



TOWN OF MOUNTAIN VILLAGE
455 Mountain Village Blvd. Suite A
Mountain Village, Co 81435
970-728-8000
970-728-4342 Fax
mvclerk@mtvillage.org

**TOWN OF MOUNTAIN VILLAGE
MINUTES OF THE OCTOBER 13, 2016
TOWN COUNCIL SPECIAL BUDGET MEETING**

The meeting of the Town Council was called to order by Mayor Dan Jansen at 8:33 a.m. on Thursday, October 13, 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
Bruce MacIntire
Dan Caton
Laila Benitez
Cath Jett

The following Town Council members were absent:

Michelle Sherry

Also in attendance were:

Kim Montgomery, Town Manager
Jackie Kennefick, Director of Administration/Town Clerk
Susan Johnston, Deputy Town Clerk
Kevin Swain, Finance Director
Julie Vergari, Chief Accountant
David Reed, Town Attorney
Jim Mahoney, Assistant Town Attorney
Sarah Abbott, Associate Attorney with Town Attorney's Office
Chris Broady, Chief of Police
Rachelle Redmond, MVPD Lieutenant
Nichole Zangara Riley, Director of Marketing & Business Development
Glen Van Nimwegen, Director of Planning & Development Services
Deanna Drew, Director of Plazas & Environmental Services
Chris Colter, Director of Transit & Recreation
JD Wise, Plaza & Environmental Services Manager
Sue Kunz, Director of Human Resources
Jim Loebe, Gondola Maintenance Manager
Dawn Katz, Director of Mountain Munchkins
Finn Kjome, Public Works Director
Rob Johnson, Transit Manager
Steve Lehane, Director of Broadband Services
Finn Kjome, Director of Public Works

Anton Benitez
Janie Goldberg
Nanci Brown
Hollie Hannahs
Pam Pettee
Tim Johnson

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 Dan Caton and seconded by Marty McKinley, 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 8:33 a.m.

Council returned to regular session at 9:23 a.m.

Consideration of a Resolution Supporting an Increased Mill Levy for the Lone Tree Cemetery Ballot Question (3)

Lone Tree Cemetery representatives Nanci Brown and Janie Goldberg presented the above Resolution stating that this support will help to obtain the funding needed for improved upkeep of the Lone Tree Cemetery. Council discussion ensued. On a **MOTION** by Laila Benitez and seconded by Cath Jett, Council voted 6-0 to adopt a Resolution supporting an increased mill levy for the Lone Tree Cemetery ballot question.

On a **MOTION** by Cath Jett and seconded by Laila Benitez, Council voted unanimously to convene as the Board of Directors for the Dissolved Mountain Village Metropolitan District.

Town Council Acting as the Board of Directors for the Dissolved Mountain Village Metropolitan District:

a. Debt Service Fund

Finance Director Kevin Swain stated that a significant amount of bond debt will be retired after 2017 which will bring down the mill levy. The debt service mill levy will drop from 11.828 mills in 2017 to 1.794 mills in 2018. The budget will be presented for first reading November 17th and second reading December 8th.

On a **MOTION** by Laila Benitez and seconded by Dan Caton, the Board voted unanimously to reconvene as Town Council.

Telluride Conference Center (TCC)

Director of Marketing and Business Development Nichole Zangara presented the budget for the Telluride Conference Center stating that the budget has been increased by \$15,000 for appraisal consultant fees, in the event a sale of the property is considered. Council consensus was that the Town would only be interested in selling the TCC if there was a compelling opportunity to improve the asset. Council discussion ensued on the reasons the Town would sell the Conference Center and directed staff to agendize a discussion on forming a committee at the December Town Council meeting.

