



TOWN OF MOUNTAIN VILLAGE
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**TOWN OF MOUNTAIN VILLAGE
MINUTES OF THE FEBRUARY 15, 2018
REGULAR TOWN COUNCIL MEETING**

The meeting of the Town Council was called to order by Mayor Laila Benitez at 8:35 a.m. on Thursday, February 15, 2018 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 (via phone)
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
Rachelle Redmond, Lieutenant
Kevin Swain, Finance Director
Julie Vergari, Chief Accountant
Michelle Haynes, Director of Planning & Development Services
Randy Kee, Building Official
Sam Starr, Planner
Sue Kunz, Director of Human Resources
Finn Kjome, Director of Public Works
Dave Bangert, Planner 2/Forrester
Jim Loebe, Director of Transit and Recreation
Darrell Huschke
John Horn
Susan Alaia
Sally Field
Winston Kelly
Mickey Salloway
Tor Anderson
Lexi Tuddenham

Tom Beck
Susan Caruso
Doug Tueller
Robert Stenhammer
Michael Martelon
Bill Hoins
Tom Kennedy
Chris Hawkins
Tim Johnson
Stefanie Solomon
Banks Brown
Jolana Vanek
Ken Carnahan
Chuck Peterson
Pete Mitchell
Marty Huschke
Karen McCarthy
John Burchmore
Louis Alaia
Marcy Pickering
Keith Hampton
Heidi Lauterbach
Craig Spring
Carol Hintermeister

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 Patrick Berry, 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 8:36 a.m.

Council returned to regular session at 10:00 a.m.

Council took a break from 10:00 a.m. to 10:05 a.m. (4)

Overview of AV Upgrade to Council Chambers (5)

Town Clerk/Director of Administration Jackie Kennefick introduced AV Experts technicians Chuck Peterson who together provided an overview of the AV improvements made in Council chambers.

Consideration of Approval of Minutes of the January 18, 2018 Regular Council Meeting (6)

Deputy Town Clerk Susan Johnston presented. Council discussion ensued. On a **MOTION** by Dan Caton and seconded by Bruce MacIntire, Council voted unanimously to approve the January 18, 2018 meeting minutes with the following changes:

8 **TRAA (Telluride Regional Airport Authority) Bi-Annual Report**

The Category C approach is completed and CFA (Colorado Flights Alliance) (not TRAA) is marketing it to the airlines

12 **Consideration of a Resolution to Approve a Minor Scale Subdivision for Lots 303R1, 304 and 305 to Replat into Lots 303R2 and 305R per Community Development Code Section 17.4.13.E.2**

Changed Lot 303#2 to 303R2

13 **Consideration of Building Board of Appeals Appointment**

Added: Council directed staff to make sure that Town posting requirements are followed for future Building Board of Appeals appointments

17 **Telluride Ski & Golf (TSG) Quarterly Update**

Changed Mr. Jansen to Mr. Jensen

First Reading, Setting of a Public Hearing and Council Vote on an Ordinance Opting Out of Signature Verification in Municipal Elections (7)

Town Attorney David Reed presented the above item stating that this Ordinance is being proposed in response to 2016 State legislation amending the Colorado Municipal Election Code to require signature verification on mail ballots. The Town Charter requires that the Town follow the Municipal Election Code unless it adopts an Ordinance to the contrary. The proposed Ordinance would amend the Town Municipal Code to opt out of the signature verification requirement. The signature verification requirement would be unreasonably challenging for staff due to the non-resident voters whose signatures are not in the State system (SCORE) that the signatures would be pulled from for verification purposes. On a **MOTION** by Dan Jansen and seconded by Dan Caton, Council voted 7-0 to approve on first reading an Ordinance opting out of signature verification in Municipal Elections Code and to set the second reading, public hearing and Council vote for March 15, 2018.

