



TOWN OF MOUNTAIN VILLAGE  
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**TOWN OF MOUNTAIN VILLAGE  
MINUTES OF THE JULY 21, 2016  
REGULAR TOWN COUNCIL MEETING**

The meeting of the Town Council was called to order by Mayor Dan Jansen at 8:31 a.m. on Thursday, July 21, 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 (for portions of the meeting by conference call; and joined the meeting in person at 3:19 p.m.)  
Dan Caton  
Michelle Sherry  
Bruce MacIntire

**The following Town Council members were absent:**

Also in attendance were:

Kim Montgomery, Town Manager  
Jackie Kennefick, Director of Administration/Town Clerk  
Susan Johnston, Deputy Town Clerk  
Christina Meilander, Administrative Services Coordinator  
David Reed, Town Attorney  
Jim Mahoney, Assistant Town Attorney  
Sarah Abbott, Associate Attorney with Town Attorney's Office  
Kevin Swain, Finance Director  
Julie Vergari, Chief Accountant  
Chris Broady, Police Chief  
Rachelle Redmond, MVPD  
Mark Martin, MVPD  
Jodi Miller, Administrative Assistant/Court Clerk  
Glen Van Nimwegen, Dir. of Planning & Development Services  
Dave Bangert, Forester/Planner  
Deanna Drew, Director of Plazas & Environmental Services  
Jim Loebe, Director of Transit & Recreation  
Finn Kjome, Director of Public Works  
Heather Knox  
Leslie Browning  
Tom McGuire  
Dan Reedy  
David Eckman  
Jack Schull  
Luke Trujillo

Paul Major  
Anton Benitez  
Karen Guglielmone  
Doug Tooley  
Keith Brown  
Chris Hawkins  
Greer Garner  
Lisa Heman  
Liz Caton  
Tim Johnson  
Dominic Mauriello  
Ellie Reuhl  
Shannon Swyka  
Robert Stenhammer  
Phil Evans  
Nick Swyka  
Michael Lynch  
Bill Whitehurst  
B. Garland  
Trevor Browning  
Greg Pack  
Ben Jackson  
L. Garland  
Banks Brown  
Jack Schultz

**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 Bruce MacIntire 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 at 8:31 a.m.

Council returned to regular session at 9:56 a.m.

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

Public comment was received by Doug Tooley.

**Acknowledgement of Service of our Mountain Village Police Officers (4)**

Mayor Jansen acknowledged Mountain Village police officers and thanked them for their service. In light of recent events around the country, Town Manager Kim Montgomery took a minute to pay tribute to all officers across the county and especially to the Mountain Village officers and thanked them for their service.

**Consideration of Approval of Meeting Minutes of the June 16, 2016 Regular Meeting (5)**

On a MOTION by Dan Caton and seconded by Marty McKinley, Council voted unanimously to approve the June 16, 2016 Town Council meeting minutes with the addition of the following statement: *"Task force members include Jim Royer, Bill Jensen, Jeff Proteau, Anton Benitez, and Pete Mitchell"* to the update on the Town Hall Subarea Plan.

**First Reading, Setting of a Public Hearing and Council Vote on an Ordinance Amending Section 3.04.040 of the Municipal Code to Update Statutory Reference (6)**

Associate Town Attorney Sarah Abbott presented the above item stating that the purpose of this Ordinance is to correct a reference to the Colorado Revised Statutes and amend the Code to reflect the change. On a MOTION by Laila Benitez and seconded by Dan Caton, Council voted 7-0 to approve on first reading an Ordinance amending section 3.04.040 of the Municipal Code to update a statutory reference and to set the second reading, public hearing and final Council vote for August 18, 2016.

**Discussion on the Construction of a Sidewalk Along South Side of San Juan Avenue Between Aspen and Oak Streets in Telluride (7)**

Director of Planning and Development Services Glen Van Nimwegen presented the above item and introduced Karen Guglielmono, the Town of Telluride's Department of Public Works' Environmental and Engineering Division representative. The Town of Telluride has recently approved revisions to their Streetscape Standards which include changes to the south side of San Juan Avenue adjacent to the Gondola building, to include a six foot wide sidewalk that will deter pedestrian traffic on San Juan Avenue. The Town of Mountain Village owns the property where the sidewalk is proposed, and in order to complete the sidewalk, significant changes would be required to the southwest corner of the Gondola building. The approximate costs include:

- |                                   |           |
|-----------------------------------|-----------|
| a. Side walk                      | \$25,000  |
| b. Gondola Building Modifications | \$100,000 |
| c. Expand the snow melt system    | TBD       |

Several issues need to be addressed:

1. The cost of the snow melt system is predicated on whether the current system could be expanded to include the new sidewalk.
2. The use of the gondola building has been studied by a consultant, who found that efficiencies of loading and unloading of the gondola would be improved with a reconfiguration of the building's entrance and exit.
3. How will costs be shared between Mountain Village, TMVOA (Telluride Mountain Village Owners Association) and The Town of Telluride?
4. The sidewalk should not conflict with the potential of developing a park at the site.
5. Who bears the maintenance responsibility for the sidewalk?
6. Would HARC (Historic and Architectural Review Commission) have to approve the gondola building modifications?