Tourism Fund & Historical Museum Fund

1. Guest Services Agent

Kevin Swain and Nichole Zangara presented the above item. Mr. Swain stated that Mountain Village contributes a dedicated amount of .333 mills to the Historical Museum fund. The Tourism fund, which includes lodging taxes, restaurant taxes, and business license revenues, is remitted to Marketing Telluride, Inc. (MTI) to promote tourism in the Telluride and Mountain Village communities. Ms. Zangara stated that MTI has asked for an increase of support funding from \$13,000 to \$25,000 for a guest service agent stationed at the Oak Street kiosk. Public comment was received by Director of Operations Hollie Hannahs who stated that MTI's ultimate goal is to provide excellent guest service and the increased funding would help support that goal. Council discussion ensued regarding keeping the Oak Street information kiosk staffed in the winter months. Ms. Zangara stated that she would provide a revised budget number with the necessary funding for capital (heaters) to begin the program in winter 2016/17.

Administration:

a. Town Manager

Town Manager Kim Montgomery stated that the 2017 budget is flat from 2016. The proposed wage increase has been inserted. Council did not request any changes to the budget.

b. Town Council

Council did not request any changes to the budget.

c. Administrative Services

Director of Administration/Town Clerk Jackie Kennefick presented the budget. Technology expenditures increased for server replacement in 2017. Information Technology Contractor Todd DeJulio discussed the security on the Microsoft cloud based email server he has recommended. The government email platform is the most secure platform available. Public records are housed on an internal server.

d. Legal

Town Attorney David Reed stated that proposed 2017 legal expenses are in line with the current contract. He noted that 2016 has been an extraordinary year for legal matters and that his office strives to stay below budget. There were no changes requested.

e. Human Resources

Human Resources Director Sue Kunz stated that the only adjustment to the budget is an increase in advertising for recruiting. Council discussion ensued on the topic of creating an action statement for employees to convey a positive Town wide attitude.

f. Marketing & Business Development

Nichole Zangara presented her budget stating that a new full time employee is included (Marketing Coordinator). The coordinator will be responsible for maintaining the website, new content, emails, social media, press releases, and coordinating video spots. Council directed staff to include measureables on business development in the department report.

1. Unassigned Sponsorship

There is \$64,000 designated to unassigned sponsorship. These funds will be dispersed based on the grant/sponsorship process and the Marketing Department will administer. Footnote 7 in the packet materials, will be redefined as the actual recipients of the funds as determined by the new grant process. The \$64,000 will be reduced by \$2,500 to fund the SBDC (Small Business Development Center). This sponsorship has already been committed and the funds will be transferred out of the sponsorship fund and designated as dues. Council directed staff to provide a summary of funding support that has already been earmarked. Telluride TV will attend the October meeting to introduce Peter Kenworthy who will be taking over Katie Karow's position. TVA (Telluride Venture Accelerator) has asked to present a funding request at a future Town Council meeting.

2. Telluride TV Capital Request Phase II

There were no changes to the funding of \$12,400.

g. Finance

Kevin Swain stated that the Finance Department budget is relatively flat. Staffing has not changed. Council did not request any changes.

Child Development Fund

Mountain Munchkins Director Dawn Katz presented her budget stating that it is relatively flat. Ms. Katz stated that in 2017 Munchkins will not be receiving a \$30,000 grant from Telluride Foundation that they have received in previous years. Ms. Katz is working on new fundraiser and additional grant opportunities to make up the difference. Council asked about including money in the budget for expansion needs once they are determined. Ms. Montgomery stated that an expansion could be part of the VCA (Village Court Apartments) expansion. Council discussed putting a placeholder in the budget for expansion funds in 2017.

Plaza & Environmental Services

Director of Plazas & Environmental Services Deanna Drew stated that the only change to her department was to move a seasonal employee to full time year round and an employee will be hired to fill the seasonal opening. Ms. Drew stated that the only area not addressed with an incentive program is trash and recycling. Council did not request any changes.

Broadband Services

Director of Broadband Services Steven Lehane stated that the major change in his 2017 budget is an upgrade of the mainline fiber located on the Meadows ski run which will increase the count fiber from 72 to 256 and create more capacity as well as the ability to run more applications. Mr. Lehane is in discussions with Century Link to create feed redundancy into Mountain Village. Redundancy would allow staff to re-direct the feed and have the town internet/phone systems up and running quickly in the event of an outage. Council did not request any changes.

Council took at lunch break from 12:00 p.m. to 12:25 p.m.