Consideration of a Policy for Employee Unit Sales Provisions and Lottery Priority (8)

Director of Human Resources Sue Kunz, Assistant Town Attorney Jim Mahoney and Town Manager Kim Montgomery presented the above proposed policy. Ms. Montgomery stated that ownership of the unit will be tied to employment. If employment is terminated, the owner would have six months to sell the unit. The Town would then have first right of refusal to purchase the unit. Staff will send a "Notice of Sale" to all employees and interested parties must submit an application. A list of eligible candidates will be established and then notified. The holder of the first position shall then have 15 days to provide a preapproval letter from a qualified lender or proof of available funds. Council discussion ensued. On a **MOTION** by Dan Caton and seconded by Bruce MacIntire, Council voted unanimously to approve a policy for the Town of Mountain Village Employee Housing Purchase Program.

Finance: (9)

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

Director of Finance Kevin Swain presented the BAGAR. Kim Montgomery provided an update on the Telluride Water Treatment Plant stating that Mountain Village reported water numbers that were inaccurate due to a problem with a meter. The meter has been replaced which should result in more accurate reporting. Council discussion ensued. Council directed staff to report quarterly on cable channels to see if there has been an impact on subscribership since the rate increase.

b. December 31, 2017 Financials

Council discussion ensued. On a **MOTION** by Patrick Berry and seconded by Bruce MacIntire, Council voted unanimously to approve the December 31, 2017 Financials as presented.

c. Consideration and Ratification of the 2019 Budget Process

Kevin Swain presented the 2019 budget process and schedule. Council discussion ensued. On a **MOTION** by Dan Caton and seconded by Patrick Berry, Council voted unanimously to approve the 2019 budget process as presented

d. Short Term Rentals Licensing and Taxation Compliance

Kevin Swain presented stating that LODGINGRevs is a spin-off of MuniRevs. LODGINGRevs provides mapping technology and reviews twenty-two websites each month looking for compliance issues. Chief Executive Officer of MuniRevs Erin Neer stated that Mountain Village is 99.7% paperless and has been using LODGINGRevs since the fall of 2017. She stated that the technology can identify property location using the mapping reference coordinates. The goal is to educate the property owners on how to become compliant. Council thanked Ms. Neer for a very informative presentation.

Council moved to agenda item 20a Staff Reports

First Reading, Setting of a Public Hearing and Council Vote on an Ordinance to Consider a Rezone and Density Transfer Application to Transfer Density from Lot 628B into the Density Bank per Community Development Code Sections 17.4.9 & 17.4.10 (10)

Planning and Development Services Director Michelle Haynes stated that Lots 628A and 628C have existing single-family homes on them. Lot 628B is vacant. The owners of lot 628A, 628B and 628C have agreed to replat the three lots into two lots. Lot 628B will be replat equally into Lots 628AR and 628CR. In order to propose a minor subdivision application, the applicants have submitted two applications concurrently: 1) transfer of the density associated with lot 628B (to be vacated) to the density bank by way of a density transfer and rezone application; and 2) a minor subdivision application to replat the properties. Both applications have been received and are being reviewed. On a **MOTION** by Dan Jansen and seconded by Bruce MacIntire, Council voted 7-0 to approve on first reading an Ordinance considering a rezone and density transfer application to transfer density from Lot 628B into the Density Bank per Community Development Code sections 17.4.9 & 17.4.10 Code and to set the second reading, public hearing and Council vote for March 15, 2018.

Moved to agenda item 19a

Council took a break for lunch from 12:30 p.m. to 12:47 p.m.

Consideration of a Standstill Agreement Regarding Lots 126R and 152R (11)

Jim Mahoney presented stating that the owner of Lots 126R and 152R, which is commonly known as "Rosewood", was approved for a mixed unit development pursuant to the PUD approval process in 2007 (the "2007 PUD Approval"). Those approvals also contained approvals for "vested rights" which through several extensions specifically of the vested rights are set to expire on March 18, 2018. The owner of the property applied to the Town to extend that vesting by an additional two years on the basis of wanting to preserve existing platting, easements and entitlements as a base for applying for a revised PUD approval. However, the owner pulled that application via email to the Town on February 7, 2018 and is instead asking the Town to enter into a standstill agreement in order to pursue other development scenarios.

