



TOWN OF MOUNTAIN VILLAGE  
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**TOWN OF MOUNTAIN VILLAGE  
MINUTES OF THE MARCH 16, 2016  
REGULAR TOWN COUNCIL MEETING**

The meeting of the Town Council was called to order by Mayor Dan Jansen at 1:59 p.m. on Wednesday, March 16, 2016 in the Mountain Village Town Hall, 455 Mountain Village Town Hall Boulevard, Mountain Village, Colorado.

**Attendance:**

**The following Town Council members were present and acting:**

Dan Jansen, Mayor  
Marty McKinley, Mayor Pro-Tem  
Laila Benitez  
Cath Jett (Via conference call for part of the meeting)  
Dan Caton  
Michelle Sherry  
Bruce MacIntire

Also in attendance were:

Kim Montgomery, Town Manager	Michael Martelon
Jackie Kennefick, Director of Administration/Town Clerk	Paul Major
Susan Johnston, Deputy Town Clerk	Kiernan Lannon
Christina Meilander, Administrative Services Coordinator	Rube Felicelli
David Reed, Town Attorney (via conference call for Executive Session)	Dennis Lankes
Jim Mahoney, Assistant Town Attorney	Jolana Vanek
Nichole Zangara, Director of Marketing & Business Development	Lilia Falk
Kevin Swain, Finance Director	Danny Craft
Julie Vergari, Chief Accountant	Anne Gerhard
Chris Broady, Police Chief	Lucas Fredericks
Glen Van Nimwegen, Dir. of Planning & Development Services	J. Scott Butler
Dave Bangert, Forester/Planner	Michael Sondermann
Colleen Henderson, Planner II	Robert Stenhammer
Deanna Drew, Director of Plazas & Environmental Services	Fred Ballie
Jim Loebe, Director of Transit & Recreation	Jeremy Fox
Steven Lehane, Director of Cable & Broadband Services	Brad Zaporski
Jeff Badger	Jim Royer
Anton Benitez	Jim Link
Jack Sibold	Bob Justis
Pete Mitchell	

**Executive Session for the Purpose of Receiving Legal Advice Pursuant to C.R.S. 24-6-402(b), and for the Purpose of Negotiations Pursuant to C.R.S. 24-6-402(4)e (2)**

On a **MOTION** by Marty McKinley and seconded by Laila Benitez, Council agreed to enter into Executive Session for the purpose of receiving legal advice pursuant to C.R.S. 24-6-402(b), and for the purpose of negotiations pursuant to C.R.S. 24-6-402(4)e 1:00 at p.m.

Bruce MacIntire arrived at 3:00 p.m.

Council returned to regular session at 3:41 p.m.

**Public Comment for Non-Agenda Items (3)**

There was no public comment.

**Consideration of Approval of Meeting Minutes:(4)**

**a. February 11, 2016 Regular Meeting**

On a **MOTION** by Marty McKinley and seconded by Dan Caton, Council voted unanimously to approve the February 11, 2016 Town Council meeting minutes with the changes to the Mayor's report stating that the Mayor decided to defer his report to a future meeting.

**b. February 22, 2016 Special Meeting Minutes**

On a **MOTION** by Michelle Sherry and seconded by Laila Benitez, Council voted unanimously to approve the February 22, 2016 Town Council meeting minutes as presented.

**San Miguel Power Association (SMPA) Discussion on the Power Outage February 13 & 14, 2016 (5)**

SMPA Board of Directors President Rube Felicelli thanked the crews from Tri-State and San Miguel Power who worked all night long to get the power restored during the February 13-14 outage. He introduced San Miguel Power Interim General Manager Jim Link, Chief Engineer Bill Riley, Member Services Manager Brad Zaporski, Jeremy Fox, and Board members Jack Sibold and Bob Justis. Mr. Riley provided general background on the recent power outage stating that an electrical power pole was struck by a large rock cutting power to Telluride, Lawson Hill, Aldasoro, down valley and parts of Mountain Village. He explained how the transmission lines run through the area noting that the Telluride area is served through a single transmission line. Due to the vulnerability of the existing transmission line, SMPA developed the Telluride Reliability Project. The project will include two underground express distribution circuits which would allow SMPA to continue to provide service through the Telluride substation in the event power is lost on the Sunshine/Telluride line. This project is not needed for capacity, but will be available in the event of an unplanned outage and will allow SMPA to provide planned maintenance on the lines without interruption of service. The line is expected to be completed by summer 2017. The permitting processes with the County and the Forest Service are the variables. Mr. Link stated that SMPA is working on better communication channels and will be implementing additional communication options in the event of another power outage. Mayor Jansen shared comments received from former Mayor Bob Delves asking for clarification of the surcharge that was imposed in 2014 for the Nucla-Telluride line. Mr. Link explained that the 2014 project provided redundancy in the line from Nucla to Sunshine but not to Telluride. The Nucla line was 53 years old and not adequate to handle the load to Telluride so the new line was necessary. The Telluride Reliability Project is now the second phase of the upgrade and will get the desired redundancy from Sunshine to Telluride. The project has already been fully funded by the surcharge. Council discussion ensued regarding how to disseminate accurate information to residents and whether or not installing backup generators to power critical areas such as gas pumps, is feasible. Council directed staff to agendize a work session to discuss implementing an emergency communications plan at a future date. Public comment was received by Jolana Vanek and Anton Benitez. Council thanked SMPA for the information.

Cath Jett left the meeting at 4:03 p.m.

**West Region Wildfire Council (WRWC): (6)**

**2014 Mountain Village Resident Wildfire Survey Results and Parcel-level Wildfire Risk Assessments**

Director of Plazas and Environmental Services Deanna Drew introduced Lilia Colter Falk of the West Region Wildfire Council. Ms. Falk stated that West Region Wildfire Council acts as a regional focal point for wildfire related information whose primary goal is to educate homeowners about wildfire risk and promote risk reduction. They provide parcel level risk assessment and to date 718 homes have been assessed in Mountain Village. 81% of homes in Mountain Village do not have adequate defensible space. WRWC has partnered with researchers to assess what motivates homeowners to take action. WRWC conducted a survey of Mountain Village homeowners asking them to rate themselves on 11 elements. 212 homeowners responded to the survey with 77% stating that they would be willing to remove trees to reduce wildfire risk. WRWC will be sending out post cards to homeowners providing them with their specific risk assessment results and will provide individual links to explain the results as well as how to participate in the mitigation incentive program .

**Mountain Village Wildfire Mitigation/Defensible Space Regulations Update (7)**

Town Forester/Planner Dave Bangert presented the above update stating that as of January 2016, fifty property owners have implemented defensible space around their homes. Staff proposed that Council review a Defensible Space Wildfire Mitigation Incentive Program in the summer of 2016 and direct staff to implement. In 2010 changes were made to the Community Development Code (CDC) that required new home construction to plan and implement defensible space. Mr. Bangert stated that there are some instances where it is impossible to get the full amount of necessary defensible space (i.e. small lot sizes), and in those cases rock landscaping is utilized. The goal of the incentive program is to spark renewed interest in mitigation. Mr. Bangert reviews all landscaping plans for defensible space compliance noting that the concept is "smart landscaping" not "no landscaping". The program is voluntary for existing homeowners. Council discussion ensued regarding creating a modified fuel break around the entire Town of Mountain Village. Mr. Bangert stated that this would involve the cooperation of all the landowners and would take time to implement.

**Mountain Village Defensible Space Incentive Program (8)**

Michelle Sherry noted that she is the owner of a landscaping company and stated for the record that she did not participate in any way in developing this program. Director of Plazas and Environmental Services Deanna Drew presented the above program outlining the details:

- Funding provided by the Town of Mountain Village and Telluride Mountain Village Owners Association (TMVOA) at \$50,000 each. The incentive funds will be distributed at 50% of the treatment cost up to \$5,000 per property on a first come, first served basis.
- Program Administration will be performed by Town staff (Deanna Drew, Dave Bangert, Nichole Riley, and Kevin Swain)
- Program partners include TMVOA, West Region Wildfire Council (WRWC), Telluride/Mountain Village Fire Protection District, Colorado State Forest Service, San Miguel County Sherriff's Office, United States Forest Service, Bureau of Land Management and more.

On Friday, June 3<sup>rd</sup> from 10-12 there will be a Wildfire Forum for Defensible Space where homeowners can learn more about the 2016 Mountain Village incentive program. Homeowners can schedule a free professional site visit of their property. Once the prescription is written by staff, the homeowner would hire the contractor and have the work done. Mr. Bangert will assist in overseeing the project and ensure that the work is completed. The project has already been fully funded. Once staff has signed off that the project is complete and within the guidelines, then the homeowner will be reimbursed. The incentive program money has been earmarked for homeowners that are willing to complete the mitigation per the prescription written by the forester. Public comment was received by John Bennett and Jolana Vanek. TMVOA will help to spread the word about the program.

**Council Boards and Commissions Updates:**

**a. Eco Action Partners(EAP) –Sherry**

Michelle Sherry stated that EAP did not have a board meeting. The San Miguel Power income qualified assistance program has been launched and participants can receive up to \$3000 on energy improvements for their homes. The program recipients must be income qualified. EAP will initiate the Green Lights program in the fall of 2016 and Kris Holstrom is in the process of finalizing the contract for the Regional Composting Program.

**b. Telluride Historical Museum-Sherry**

There was no update. The Telluride Historical Museum provided their annual report later in the meeting.

**c. San Miguel Watershed Coalition – Jett**

There was no update.

**d. Colorado Flights Alliance (CFA) – Jansen**

Mayor Jansen stated that airport staff are working on the Apron.

**e. Transportation & Parking- Benitez/MacIntire**

There was no update

**f. Budget & Finance Committee – McKinley/Caton**

Dan Caton stated that the Budget and Finance Committee has met earlier than usual to look at what has happened so far this year in revenues. The Town is seeing very healthy tax revenues in 2016, however; the committee will be recommending a fairly conservative approach for the 2017 budget. The Town's share of

the PERA unfunded liability will need to be stated as a liability going forward on the Town balance sheet. This change in reporting is dictated by the Governmental Accounting Standards Board (GASB) which stipulates the financial requirements that the Town must operate under as a government entity.

**g. Gondola Committee – McKinley/Caton**

Mr. McKinley stated that Gondola Committee has established a timeline for the process. The Economic Impact Study is the first of three phases in the Gondola Impact Study done jointly with TMVOA. The second phase is to identify the system to acquire then third, how to fund the system.

**h. Mayor's Update – Jansen**

Mayor Jansen stated that the Regional Transportation Authority (RTA) is progressing and deferred further comment in order to get the meeting back on time.

**Staff Reports: (10)**

**a. Plaza & Environmental Services**

Ms. Drew presented her report. Council discussion ensued and Council thanked Ms. Drew and her department for a job well done. She stated that they are always looking for ways to improve.

Council moved forward to agenda item #13.

**b. Town Manager**

Town Manager Kim Montgomery presented her report stating that the February Great Services Award went to Chief Accountant Julie Vergari for her exceptional service helping the Planning and Development Services Department implement the new Meritage software. Council discussion ensued on the improvements/expansion of the Waste Water Treatment Plant. Ms. Montgomery stated that she and Public Works Director Finn Kjome have been invited to attend regular meetings with the Town of Telluride. They will be attending a meeting in March to evaluate responses to the RFP issued to select an engineer to develop the improvement and expansion plan together with associated costs.

**Finance: Presentation of the February 28, 2016 Business & Government Activity Report (BAGAR) (11)**

Finance Director Kevin Swain presented the BAGAR. Council discussion ensued.

**Marketing Telluride Inc. Quarterly Report**

President and CEO of MTI Michael Martelon presented the 2015 fourth quarter report. Occupancy in 2015 was up 6.2% over 2011. Mr. Martelon stated that historically he reported on the number of keys or rooms available, but this measure does not account for how many people a unit can accommodate. The report will now consider the number of pillows as opposed to keys. MTI has been working with the lodging community to determine this number. Going forward the question of how many people a unit sleeps will be asked when the lodger applies for or renews a business license. Mr. Martelon stated that his goal is to make Mountain Village more relevant in the summer months and to fill in the shoulder seasons. He presented plans for the new state of the art Visitor's Center noting that it should be complete in time for the Mountain Film Festival in May. Council discussion ensued.

Council moved to Agenda Item # 10B

**Telluride Historical Museum 2015 Annual Report (13)**

Executive Director Kiernan Lannon presented the annual report. Mr. Lannon was hired in May of 2015. Formerly he was the Executive Director of the Smithtown Historical Society in Smithtown, New York. The mission of the Telluride Historical Museum is to preserve the rich, colorful, and diverse history of the region and to bring history to life through exhibits, programs, and education. Mr. Lannon stated that the museum is very grateful for the funding they receive through the mill levy. The museum created a new position of Director of Development to help oversee the museum's membership campaign, fundraising events, donation solicitation and marketing efforts. Mr. Lannon highlighted the various programs and exhibits that the museum sponsors. He also stated that the museum is looking for ways to collaborate with Mountain Village and that he would welcome any new ideas. Council thanked Mr. Lannon for his report.

**Review of and Recommendations to a Draft San Miguel Regional Transportation Authority (RTA) Intergovernmental Agreement (14)**

Town Manager Kim Montgomery presented the above item stating that the draft San Miguel Regional Transportation Authority Intergovernmental Agreement is a work in progress. Ms. Montgomery stated that the version in the packet is the latest version based on the most recent RTA meeting. Council did not make any changes to the presented agreement. Council asked staff to email a red lined version comparing the original draft agreement to the current version. Council discussion ensued.

**Discussion of Process for Engagement of Stakeholders in Gondola Impact Study (15)**

TMVOA Executive Director Anton Benitez presented the above item stating that the objectives of the Gondola Impact Study are to:

- Develop a more comprehensive understanding of the region's transportation future
- Enable thoughtful decisions to be made around any future transportation systems (i.e. Gondola)

The Gondola Committee has contracted with Outdoor Engineers, a transportation expert/consultant out of Austria, to provide a Gondola System Evaluation. The timeline will be broken into three phases:

- Economic Impact Study
- Determining the requirements of the new system
- Funding the system

The economic impact study will engage the Town of Mountain Village, TMVOA, Town of Telluride, San Miguel County, and TSG as full partners. The Telluride Tourism Board, community, hotels and local businesses will also be involved. Discussion ensued on ideas for the Gondola's 20<sup>th</sup> anniversary celebration. It was suggested that one of the gondola cabins be painted red to commemorate the anniversary and create activities such as a photo contest. The celebration will be a group effort between the Town of Mountain Village, TMVOA & TSG.

**Council worked through the dinner break.**

**Consideration of Appointments: (17)**

**a. Four Regular Seats on the Design Review Board(DRB)**

Director of Planning & Development Services Glen Van Nimwegen presented and explained DRB's recommendations for the appointments. Assistant Town Attorney Jim Mahoney stated that the Board has some serious concerns with the existing processes and the composition of its board members. Council suggested having a joint work session with DRB to discuss their concerns. Mr. Van Nimwegen explained that all candidates were personally interviewed. Dan Caton recused himself from the vote because his wife applied for a seat on the Board. Council discussed becoming more involved with the interview/appointment process for DRB. Council will be interviewing the available candidates for the alternate seat at the April Town Council meeting if they are available and directed staff to agendize a joint meeting at the May Town Council meeting. On a **MOTION** by Marty McKinley and seconded by Laila Benitez, Council voted 6-0 to appoint Keith Brown, Banks Brown, Luke Trujillo and David Craige to the regular seats on the Design Review Board, and leave the alternate seat open pending further discussion at the April Town Council meeting.

**b. One Alternate Seat on the Design Review Board**

No action was taken.