7. Does the sidewalk become a Town of Telluride right-of-way?

Ms. Guglielmone stated that in order to have the project completed by fall 2017, construction would have to begin April 2017. The gondola building re-configuration is the biggest part of the project. Transit and Recreation Director Jim Loebe stated that the building restructure would have a positive effect on traffic flow. He added that the new sidewalk would be contiguous to the proposed pocket park and would not inhibit future gondola expansion. Mr. Van Nimwegen stated that staff will meet with representatives of TSG (Telluride Ski & Golf) and TMVOA to discuss the project. Council discussion ensued regarding how the reconfiguration of the southwest corner of the station would affect how the riders enter the terminal. Public comment was received by Tom Kennedy and Doug Tooley. Council directed staff to proceed with gathering answers to the above questions and move forward with the process.

Cath Jett left the meeting at 10:50 a.m.

**First Reading, Setting of a Public Hearing and Council Vote on an Ordinance Approving Proposed Amendments to the Community Development Code Regarding Rezoning and Lot Splits in the Single-Family District (8)**

Glen Van Nimwegen presented the above Ordinance stating that Council directed staff at the June 16, 2016 Town Council meeting to draft an Ordinance to reflect the following changes to the CDC:

1. Increase the area required for a Single Family Planned Unit Development (SFPUD) to six acres
2. The resulting Single Family lots shall have a minimum lot size of three acres
3. The SFPUD
4. Increase the area requirement for providing written notice from 400 feet to 1,500 feet
5. Community benefits must be provided with the SFPUD

DRB (Design Review Board) met July 7, 2016 to review the recommendation from staff and their recommendation is as follows:

1. DRB asked that Town Council reconsider the ability to subdivide single family lots at all. The DRB's overall preference is that subdivision of single family lots should be prohibited.
2. If Town Council decides to continue to allow the ability to subdivide single family lots, the language proposed by staff is recommended; with the condition that lots are only eligible for one subdivision.

Public comment was received by Bill White, Phil Evans, Nick Swyka, Dominic Mauriello, Mike Lynch, Anton Benitez, and Shannon Swyka. Council discussion ensued. On a **MOTION** by Marty McKinley and seconded by Dan Caton, Council voted 5-1 with Dan Jansen dissenting (Cath Jett was absent), to deny on first reading the Ordinance amending the Community Development Code regarding rezoning and lot splits in the Single-Family District, with direction to staff to bring back an Ordinance amending the Community Development Code prohibiting subdivision of lots in the Single Family Zone District. Council also directed staff to consider a Comprehensive Plan modification in line with today's direction regarding prohibiting single family subdivisions.

**Consideration of an Emergency Ordinance Extending the Temporary Moratorium Prohibiting the Rezoning of Single Family Lots (9)**

Town Attorney David Reed presented the above Emergency Ordinance stating that the Ordinance extends the temporary moratorium on the rezoning of single family lots that was established by Ordinance at the April 2016 Town Council meeting. Under this ordinance, the moratorium would be extended to the earlier of 30 days following the second reading and adoption of an ordinance amending Section 17.3.4(F)(4) of the Community Development Code or November 1, 2016. The Mayor opened the public hearing. There was no public comment. The Mayor closed the public hearing. Council discussion ensued. On a **MOTION** by Dan Caton and seconded by Michelle Sherry, Council voted 6-0 (Cath Jett was absent) to approve an Emergency Ordinance extending the temporary moratorium prohibiting the rezoning of single family lots to November 1, 2016.

**Council Boards and Commissions Updates: (10)**

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

There was no report.

**b. Telluride Historical Museum-Sherry**

Michelle Sherry discussed upcoming museum events including the 50<sup>th</sup> Anniversary Golden Gala Fundraiser on July 28<sup>th</sup> at The Peaks Resort and Spa; An Evening with Ken Burns' film. *The National Parks: Americas' Best Idea* on August 28<sup>th</sup>; and ongoing Fireside Chats in Mountain Village and Historic Walking Tours. Ms. Sherry reminded everyone to renew their museum memberships.