Michelle Haynes stated that the 2007 approval also included an approval for vested rights which offer protection under the LUO (Land Use Ordinance). The vested rights provide protection for the developer

from interference from the local jurisdiction. The following are differences between the 1980's platting and the existing Rosewood approval:

Lot 152(R)1987

- An increase in five (5) condominium units
- An approval of 4,655 square feet of commercial space

Lot 126(R)1984

- Decrease in hotel density by 64 units
- A change of density to add 44 condominium units
- A change of density to add 19 hotel efficiency units (can be condominiumized)
- An increase of three employee apartments
- An increase in one employee dormitory
- An approval of 34,001 square feet of commercial space

An increase in open space of .5 acres

Public comment was received from Tom Kennedy representing the owner Northlight Development, Chris Hawkins, Carol Hintermiester, Doug Tueller and John Horn. Council discussion ensued. Mr. Mahoney noted that the Town cannot approve a buyer but Council may impose a condition to approve the management. On a **MOTION** by Natalie Binder and seconded by Dan Caton, Council voted unanimously to approve a Standstill Agreement regarding Lots 126R and 152R with the following amendments:

- Reflect the name of the agreement to be Standstill Agreement rather than an MOU (Memorandum of Understanding)
- Add two community meetings to be held on this project prior to application submittal
- No specific approval of the plan is implied
- Authorize Mayor to approve language on the Agreement

Second Reading, Public Hearing and Council Vote on an Ordinance Approving: (1) Rezone Lot 304 and (2) Transfer Density of Four (4) Person Equivalents of Single Family Density From Lot 304 into the Density Bank pursuant to Community Development Code Sections 17.4.9 & 17.4.10 (12)

Michelle Hayes presented the above item stating that there were no changes from the first reading. The Mayor opened the public hearing. Public comment was received by Dan Zemke. The Mayor closed the public hearing. Council discussion ensued. On a **MOTION** by Dan Jansen and seconded by Bruce MacIntire, Council voted 7-0 to approve on second reading an Ordinance approving (1) Rezone Lot 304 and (2) Transfer Density of Four (4) Person Equivalents of Single Family Density from Lot 304 into the Density Bank pursuant to Community Development Code Sections 17.4.9 & 17.4.10 as presented.

First Reading, Setting of a Public Hearing and Council Vote on an Ordinance Approving a Community Development Code (CDC) Amendment to Section 17.7.7 Building Board of Appeals to Make Minor and Conforming Amendments Pursuant to CDC Section 17.1.7 Amendments to the Community Development Code (13)

Building Official Randy Kee presented the above item stating that the Building Board of Appeals was created in 1995 by Resolution No. 1995-1128-16 as a Board to hear and decide appeals of orders, decisions and determinations made by the building official relative to the application and interpretation of the building codes. The bylaws, which are incorporated as part of the Community Development Code (CDC) at Section 17.7.7, can be amended from time to time pursuant to a Class 4 town review process found at CDC Section 17.1.7. Staff initiated this CDC amendment primarily to clean up redundancies, conform the language, clarify vacancy advertisement and noticing requirements and to provide more flexibility regarding qualifications. Council discussion ensued. On a **MOTION** by Dan Jansen and seconded by Dan Caton, Council voted 7-0 to approve on first reading an Ordinance approving a Community Development Code (CDC) Amendment to section 17.7.7 Building Board of Appeals to make minor and conforming amendments pursuant to CDC Section 17.1.7 amendments to the Community Development Code and to set the second reading, public hearing and Council vote for March 15, 2018.