Public Works

a. Building & Facility Maintenance

Steven Lehane stated that there is \$295,000 in escrow for the Sunset Plaza paver snowmelt project for the center of the plaza adjacent to La Piazza. He stated that the final numbers for the project are still unknown. An additional \$400,000 is included in the 2017 budget to complete the remainder of the plaza including an additional boiler and snowmelt. The Gondola restroom remodel is on hold until the contract is signed by Telski.

b. Road & Bridge

Mr. Kjome presented the above budget stating that the budget is flat. A detailed road improvement plan will be included in the budget book. Council did not request any changes.

Bruce MacIntire returned to the meeting at 12:38 p.m.

c. Vehicle Maintenance Shop

Mr. Kjome stated that the budget is flat.

d. Water & Sewer

Mr. Kjome stated that there are no changes in the operating budget. There is a placeholder in the budget for the wastewater treatment plant expansion financing in 2018, 2019 and 2020. The Town has not yet received the engineering report so the final cost of the expansion is not known. Council discussion ensued regarding how best to finance the project. \$250,000 is budgeted in 2017 for the first commitment. Grant funding and bond financing are two options to offset the cost to the Town. This action would require an election in June 2017. An increase to water/sewer base rates has also been considered to help pay for the expansion and be self-funding. Staff will present options with various rate increase scenarios to determine how much of an increase would be needed in order to avoid debt funding. Council discussed how to approach the problem of The Town of Telluride not meeting State requirements on a timely basis.

e. Vehicles & Equipment Acquisitions

Finn Kjome presented the budget. Council did not request any changes.

Public Safety

a. Police

Police Chief Broady presented the budget stating the \$11,600 increase was for a communications dispatch center. Lieutenant Rachelle Redmond was named *Officer of the Year* by The San Miguel Resource Center.

b. Community Services

Council directed staff to include the percentage of bike patrol versus car patrol statistics in their department report. Council did not request any changes.

c. Municipal Court

Council did not request any changes.

Transportation & Parking Services

a. Parking Services

Director of Transit & Recreation Jim Loebe presented the budget. He stated that the Parkmobile application will go live November 15th, 2016. Council discussion ensued regarding parking fees. Direction to staff was to keep Blue Mesa at ½ hr. free parking, Gondola Parking Garage free, and Heritage Parking Garage at \$2/per

hour. Mr. Loebe noted that parking is free after 6:00 pm in the North Village Center lot and all day to resident permit holders. Council directed staff to add the number of downloads for the parking app to the BAGAR. Council did not request any changes.

b. Municipal Bus Service

Mr. Loebe stated that there are no major changes to the budget. Council directed staff to track the number of riders between the Meadows, Mountain Village Blvd and Adams Ranch Rd. Council did not request any changes.

c. Employee Shuttle

There were no major changes to the budget. Wages have increased slightly because of the proposed Transit Coordinator position. There are nine shuttles routes operating currently with the potential operating maximum of twelve routes. Council did not request any changes.

d. Gondola & Chondola

Mr. Loebe stated that Telluride Mountain Village Owners Association (TMVOA) supports adding nine to twelve cabins to the Gondola for the 2017/18 season. TMVOA has suggested hiring two full time maintenance employees dedicated to cabin cleaning and two full time seasonal employees in the operations department as a result of adding the cabins. And buy enough cabins to build out mainline capacity and thus has been included in the budget. Due to contractual obligations in the funding agreement TMVOA must approve the Gondola budget by November 15, 2016. The cost of adding the cabins will be approximately \$450,000-\$600,000. The backup generator station will be on line for the 2017 summer season. The existing cabins on the Chondola will be serviced with the cost being split between TMVOA and the Town. Council did not request any changes.

Parks & Recreation

Jim Loebe presented the budget noting that the Forest Service Ranger program support of \$25,000 has been added. Discussion ensued regarding the need for a formal agreement between TMVOA, Town of Mountain Village and TSG on maintain and usage of the tennis courts. Council directed staff to put up a sign, asking for public input, at the paddle tennis courts to help determine if people are interested in keeping them open.

Capital Projects

Capital projects in 2017 include:

- Boilers repair and replacement
- Snowmelt/plaza improvements
- Wayfinding
- