



TOWN OF MOUNTAIN VILLAGE
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**TOWN OF MOUNTAIN VILLAGE
MINUTES OF THE NOVEMBER 16, 2017
REGULAR TOWN COUNCIL MEETING**

The meeting of the Town Council was called to order by Mayor Laila Benitez at 8:31 a.m. on Thursday, November 16, 2017 in the Mountain Village Town Hall, 455 Mountain Village Boulevard, Mountain Village, Colorado.

Attendance:

The following Town Council members were present and acting:

Laila Benitez, Mayor
Dan Caton, Mayor Pro Tem
Dan Jansen
Jack Gilbride
Bruce MacIntire
Patrick Berry
Natalie Binder

Also in attendance were:

Kim Montgomery, Town Manager
Jackie Kennefick, Director of Administration/Town Clerk
Susan Johnston, Deputy Town Clerk
Christina Lambert, Administrative Services Coordinator
David Reed, Town Attorney
Jim Mahoney, Assistant Town Attorney
Chris Broady, Police Chief
Kevin Swain, Finance Director
Michelle Haynes, Director of Planning & Development Services
Sam Starr, Planner
Bill Kight, Marketing & Business Development Director
Danielle DeRoberts, Marketing Coordinator
Sue Kunz, Director of Human Resources
Dave Bangert, Sr. Planner
JD Wise, Plaza Services Manager
Randy Kee, Building Official
Jim Loebe, Director of Transit & Recreation
Finn Kjome, Director of Public Works

Michael Lynch
Noel Daniel
Greg Flynn
Mark Harmon
Anton Benitez
Robert Stenhammer
Bill Frownfelter
Tim Johnson
Richard Thorpe
Mickey Salloway
Craig Ferguson
Jolana Vanek
Michael Martelon
Justin Criado

Public Comment on Non-Agenda Items (2)

There was no public comment.

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 (3)

On a **MOTION** by Dan Caton and seconded by Jack Gilbride, Council voted unanimously 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 at 8:31 a.m.

Council returned to regular session at 9:45 a.m.

Council took a break from 9:45 a.m. to 9:52 a.m. (4)

Consideration of Approval of a Replacement Hotel Operator for Hotel Madeline Pursuant to the 2015 Amended and Restated Hotel Deed Restriction (5)

Assistant Town Attorney Jim Mahoney presented the above item stating that hotel covenants and deed restrictions require that the Town of Mountain Village approve any replacement operator. Natalie Binder recused herself because she is an owner at the Madeline Hotel. Local attorney Mike Lynch introduced the Auberge team of Owner Mark Harmon, General Manager Noel Daniel and Flynn Property CEO Greg Flynn.

Mr. Harmon discussed plans for the hotel as well as management standards and stated that the closing is set for December 15, 2017. Council discussion ensued on the topic of extended seasons and Mr. Harmon stated that Auberge plans to operate continuously through fall but will close in the spring off season. On a **MOTION** by Jack Gilbride and seconded by Dan Caton, Council voted 6-0 (with Natalie Binder abstaining), to approve Auberge Resorts LLC, as the replacement hotel operator for Hotel Madeline pursuant to the 2015 Amended and Restated Deed Restriction.

Consideration of Approval of Minutes: (6)

a. October 11, 2017 Special Budget Meeting Minutes

Deputy Town Clerk Susan Johnston presented the above item. On a **MOTION** by Dan Caton and seconded by Bruce MacIntire, Council voted unanimously to adopt the October 11, 2017 Special Budget meeting minutes with the addition of the word "not" in the Green Team Committee discussion. *Mr. Berry noted that the Green Team had their first meeting this past Monday to discuss what they are and what they are **not** going to do and to consider the passions of group.*

b. October 19, 2017 Regular Town Council Meeting Minutes

Susan Johnston presented the above item. On a **MOTION** by Dan Caton and seconded by Bruce MacIntire, Council voted unanimously to adopt the October 19, 2017 regular Town Council meeting minutes as presented.

Consideration of a Term Sheet Regarding the 161CR and Ridge at Telluride Litigation (7)

Jim Mahoney presented the above item stating there is no actionable term sheet to vote on. The item will be re-agendized on the December agenda.

Dan Jansen left the meeting at 10:30 a.m.

On a **MOTION** by Bruce MacIntire and seconded by Patrick Berry, Council voted unanimously to convene as the Board of Directors for the Dissolved Mountain Village Metro District.

Town Council Acting as the Board of Directors for the Dissolved Mountain Village Metro District: Public Hearing on the Proposed 2018 and Revised 2017 Budgets (8)

The Mayor opened the public hearing. Director of Finance Kevin Swain presented the budgets and stated that the Metro District was dissolved December 31, 2006 and exists only for the purposes of assessing and collecting property tax and paying the debt obligations. Council discussion ensued regarding the debt service mill levy which for 2018 will decrease from 12 mills to under 2 mills. This will be a big relief for property owners. No public comment was received. The Mayor closed the public hearing.

On a **MOTION** by Bruce MacIntire and seconded by Jack Gilbride, Council voted unanimously to reconvene at the Mountain Village Town Council.

Finance: (9)

a. Presentation of the October 31, 2017 Business & Government Activity Report (BAGAR)

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

b. Consideration of the September 30, 2017 Financials

On a **MOTION** by Dan Caton and seconded by Bruce MacIntire, Council voted 6-0 to approve the September 30, 2017 Financials.

c. First Reading, Setting of a Public Hearing and Council Vote on an Ordinance of the Town Levying Property Taxes for the Year 2017 to be Collected in 2018

Kevin Swain presented explaining that this is the mill levy certification Ordinance for the General Fund. The mill levy has been fixed since the Town was established in 1995. On a **MOTION** by Bruce MacIntire and seconded by Jack Gilbride, Council voted 6-0 (Dan Jansen was absent) to adopt on first reading an Ordinance of the Town Levying Property Taxes for the Year 2017 to be collected in 2018 and to set the second reading, public hearing and final vote for December 14, 2017.

d. First Reading, Setting of a Public Hearing and Council Vote on an Ordinance Adopting the 2018 Budget and Revising the 2017 Budget

Mr. Swain presented the budget and stated that the following modifications were made:

- Budget planning for improvements to the Regional Wastewater Treatment Plant were updated from the most recent information from Telluride
- An additional \$50,000 was provided in the Town Manager's budget for the Green Team
- Revenue forecasts for property tax revenue and the mill levy for Mountain Village were recalculated with the most current assessed valuation estimate provided by the County Assessor on October 23
- An additional \$50,000 was added to the Conference Center budget for expansion and improvement consulting
- The Chondola budget was increased for the noise mitigation project specifically requested and funded by TMVOA (Telluride Mountain Village Owners Association)
- A one-time contribution of \$708 to the Center for Mental Health was added to the Town Council's budget
- The 2017 forecasted budget for VCA (Village Court Apartments) was increased by \$40,000 for additional carpet replacement
- Revenue sharing from SMART (San Miguel Authority for Regional Transportation) was added to offset shuttle and bus services
- The tennis court improvement for \$200,000 was removed and then added to the Recreation and Trails budget
- The pond restoration budget in 2017 was deferred until 2019 and increased to \$115,000

Council discussion ensued and Council directed staff to include the following:

- Increase employee appreciation budgets
- Add \$60,000 to Cable budget for consulting
- Add \$15,000 to Technology budget for cyber security assessment
- Add \$35,000 to Technology budget for any implementation needed
- Add \$20,000 for consulting for the Adams Ranch Road Emergency Access Plan

On a **MOTION** by Jack Gilbride and seconded by Bruce MacIntire, Council voted 6-0 (Dan Jansen was absent) to approve on first reading an Ordinance adopting the 2018 Budget and revising the 2017 Budget with the above changes and to set the second reading, public hearing and final vote for December 14, 2017.

e. Consideration of a Resolution Adopting Certain Fee Schedules Effective January 1, 2018

Mr. Swain stated that the changes being adopted in this Resolution are related to cable and water/sewer fees. Council discussion ensued regarding Planning and Building fees and it was determined that if these fees were to be changed, a resolution would be required. No changes were requested. On a **MOTION** by Dan Caton and seconded by Patrick Berry, Council voted unanimously to approve a Resolution adopting certain Fee Schedules effective January 1, 2018 as presented.

Second Reading, Public Hearing and Council Vote on an Ordinance Amending Section 3.04.020 of the Municipal Code Amending the Sales Tax Definitions to Adopt Statewide Standardized Sales Taxes Definitions (10)

Jim Mahoney and Kevin Swain presented the Ordinance explaining that the purpose of this Ordinance is to support the Colorado Municipal League's state-wide effort for a "Standardized Sales Tax Definition Project" with the goal being to have all self-collecting jurisdictions adopt the same definitions state wide. This is a statewide effort to simplify and standardize definitions and is revenue neutral. The following actions will be taken to get this information out to merchants:

1. Work with Munirevs to send all system users a message regarding the change through that platform if possible. This should reach all current payers.

2. Press release.
3. Email blast targeted at in town businesses and out of town businesses that pay sales tax in Mountain Village.
4. Announcement at December 13th Merchants meeting.
5. Post information on the Town's website and social media.

Council discussion ensued. The Mayor opened the public hearing. No public comment was received. The Mayor closed the public hearing. On a **MOTION** by Patrick Berry and seconded by Dan Caton, Council voted 6-0 (Dan Jansen was absent) to approve an Ordinance amending section 3.04.020 of the Municipal Code amending the sales tax definitions to adopt statewide standardized sales tax definitions as presented.

Council moved to Agenda Item 16 Boards and Commissions

Council took a break for lunch from 11:58 p.m. to 12:18 p.m.

Mayor Benitez left the meeting at 12:20 and Mayor Pro-tem Dan Caton presided.

Ski Ranches Water System Improvement Plan (11)

Public Works Director Finn Kjome and Town Engineer Bill Frownfelter presented the above item. The system was built in the early 70's and Mr. Kjome stated that there have been 4 recent water leaks in the Ski Ranches as a result of the aging infrastructure. A long-range plan to replace the existing pipes and increase fire flows over the next 30+ years has been developed. Public Works has budgeted \$250,000 in 2018 to begin construction. The first phase of the plan will take approximately seven years to complete and the entire upgrade will cost approximately 1.7 million dollars. The long-range plan will attempt to keep the construction budget at the same level of \$250,000 annually until project completion. Funds will come from the water and sewer fund reserves.

Mayor Benitez returned to the meeting at 12:37 p.m.

Consideration of Revisions to the Town of Mountain Village (TMV) Employer Assisted Housing Program (12)

Director of Planning and Development Services Michelle Haynes presented the above item stating that the Town has offered assistance to employees to purchase Town constructed deed restricted units since 2002. She compared the TMV program to the programs from the Town of Telluride and San Miguel County. Council discussion ensued. On a **MOTION** by Patrick Berry and seconded by Jack Gilbride, Council voted (6-0) to approve revisions to the Town of Mountain Village Employer Assisted Housing Program as provided with the additions listed below:

- Staff recommended expanding the area beyond the municipal boundaries of the Town of Mountain Village.
- Broaden the type of unit considered (Deed Restricted/Open Market/Primary Residence)
- Follow the County program regarding interest (flat 3% rate) No prepayment penalties and a loan default rate of 12%
- Remove the appreciation cap and other limitations on capital improvements of only 10% of the value
- If employee resigns or is terminated, the loan must be paid back in 6 months but allow for an option to extend with Council approval.
- Remove income limitations
- An extension may be requested if the loan is not fully paid back at 10 years; however, the loan would have to be re-evaluated
- Anyone using the loan towards their down payment would be required to have first time home purchase counseling

Town of Mountain Village, Telluride Ski and Golf (TSG) and the Telluride Mountain Village Homeowners Association (TMVOA) (13)

Michelle Haynes presented the MOU stating that the Town Hall Subarea Committee met on November 6th and approved the MOU for phase two of the Town Hall Subarea Plan. Patrick Berry recused himself due to his employment with TSG. Council discussion ensued. On a **MOTION** by Dan Caton and seconded by Jack Gilbride, Council voted 5-0 with Patrick Berry abstaining, to approve the Town Hall Subarea Draft MOU between the Town of Mountain Village, TSG and TMVOA.

Moved to agenda item #15 Staff Reports

Discussion on Parking in Mountain Village for the Telluride Bluegrass Festival (TBF) (14)

Telluride Bluegrass Festival promoter Craig Ferguson stated that the current parking agreement between the Town and TBF expires after the 2018 festival. He gave a brief history of festival parking and how the original agreement with the Town came to be. Parking in Mountain Village has become a consistent and efficient solution for the festival, however; Mr. Ferguson added that he is aware of the concern some residents have with regards to on-street parking. TBF has an estimated 45-million-dollar economic impact on the community. Ms. Binder stated that the lodging community sees an increase in the number of vehicles per rental during the Bluegrass weekend. Council discussion ensued regarding showing support for our residents' concerns and opening a discussion on potential mutually beneficial solutions. Council directed staff to agendize the matter at the next Intergovernmental meeting to include other entities in the discussion. Public comment was received by Mickey Salloway and Jolana Vanek. Ms. Montgomery agreed to talk off-line with Council to obtain direction and follow up with Mr. Ferguson and Jim Mahoney to discuss further.

Staff Reports: (15)

a. Police

Chief Chris Broady presented his report. New Police Officer Nathan Sanchez will begin working this week. Toys for Tickets program has started.

b. Transit & Recreation

Director of Transit & Recreation Jim Loebe acknowledged and thanked Transit Manager Rob Johnson for helping to create the department reports. The Mayor thanked both Mr. Loebe and Mr. Johnson their help with the development of SMART. Mr. Loebe stated that feedback from merchants on the extended gondola hours has been positive. The new Gondola cabins will arrive and be installed by December 15th. He reported that ridership is up by twenty percent over 2016. Council discussion ensued on the possibility of running the Chondola in the summer for Meadows residents. Mr. Loebe discussed that TSG would have to weigh in and make that decision since the golf driving range is a concern. It would require that the cabins be modified to include a "sacrifice panel" to protect occupants from golf balls. Council consensus was to pursue off-line discussions with TSG.

c. Public Works

Director of Public Works Finn Kjome stated that the Sunset Plaza boiler installation will be completed for the Christmas holiday and after completion his department will address how to hide the smoke stacks around the boiler. Water projects are completed, the Meadows improvements are on schedule and the Water Department is constructing a new chlorine building in the Ski Ranches to replace the existing building that reached the end of its useful life span. The wayfinding installation is going well. Ms. Montgomery thanked everyone for their cooperation and teamwork.

d. Town Manager

The October *Great Services Award* went to Bruce Van Buskirk in Gondola Operations for going the extra mile to assist a visitor who left a package in a Gondola cabin. Additional nominees were IT Contractor Todd DeJulio, Planner Sam Starr, Parks and Recreation staff members John Tracey and Will Lawshe.

Council Boards and Commissions Updates: (16)

a. San Miguel Watershed Coalition (SMWC) -Starr

Mr. Starr thanked Council for the grant awarded to SMWC and stated the Coalition has conducted water sampling and is in the process of analysis. He stated that once the analysis is completed the report will be available to Council.

b. Colorado Flights Alliance –Jansen

There was no update.

c. Transportation & Parking – MacIntire/Benitez

Mr. MacIntire updated that 2018 resident parking stickers are available for pickup at the police department.

d. Budget & Finance Committee -Gilbride/Caton

There was no update.

e. Gondola Committee – Caton/Berry

Mr. Caton updated that the Gondola opens on Friday, November 17th with nine new cabins. The committee is in discussions with TMVOA regarding extending Gondola operations. Funds are not in the 2018 budget at this time. Patrick Berry stated that he spoke with representatives at TSG about running the Chondola on the same summer schedule as the Gondola and that there would be a capital investment involved (i.e. netting, guards).

f. Colorado Communities for Climate Action – Berry

Mr. Berry stated that CC4CA is in budget and action planning mode but they have not had a meeting.

i. Approval of Action Plan

Mr. Berry presented the action plan. Council discussion ensued. On a **MOTION** by Patrick Berry and seconded by Bruce MacIntire, Council voted unanimously to approve the CC4CA Action Plan as presented.

g. San Miguel Authority for Regional Transportation- Benitez/Caton/Binder

Mayor Benitez stated that the IGA (Intergovernmental Agreement) will be presented to the Town of Telluride Town Council at their November 28th meeting. SMART is extending the Lawson Hill bus schedule to 10:00 pm, seven days a week. SMART purchased a diesel springer van from the Town of Mountain Village. Dan Caton thanked Mayor Benitez and Kim Montgomery for their hard work on SMART.

h. Eco Action Partners (EAP)– Berry/Binder

There was no update.

i. Telluride Historical Museum- Berry

There was no update.

j. Telluride Conference Center –MacIntire

There was no update.

k. Alliance for Inclusion – Berry

Mr. Berry will be an advisor for the group.

l. Green Team Committee- Berry/MacIntire

Kim Montgomery stated that a draft work plan will be presented at the December Town Council meeting.

m. Mayor's Update – Benitez


Mayor Benitez stated that the Town Council Retreat was a success with many great ideas. She would like to see bi-annual retreats and will assess every six months to make sure the ideas generated are followed through on. Ms. Montgomery will meet with Directors to determine how to implement and distribute the workload.

Other Business (17)

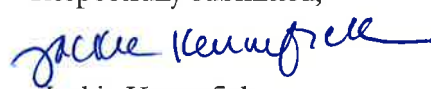
Officer Nathan Santos was sworn in by the Mayor.

There being no further business, on a **MOTION** by Jack Gilbride and seconded by Dan Caton, Council voted unanimously to adjourn the meeting at 2:22 p.m.

Respectfully prepared,


Susan Johnston
Deputy Town Clerk

Respectfully submitted,


Jackie Kennefick
Town Clerk