Consideration of Approval of a Resolution Regarding a Comprehensive Plan Amendment Regarding Parcel M, Lot 30, Which Consists of Lot 30 and a Portion of the Adjacent Open Space Parcel OS1AR-3 Within the Village Center Subarea and Other Associated Amendments to Accomplish the Foregoing Pursuant to Community Development Code Section 17.1.5 Town Comprehensive Plan (14)

Patrick Berry recused himself due to his employment with TSG (Telluride Ski and Golf). Michelle Haynes presented the above item stating that Town Council initiated a Comprehensive Plan amendment to Parcel M, Lot 30 Village Center Subarea pursuant to Community Development Code (CDC) Section 17.1.5.E. specifically to amend Chapter Titled Land Use Plan Policies, Section Titled Mountain Village Subarea Plan Principles, Policies and Actions Subsection 13. Parcel M Lot 30. Council has spent a significant amount of time in discussions with the property owners of Lot 30 and OS1AR-3 as well as garnering public input. The result is a proposed Comprehensive Plan amendment contained herein with the stated goal of allowing both Lot 30 and OS1AR-3 the ability to pursue alternative development scenarios to the full Parcel M buildout in a manner which would have existed prior to the adoption of the Comprehensive Plan, while also preserving a full Parcel M option. Jim Mahoney provided some background on open space in Mountain Village prior to the Comprehensive Plan and the adoption of the CDC. He stated that active and passive open space were the only two categories. Passive open space was to be left as is and active open space could be built on with a vertical development consistent with Town approved uses and pursuant to the use table and Town process. The Comp Plan created new categories within "active open space". The Comprehensive Plan is a legislative document and can only be amended by Town Council initiation. Public comment was received from John Horn on behalf of Marty and Daryl Hushke, Stefanie Solomon on behalf of TSG, Daryl Hushke, Marty Hushke, Banks Brown, Sally Field, Marcy Pickering, Jolana Vanek, and Susan Alia. Extensive Council discussion ensued. On a **MOTION** by Bruce MacIntire and seconded by Dan Caton, Council voted to adopt a Resolution approving a Comprehensive Plan Amendment regarding Parcel M, Lot 30 with the amendment to strike the language "*the remainder of Parcel M (the OSP1AR-3 portion)*" from paragraph d. and to allow the Town Attorney's office, TSG, John Horn and the Hushke's to resolve any non-substantive ambiguities are not substantive. If any changes are substantive, then the issue will come back to Council. Attorney for TSG Stefanie Solomon stated that she was fine with the changes noted in the motion.

On a MOTION by Bruce MacIntire and seconded by Dan Caton, Council voted unanimously to extend the meeting beyond six hours.

Town Hall Subarea - Village Court Apartments Expansion Progress Update (15)

On a **MOTION** by Dan Jansen and seconded by Dan Caton, Council voted unanimously to continue this item to the March 15, 2018 meeting.

Consideration of Adopting the Parking Committee's Recommendation to Permanently Eliminate Permit Parking on Upper Mountain Village Boulevard (16)

Director of Transit and Recreation Jim Loebe presented stating that in response to a letter received from Chris Hawkins of Alpine Planning, LLC, the Parking Committee met on January 22nd to discuss the future of permit parking for employees on upper Mountain Village Blvd (UMVB). As the representative for the owners of Lot 89-2B, the letter requested that the Town eliminate permit parking on UMVB which the owners feel have adverse impacts on their property. The parking committee recommended discontinuing permit parking on UMVB. Public comment was received by Mickey Salloway, representing Pete Wagner, Keith Hampton and Craig Spring (via email). Council discussion ensued regarding potential parking solutions for affected businesses that have different types of parking needs as well as long term parking solutions. Council directed the Parking Committee to meet work on these ideas and bring them back to Council at the March 15, 2018 Town Council meeting.

Natalie Binder left the meeting at 4:00 p.m.

Consideration of Approval of a Request for Funding from the Telluride Mountain Club to Implement Proposed Trails Sustainability Plan with Funds to Come From Existing Recreation/Trails Budget (17)

Telluride Mountain Club representatives Tor Anderson and Heidi Lauterbach presented the request stating that the funding will help to implement and maintain a Trails Sustainability Plan. They are also seeking

funding from San Miguel County, SMART (San Miguel Authority for Regional Transportation), Town of Telluride and the Telluride Tourism Board. Public comment was received by Jolana Vanek. Jim Loebe is supportive of the plan. On a **MOTION** by Bruce MacIntire and seconded by Dan Caton, Council voted unanimously to approve a funding request for \$10,000 to implement a Trails Sustainability Plan for the Telluride Region. The funding will come from the Recreation Budget.

Consideration of Approval of a Resolution Supporting Legislation to Protect the Environment and Reduce Public Liabilities Relative to Mining Activities (18)

Executive Director of Sheep Mountain Alliance Lexi Tuddenham presented the above item stating that the Colorado Mined Land Reclamation Act is a Bill that will help to protect the health of communities and preserve resources. The above Resolution would indicate the Town's support for this Bill. On a **MOTION** by Dan Caton and seconded by Bruce MacIntire, Council voted unanimously to approve a Resolution supporting legislation to protect the environment and reduce public liabilities relative to mining activities as presented.

Council Boards and Commissions Updates: (19)

a. San Miguel Watershed Coalition (SMWC) –Starr

Planner Sam Starr stated that the next SMWC meeting is scheduled for February 26th. He added that on March 1st a Climate Change Documentary called *Saving Snow* will be shown at the Telluride Library from 6:30 p.m.- 8:00 p.m.

Moved to agenda item 20b

b. Colorado Flights Alliance (CFA) –Jansen

Mr. Jansen stated that additional Great Lakes routes have been added out of TEX (Telluride Airport). TEX to LAX (Los Angeles International Airport) will continue through the end of ski season. Montrose Airport is one of the fastest growing airports in the country and is the second busiest area airport in the State of Colorado.

c. Transportation & Parking – MacIntire/Benitez

Other than the agendized parking item, there was no further update.

d. Budget & Finance Committee -Gilbride/Caton

Mr. Caton stated that a calendar for the 2019 budget process was adopted earlier today. Investment strategies and practices were discussed at the committee meeting and are very conservative. The committee encouraged Kevin Swain to look at some other devices that might yield larger returns while still being considered conservative. The committee previewed a presentation by a software company on an enterprise wide data gathering on finances. It is subscription based software and could save finance and managers a great deal of time while allowing them to easily access data. The software is much more efficient and would allow managers to go in and review data and make changes. The information could be available to the community as well as Council. It will also produce a budget book which is currently being done by hand. Council directed staff to schedule an investment portfolio presentation at a future Town Council meeting and directed staff to move forward with purchasing the software.

e. Gondola Committee – Caton/Berry

There was no update.

f. Colorado Communities for Climate Action – Berry

Mr. Berry stated that CC4CA is in the process of reorganizing.

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

Mayor Benitez stated that the Board recently discussed last year's strategic plan. A work session is scheduled for March 9th to determine the 3-5-year goals. SMART has more than \$1,000,000 in reserves. The Rico shuttle is active with strong ridership.

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

A meeting is scheduled for next week. Mayor Benitez will meet with EAP Board President Audrey Morton on Friday, February 16th to discuss the role of the Green Team.

i. Telluride Historical Museum- Berry

There was no update.

j. Telluride Conference Center (TCC) –MacIntire/Gilbride

Jack Gilbride stated that he had met with General Manager Tony Kalyk who will be providing a list of short and long-term enhancements that would be beneficial to the facility.

k. Alliance for Inclusion – Berry

There was no update.

l. Green Team Committee (GTC)- Berry/MacIntire

Mr. Berry stated that the last GTC meeting included discussions on solar bathrooms in the Meadows and composting at VCA (Village Court Apartments). Kim Montgomery stated that it would be challenging to have staff spearhead and implement composting plans and stated that GTC has discussed incentivizing the Town HOA's (Home Owners Associations) to implement composting programs and locations. Their next meeting is scheduled for February 28th.

m. Telluride Tourism Board (TTB)- Jansen

Mr. Jansen stated that proposed House Bill 1084 would have expanded the potential uses of tourism funding. Telluride Tourism Board manages our brand very closely and had this bill passed, it could have impacted the Tourism Board's ability to market the destination. Mr. Jansen stated, that the bill has been withdrawn and TTB is supportive of the withdrawal.

n. Mayor's Update – Benitez

Mayor Benitez updated that there is a Special Design Review Board meeting and walking tour to discuss alternative roofing materials in the Core on February 22nd at 10:00 a.m.

Council moved back to Agenda Item 11

Staff Reports: (20)

a. Human Resources

Director of Human Resources Sue Kunz presented her report stating that health insurance costs went down in 2018. She stated that 59% of Town employees work and live in Mountain Village. Human Resources Coordinator Corrie McMills has implemented a very successful Employee Housing Program where Mountain Village provides seven furnished housing units in Village Court Apartments for seasonal employees. Ms. Kunz stated that the employee survey results were very positive. 2018 Leadership and Teambuilding Training will be March 20 – 21 and will focus on how to develop staff to their greatest potential. Ms. Kunz stated that due to the extended hours and longer gondola season, seasonal employees (gondola operators) that work more than 1560 hours a year will qualify for health insurance in 2019 due to the Affordable Care Act (ACA). The Gondola budget will be impacted by approximately \$200, 000. Council directed staff to compile options to providing healthcare to employees (including alternate health plans) who achieve the required number of hours and to report back to Council at the April 26, 2018 meeting.

1. Consideration of Approval of the 2018 Employee Handbook

Sue Kunz presented stating that the following topics have had changes made in the Employee Handbook:

- Letter from the Town Manager
- Medical Insurance
- Housing Down Payment Assistance Program
- Ski Passes
- Wellness Reimbursement Program
- Communications Systems and Password Policy (refer to the IT Security Policy)
- Parties and Activities
- Smoking

On a **MOTION** by Dan Caton and seconded by Natalie Binder, Council voted unanimously to approve the 2018 Employee Handbook with the addition of a policy for the use of personal phones and removable devices.

Moved back to agenda item 10

b. Town Manager

Kim Montgomery stated that the nominees for the *Great Services Award* were Kathy Smith, Nathan Wilson and Rob Johnson. The award went to Rob Johnson and the entire Gondola Operations Department for their

stellar performance over the holiday season. Discussion ensued regarding Telluride Ski Resort becoming part of the Epic pass program.

Moved back to agenda item 19b

Other Business (21)

1. Notification of Design Review Board (DRB) Seats Expiring with Appointment to be Made in March as per Policy


Jackie Kennefick stated that four seats are coming up for renewal and appointments will be made at the March 15, 2018 Town Council meeting. Michelle Haynes added that all four incumbents have submitted their names for re-appointment consideration as well as two additional applications. The deadline for applications is Monday, February 19, 2018. Kim Montgomery noted that a request to change the requirements for appointments was received as part of public comment. She clarified that the Town Charter stipulates the requirements for DRB positions and any change would require an election.

Michelle Haynes stated that a Special DRB meeting is scheduled for Thursday, February 22, 2018 where Oz Architecture will be presenting ideas for new roofing materials in the Core. The Mayor stated that the meeting would be a joint meeting with DRB and Council.


Dan Jansen stated that Denver, Colorado is considering placing bid for the 2030 Winter Olympics. CAST (Colorado Association of Ski Towns) sent a survey asking for support and feedback. Council consensus was in support of the survey and authorized Kim Montgomery to express the Town's support for the bid.

There being no further business, on a **MOTION** by Jack Gilbride and seconded by Patrick Berry, Council voted unanimously to adjourn the meeting at 4:45 p.m.

Respectfully prepared,


Susan Johnston
Deputy Town Clerk

Respectfully submitted,


Jackie Kennefick
Town Clerk