**First Reading, Setting of a Public Hearing and Council Vote on an Ordinance to Rezone, Major Subdivision and Vested Rights approval for Lots 376RA, 387R and Access Tract A-376 (127 and 129 Rocky Road) Note: This Item will be Continued to the April Council Meeting (18)**

On a **MOTION** by Laila Benitez and seconded by Bruce MacIntire, Council voted 6-0 to continue the first reading, setting of a public hearing and council vote on an Ordinance to rezone, major subdivision and vested rights approval for Lots 376RA, 387R and access tract A-376 (127 and 129 Rocky Road) to the April 21<sup>st</sup> meeting.

**Consideration of a Resolution Approving a Conditional Use Permit for a Panning Sluice Amusement on Tract OS-3X (Heritage Plaza) (19)**

Glen Van Nimwegen presented the above Resolution. Mr. Van Nimwegen stated that the applicant, Gravity Play Entertainment, LLC has been operating a winter/summer season bungee trampoline business in Heritage Plaza for the past five years as well as a ropes course during the summer season. The proposed panning sluice amusement will include a 12' high water tower, an 8' high waterfall section, and four sluice sections. Gravity Play is also proposing to place an educational display case near the amusement for guests to identify their gemstones/minerals and learn about the mining history of the Telluride/Mountain Village area. Gravity Play has agreed to place a Town logo on the side of the amusement. The site is out of the fire lane and does not intrude on the *Wednesday Market on the Plaza* events. The applicant has received DRB approval with the following conditions:

- The structure will look more distressed and utilize darker wood
- Signage will be approved by staff
- Operating hours 10 am to 6 p.m.
- The applicant has agreed to wrap the structure if necessary for safety

Staff will report back to DRB on the appropriateness of the location prior to renewing the permit. Gravity Play owner Scott Butler presented layout of the display. The water system is contained, recirculated and cleaned on a regular basis. The bags of soil will be sold in the TSG's Adventure Center. Public comment was received by Telluride Museum Director Kiernan Lannon who expressed concern that the exhibit would detract from the Museum's existing sluicing exhibit, and that the amusement is not historically accurate. Council discussion ensued and the applicant stated that he was willing to collaborate with the museum on educational authenticity and would consider branding the amusement with the Telluride Historical Museum name. On a **MOTION** by Dan Caton and seconded by Marty McKinley, Council voted 6-0 to adopt a Resolution approving a Conditional Use Permit for a panning sluice amusement on Tract OS-3X as presented with DRB conditions.

Mayor Dan Jansen left the meeting at 8:00 p.m.

**Second Reading, Public Hearing and Council Vote on an Ordinance Amending Section 17.6.6 of the Town's Community Development Code Related to the Acceptance of Access Tracts by the Town (20)**

Assistant Town Attorney Jim Mahoney presented the above item stating that there are about 50 publicly owned access tracts in Mountain Village. Some of the tracts pose safety issues and the Town has expressed interest in taking on those access tracts. The Ordinance will give the Town the ability to make improvements to the access tracts, however; it does not obligate the Town in any way. On a **MOTION** by Laila Benitez and seconded by Dan Caton, Council voted 5-0 to approve an Ordinance amending section 17.6.6 of the Town's Community Development Code related to the acceptance of access tracts by the Town.

**Consideration of a Request from Gondola Plaza Parking Association to Extend the Deadline to Commence Construction Pursuant to a Settlement Agreement Between Gondola Plaza Parking Association and the Town (21)**

Jim Mahoney presented the above item. The Gondola Plaza Parking Condominium Association (GPPCA) has requested an extension of time to commence construction pursuant to a settlement agreement between GPPCA and the Town on July 2, 2013 which states that the project (snow melt system) must commence by April 11, 2016. Michael Sondermann, who is a member of the GPPCA, addressed Council stating that the GPPCA Board has spent a considerable amount of time coordinating this effort. They hired engineers, architects and surveyors and based on their findings, GPPCA determined that there is no substantial structural damage to the garage. They have requested a 6 month extension to complete the due diligence for a snow melt system in Sunset Plaza. There is no room to install a hydronic snow melt system and they would like to explore other options. Council discussion ensued. On a **MOTION** by Michelle Sherry and seconded by Laila Benitez, Council voted 5-0 to approve a request from the GPPCA to extend the deadline to commence construction pursuant to a Settlement Agreement to September 30, 2016, with the condition that the Town will review and approve the snow melt system, and that both parties work collaboratively as quickly as possible to determine what systems are available. If a system is approved, then the Town may grant a further extension for installation.

On a **MOTION** by Laila Benitez and seconded by Dan Caton, Council voted unanimously to extend the meeting beyond 6 hours.

**Discussion on the 2017 Mountain Village Grant Process with Telluride Foundation (22)**

Director of Administration/Town Clerk Jackie Kennefick presented the above item stating that Telluride Foundation has expressed interested in administering grant applications for the town. Telluride Foundation Executive Director Paul Major stated that it is important to define the criteria and guidelines for grant making. The following are some of the criteria used:

- Accountability to donors/taxpayers
- The ability to maintain credibility as a grant maker
- Consistency with Town mission and goals
- Fairness to grant applicants
- To increase your impact in the community

Mr. Major discussed the criteria that would be used for reviewing grant applications stating that the organization must be:

- Well-run and financially strong
- The organizations mission and project addresses a current and proven public need
- They must demonstrate strong community support for their organizations and projects
- Must show effective and efficient delivery of program services

He emphasized that the Council has the ability to set the goals, terms and objectives of this process. Council discussion ensued. Council direction was to create a committee tasked with formulating a grant processing plan. Marty McKinley and Laila Benitez volunteered to serve on the committee and to meet with the Telluride Foundation staff to work on a mission statement and plan. Public comment was received by Anton Benitez. He stated that the process should include measures to avoid applicants' "double dipping" by applying for grants to both the Town and to TMVOA as Council has had these concerns in the past.

**Consideration of Approval of an Intergovernmental Agreement for Dispatch Services Between the City of Montrose, Mountain Village Police Department, Telluride Town Marshall, Telluride Fire Protection District and the County of Montrose, Colorado (23)**

Chief of Police Chris Broady presented the above item. On a **MOTION** by Laila Benitez and seconded by Bruce MacIntire, Council voted 5-0 to approve an Intergovernmental Agreement for Dispatch Services between the City of Montrose, Mountain Village Police Department, Telluride Town Marshall, Telluride Fire Protection District and the County of Montrose, Colorado.

**Other Business: (24)**

**a. Colorado Municipal League (CML) Conference Registration**

Jackie Kennefick stated that the CML Conference is in June and asked that Council let staff know if they plan to attend. The deadline for registration is May 13<sup>th</sup>.

**b. Ratification of Letter to Federal Energy Regulatory Commission**

The deadline to send the public comment letter was March 11<sup>th</sup> and Ms. Kennefick received 4 yeses from Council, so the letter was sent. On a **MOTION** by Michelle Sherry and seconded by Dan Caton, Council voted 5-0 to ratify a letter that was sent to the Federal Energy Regulatory Commission (FERC) opposing Tri-State's request of FERC to approve a rate penalty on utility companies when they purchase energy from local renewable projects.

**c. 20<sup>th</sup> Anniversary of the Gondola**

Jackie Kennefick asked for Council input on the 20<sup>th</sup> anniversary celebration of the Gondola. Nichole Zangara Riley is spearheading the Town's efforts in conjunction with TSG, TMVOA, and MTL.

**d. Blue Mesa Lodge**

Jim Mahoney stated that improvements are being made in the breezeway between the Poacher's Pub building and Blue Mesa Lodge and the Town is in the process of securing an easement to utilize the breezeway and move forward with the repairs which are scheduled to begin April 10<sup>th</sup>. A hydronic snow melt system is being installed.

There being no further business, on a **MOTION** by Dan Caton and seconded by Laila Benitez, Council unanimously agreed to adjourn the meeting at 8:50 p.m.

Respectfully prepared,



Susan Johnston  
Deputy Town Clerk

Respectfully submitted,



Jackie Kennefick  
Town Clerk