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

There was no report.

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

Mayor Jansen stated that CFA is working aggressively to bring service back to the Telluride Regional Airport.

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

July 31<sup>st</sup> is the deadline to determine if a fee will be charged in the Gondola Parking Garage for the winter season. The committee is waiting for a response from Bill Jensen of TSG.

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

Marty McKinley stated that the Budget & Finance Committee will meet on August 8<sup>th</sup> to take a first look at the Revised 2016 and Proposed 2017 budgets submitted by staff.

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

There was no report.

**h. Mayor's Update – Jansen**

The Telluride Foundation is in discussion to utilize the Pandora Mill (industrial building) as an art district venue. The Mayor encouraged Council members to take a waste water treatment tour, stating that it is a great way to explain the capacity expansion and help the public understand the need. The upgrade also focuses on improving the quality of the effluent.

Cath Jett rejoined the meeting at 11:57 a.m.

**Finance: (11)**

**a. Presentation of the June 2016 Business & Government Activity Report (BAGAR)**

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

**b. Consideration of the May 31, 2016 Financials**

Mr. Swain stated that May sales tax was down from last year's numbers. Council discussion ensued. On a **MOTION** by Marty McKinley and seconded by Laila Benitez, Council voted unanimously to approve the May 31, 2016 Financials as presented.

**c. Consideration and Acceptance of the 2015 Audit Report and 2015 Comprehensive Annual Financial Report**

Dalby Wendland & Company Audit Principal Lisa Hemann reported that the 2015 audit did not indicate any red flags. The audit is performed under general auditing standards and examines the policies and procedures of the entity. The auditors found that the Town's internal control structure is good and had no deficiencies. Marty McKinley congratulated Kevin Swain and Julie Vergari for winning the GFOA (Government Finance Officers Association) Certificate of Achievement for Excellence in Financial Reporting Award. Council discussion ensued. On a **MOTION** by Marty McKinley and seconded by Dan Caton, Council voted 7-0 to accept the 2015 Comprehensive Annual Financial Report.

**Staff Reports: (12)**

**a. Broadband & Cable**

Director of Broadband Services Steve Lehane presented his report stating the cable billing system has been upgraded and now allows customers to add services. Additionally, internet channels are now being offered. Steven Lehane and Nichole Zangara are working together to market the new system. Century Link representatives will attend the August 18, 2016 Town Council meeting to provide an update on the recent outages.

**b. Town Manager**

Kim Montgomery stated that the June *Great Services Award* went to Jessica Quinn in the Plazas and Environmental Services department for extreme patience and excellent customer service during event management. Ms. Montgomery noted that The Meadows Improvement Plan easement and backup generator easements have been completed and thanked TSG for working together to get this done. Dan Caton stated that the Mountain Village landscaping looks especially beautiful this year.

**Council took lunch from 12:21 p.m. to 12:40 p.m.**

**EAP (Eco Action Partners) Work Plan and 2017 Budget Request Submittal (13)**

EAP Director Heather Knox presented the above. Ms. Knox thanked Town Council for their continued support. The EAP Board consists of representatives from the Town of Mountain Village, the Town of Telluride, San Miguel County and SMPA (San Miguel Power Association). Ms. Knox detailed many of EAP's programs including:

- SMPA's Income Qualified Weatherization Program Regional Composting Program
- Sneffels Energy Board
- Greenhouse Gas Emissions Inventory and Energy Use Analysis
- Government Energy Use Analysis
- Building Energy Codes
- Greenlights LED Program
- San Miguel Energy Forums
- Green Projects Grant Program
- Truth or Dare School Program
- Green Business Certification Program

Ms. Knox stated that EAP is respectfully requesting funding in the amount of \$40,000 from The Town of Mountain Village for 2017. The request will be considered during the budget process. Council discussion ensued. Public comment was received by Doug Tooley.

**Discussion on Request for Proposal for the Potential Sale of VCA (Village Court Apartments) (14)**

Mayor Jansen stated that the Town has received an unsolicited offer to purchase VCA. Assistant Town Attorney Jim Mahoney stated that his office has worked with Town staff to deliver data points regarding VCA and set up potential goals for a sale of VCA which are noted in the packet memo. Council discussion ensued regarding the Town's fiduciary duty to the community to explore any offer. Council consensus was that VCA is a great asset to the community and should stay that way. Public comment was received by Leslie Browning, Doug Tooley, and Tom McGlade. Council discussion ensued and consensus was to designate a subcommittee of two Council members; Bruce MacIntire and Cath Jett, to define a list of conditions under which the Town may be willing to consider a sale of the property. A principal from the company that submitted the proposal has been invited to attend the August Town Council meeting for a work session. If it is determined that consideration of a sale of the property makes sense for the Town, an RFP (request for proposal) process will be initiated.

