUR process to build more units.

Schmidt asked if there was consensus on 156 units and there was. Next, the Council discussed the requirement of two parking spots per unit. Magner was sticking with two spots per unit. Dujardin thought the need for housing was greater than the argument for parking. Four Council members voted that 1½ spaces per unit would be sufficient. Schmidt brought up the set aside for acreage. The two Councils had specified that five acres be set aside. Four Council members agreed to the five-acre set aside. Schmidt mentioned the washer/dryer issue was a big deal, and people were concerned with outside toy storage. He suggested they meet with Mt. Crested Butte again. The Council discussed scheduling options.

Kent Cowherd

- Suggested that the Council default back to the three points agreed upon by the two Councils.
- He commented on parking.

David Leinsdorf - 3 Treasury Hill Road

- George Gibson, who attended the meeting in Mt. Crested Butte, felt that Mt. Crested Butte was firm on the terms of 156 units, five acres, and two parking spaces.
- Two parking spaces per unit were the absolute minimum.
- He told the Council to hold fire on decisions until they could meet with Mt. Crested Butte.

Jim Starr

- The more they required, the less affordable the housing became.
- There was more demand for affordable housing.
- Try to get to a yes on this project.

David Leinsdorf

- He thought it was a bogus argument that it would take five to six years to get a project through.
- High density without infrastructure was a mistake in planning.

## **NEW BUSINESS**

### **1) Discussion on the Contract with Bywater, LLC.**

Joel Wisian said what needed to happen by the 30<sup>th</sup>, happened today. The bond was in place and was on its way to Crested Butte. He explained how the transaction needed to happen. He reiterated the bond was in place. There was a scheduled closing this week.

## **EXECUTIVE SESSION**

Schmidt read the reason for the 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 Executive Session at 9:06PM. The Council returned to open meeting at 9:36PM. Mayor Schmidt made the required announcement upon returning to open meeting.

## **NEW BUSINESS CONTINUED**

### **1) Discussion on the Contract with Bywater, LLC.**

Wisian explained background on communication, responding to Dujardin characterizing the communication as frustrating. Dujardin had concern that Wisian defaulted twice on the contract. Sullivan affirmed there was no bond before Friday. MacDonald stated the master deed restriction needed to be amended prior to the conveyance.

Magner moved and Dujardin seconded a motion to approve the bond extension contingent on review by the Town Attorney and the amendment of the Master Deed Restriction. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**2) Ordinance No. 34, Series 2019 - An Ordinance of the Crested Butte Town Council Providing Requirements for Demolition, Relocation and Replacement of Buildings or Structures Amending Articles 1, 2 and 14 of Chapter 16 of the Town Code.**

Schmidt read the title of the ordinance. Nevins reported on the three components of the ordinance. He reminded the Council of past work sessions and that BOZAR reviewed the proposed Code amendments. Schmidt summarized the changes made by the ordinance and amendments that came from BOZAR.

Mitchell moved and Bradley seconded a motion to approve first reading and to set the public hearing date for September 16<sup>th</sup>, 2019 to consider second reading of Ordinance No. 34, Series 2019. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**3) Ordinance No. 35, Series 2019 - An Ordinance of the Crested Butte Town Council Amending, Chapter 18, Article 5 Section 18-5-10 Adoption of the Town Code Related to the Adoption by Reference of the 2017 National Electric Code.**

Schmidt read the title of the ordinance. Yerman updated the Council that the State just adopted the 2017 National Electric Code.

Dujardin moved and Bradley seconded a motion to set Ordinance No. 35, Series 2019 amending the adoption of the Town's Electric Code to the 2017 National Electrical Code to public hearing on September 16<sup>th</sup>, 2019. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**4) Update on Verizon Wireless Interest in Cell Tower Location at Public Works.**

Earley stated they met with Verizon officials and identified three feasible sites in the public works yard for the cell phone tower. He described the locations, specifically Site #1. He outlined the reasons Site #1 would be the best place. MacDonald explained Verizon had an existing contract with the school district, and Verizon would need to release the school from their contract. Sullivan told the Council they did not need to allow anything to be built on Town's property. The Council agreed to direct Staff to move forward with Site #1.

**5) Approval of 2020 Council Priorities (From Consent Agenda).**

Magner recalled that the Council discussed staying within the budget as a priority, specifically the operating budget. Mitchell brought up one-off requests. Magner wanted

to see the Town acting in a conservative manner to be ready for difficult times. No one on the Council disagreed.

Dujardin thought they needed to include the InDEED program as a priority. Schmidt countered Dujardin's point. Magner supported Dujardin's idea. Mitchell suggested they live within their means and develop savings to a comfortable spot. She did not know if she felt comfortable. She thought they could direct Staff to develop framework.

MacDonald summarized the direction from the Council: expenses would not exceed revenue in the General Fund and framework for the InDEED program would be developed.

Merck moved and Dujardin seconded a motion to approve the vision statement and goals and priorities as amended. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **LEGAL MATTERS**

Sullivan reported that the purchase of Kikel Parcel A closed last Friday.

Green prepared a letter asking the Forest Service for the Town to participate as a cooperating agency in the Keystone Mine review. The attorneys recommended the letter be sent.

Magner moved and Bradley seconded a motion to authorize the Mayor to sign the letter to the Forest Service. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **COUNCIL REPORTS AND COMMITTEE UPDATES**

Paul Merck

- Went to the STOR Committee meeting. The Forest Service gave a presentation. They talked about the ability of the Forest Service to create fee areas to help with protection and maintenance.

Laura Mitchell

- Attended Mountain Express meeting. They were talking about succession plans.
- Received a call from Joan May, a former commissioner in San Miguel County, who was the organizer of the Sierra Club's Beyond Coal Campaign. She was trying to end coal burning. They would meet next week.

Mallika Magner

- The Chamber looked good.
- The Valley Housing Fund was moving apace.

Candice Bradley

- She attended the meeting with the Library District. It seemed everyone was confused about communications.

Will Dujardin

- He went to the CAP retrofit subcommittee group. They talked about encouraging contractors.
- The Upper Gunnison River Water Conservancy District meeting was pretty good. Frank Kugel was moving on to another district. They were searching for the next person. There was a drought contingency planning meeting. They were interviewing the ranchers. He mentioned upcoming projects.

Jim Schmidt

- He went to the library meeting.
- He attended two climate action-planning meetings. They talked about the Taylor Dam and how it could be used for power. They talked a lot about solar farms. Due to weather, they might be better located in Gunnison.
- MacDonald provided an update on the CAST meeting in her staff report. Schmidt spoke with the Mayor of Telluride about doing an exchange program after the election.
- Everyone was set for dinners with the Park City people tomorrow night. There were two different (bike) rides set up. MacDonald sent out the packet of information.

**OTHER BUSINESS TO COME BEFORE THE COUNCIL**

None

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

- Monday, September 16, 2019 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, October 7, 2019 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, October 21, 2019 - 6:00PM Work Session - 7:00PM Regular Council

Yerman reminded the Council to schedule the Planning Commission meeting. They decided to meet on October 16<sup>th</sup> at 6PM.

**EXECUTIVE SESSION**

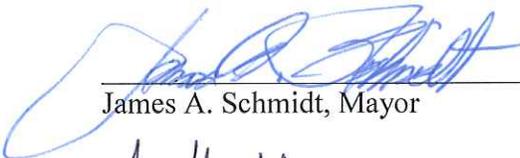
Schmidt read the reason for the Executive Session: for a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b).

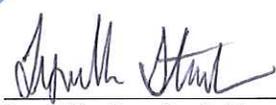
Mitchell moved and Dujardin seconded a motion to go into Executive Session. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

The Council went into Executive Session at 10:36PM. They returned to open meeting at 10:50PM. Mayor Schmidt made the required announcement upon returning to open meeting.

**ADJOURNMENT**

Mayor Schmidt adjourned the meeting at 10:51PM.

  
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James A. Schmidt, Mayor

  
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Lynelle Stanford, Town Clerk

(SEAL)