**Second Public Hearing for the Purpose of Receiving Public Comment on the Proposed Intergovernmental Agreement Creating the San Miguel Authority for Regional Transit (SMART)(15)**

Sarah Abbott presented the above item stating that Colorado Statutes governing transportation authorities require two public hearings on a proposed IGA (Intergovernmental Agreement), and that the purpose of this agenda item is to receive public comment. This is the second public hearing. The Mayor opened the public hearing. Public comment was received by Doug Tooley. The Mayor closed the public hearing.

**Consideration of Resolution Approving Execution of the Intergovernmental Agreement Creating the Proposed San Miguel Authority for Regional Transit Pending Voter Approval at the November 8, 2016 Election(16)**

Sarah Abbot presented the above item stating that the purpose for the Resolution is to approve execution of the IGA by the Mayor if voters approve formation and funding of SMART (San Miguel Authority for Regional Transportation). Council discussion ensued. On a **MOTION** by Dan Caton and seconded by Laila Benitez, Council voted 7-0 to adopt a Resolution conditionally approving execution of the SMART IGA subject to voter approval at the November 8, 2016 general election and authorize minor, non-substantive changes to the SMART IGA by the Town Attorney and Town Manager.

**Presentation by Telluride Foundation Regarding Use of Public Private Partnerships to Provide Workforce Housing (17)**

Telluride Foundation Director Paul Major presented the above item stating that the purpose of this presentation is to introduce the Telluride Foundation's P3HS (P3 Housing Collaborative Implementation Strategy) which addresses the affordable housing crisis in the Telluride region. The Foundation is attempting to drive a non-political discussion on how to create workforce housing. A committee consisting of Dan Tishman, Glen Van Nimwegen, Lance McDonald, Mike Rozyicki., and Jeff Proteau will assist the Foundation in evaluating sites for workforce housing and compiling reports on the findings. The housing supply has decreased while the demand has increased, thus creating the crisis. The committee will draft a MOU (Memorandum of Understanding) between The Town of Mountain Village, The Town of Telluride and San Miguel County, authorizing the hiring of an owner's representative professional to bring additional expertise and negotiating power to the table. The committee is considering an RFP (Request for Proposal) and providing incentives to developers who produce workforce housing units.

**Conceptual Work Session to Discuss PUD Amendment and Density Transfer to Convert First Floor Commercial Space (Restaurant) to Residential at See Forever Village, 117 Sunny Ridge Place (18)**

Glen Van Nimwegen presented the above item stating that at the May 19, 2016 Town Council meeting Council directed staff to present an alternative community benefit on the proposed PUD amendment, rezoning with a density transfer for Lot 105R1. The new proposed community benefits are as follows:

1. A cash contribution of \$60,000 that may be used for landscape maintenance, wayfinding signage or plaza improvements.
2. As a condition of the PUD, place the new unit under a UMA (unit management agreement) like other units at See Forever.
3. Place a 1% fee on monthly rents (*or a \$3500 annual payment*) to be devoted to landscape maintenance unless the HOA (home owner's association) takes over this responsibility.
4. Reduce the Town's responsibility for the snowmelt system in the restaurant patio and the walkway to Lot 114.

Chris Hawkins presented for the applicant Dan Reedy stating that the above terms were agreeable. Council discussion ensued and the caveat of a \$3500 annual payment was added as an option in lieu of the 1% fee on rentals. Council consensus was in support of the action and it was clarified that the PUD restrictions would stay with the property if it is sold.

Cath Jett left the meeting at 2:32 p.m.

Cath Jett returned to the meeting 2:53 p.m.

**Consideration to Initiate a Major PUD to Convert the First Floor Commercial Space (Restaurant) to Residential at See Forever Village, 117 Sunny Ridge Place (19)**

Glen Van Nimwegen presented the above item. Council directed staff to initiate the PUD amendment. This is a technical requirement to authorize the Town to be a joint applicant per the CDC (Community Development Code). Council discussion ensued. Public comment was received by Chris Hawkins and Dan Reedy. On a **MOTION** by Bruce MacIntire and seconded by Marty McKinley, Council voted 7-0 to authorize staff to initiate the Major PUD Amendment to the See Forever Planned Unit Development to convert the first floor commercial space to residential.

Cath Jett arrived at the meeting in person at 3:19 p.m.

**Joint Discussion with the Design Review Board (DRB) on the Design Review Process (20)**

Glen Van Nimwegen introduced DRB members Greer Garner, Phil Evans, David Eckman, Banks Brown, Keith Brown, Luke Trujillo, and Liz Caton. Mr. Van Nimwegen stated that a study session was held with DRB members and Jim Mahoney to discuss the following issues:

1. The new CDC regulations put pressure on the DRB to review and approve a project at one meeting.

2. Previously, DRB had sketch plan approval where the focus was on conceptual issues such as mass and scale, fit, roof form and other big picture issues. Then a final plan approval was scheduled to go through details such as lighting, landscaping etc. With the process as it is now, there is only one step so they end up focusing on the details while the mass and scale, and the larger issues are getting overlooked.
3. If there are issues, the Board can continue to another meeting, but the pressure not to do this is a concern.
4. Added burden on staff to identify all of the issues and work with architects and owners prior to meetings. Staff gets even more push back, basically being told, "put it to the DRB" to determine. Mr. Van Nimwegen stated that he has seen this first hand and agrees with it. It is different for the DRB to tell an applicant "no" versus staff.
5. Big picture design issues are no longer discussed in work sessions.
6. Architects are submitting increasingly more non-compliant applications and taking advantage of the situation. There is not enough pressure to be compliant with regulations; thereby they seek multiple variations in one application. This may be due to projects located on increasingly more challenging lots. DRB suggested a threshold to where if an applicant seeks a variation or perhaps more than one variation, it automatically requires a two-step process.
7. Suggestion of mandatory work sessions was discussed, but DRB did not see that as a good alternative as a work session doesn't always have the level of detail needed; isn't noticed and DRB's input is simply that rather than specific direction as it would be if it was a sketch plan review.
8. Two-step process gives the architect more time to work with the DRB and only extends the process by 30 or so days in what is in reality a three year process to get the house designed, approved and built.

A change to the process would likely require an amendment to the Community Development Code and is a two-step process involving noticing. Discussion ensued regarding whether a survey with visuals or public meetings would be more fruitful in engaging the community. Council directed Jim Mahoney to work with DRB to propose some revisions to the CDC. Council also directed Mr. Van Nimwegen to work with DRB on the design guidelines and the design review process, and bring suggestions back to Council.

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

#### **Discussion Regarding Process to Replace Roofing in the Village Core (21)**

Glen Van Nimwegen presented the above item stating that TMVOA's Executive Director Anton Benitez has been contacted by several building owners about the Town requirements for tile roofs in the Village Center. The CDC specifically dictates that:

*"Village Center roofing material shall be concrete tile or synthetic materials that emulate concrete tile of the color burnt sienna except for special copper accent roofs that shall require specific approval of the DRB."*

The existing tile is no longer manufactured and a long term strategy regarding consistency of roofing materials in the Village Center needs to be explored. Council discussion ensued regarding the removal of tiles from secondary roofs and then storing the tiles for future use which would be a short term solution. Public comment was received by Phil Evans and Jim Schultz. The long term issue is to find an alternative solution to replacing roofing materials and maintaining a design consistency. Council directed staff to develop an approval process working through DRB, preserving removed tiles, creating a tile bank and potentially expanding the selection of acceptable tiles.

Marty McKinley left the meeting 4:20 p.m.

#### **Other Business**

##### **a. Discussion on Evening Town Council Meetings**

Director of Administration/Town Clerk Jackie Kennefick asked Council to discuss whether or not to continue with evening meetings. Council directed staff to change the December 8, 2016 meeting time to 8:30 a.m. with the understanding that if a certain meeting topic warrants an evening meeting; the time can be changed. Council also directed staff to move the September Town Council meeting from the 15<sup>th</sup> to the 22<sup>nd</sup> due to a conflict with the Bob Miller Golf Classic – a major fundraiser for the Adaptive Sports Program.

**b. Other**

Director of Environmental Services Deanna Drew requested support for the Town to join the Colorado Communities for Climate Action Coalition administered by the Rocky Mountain Climate Institution. The plan is to hire a lobbyist and propose legislation at the federal level for climate change. The dues are \$1000 for 2016 and \$2500 for 2017. The organization is developing their 2017 work plan and it would be helpful to join now to be able to give input on the plan. Cath Jett volunteered to be the Council representative. The Town of Telluride and San Miguel County are already on board. Council consensus was in support of joining the organization.

There being no further business, on a **MOTION** by Dan Caton and seconded by Michelle Sherry, Council unanimously agreed to adjourn the meeting at 4:33 p.m.

Respectfully prepared,



Susan Johnston  
Deputy Town Clerk

Respectfully submitted,



Jackie Kennefick  
Town Clerk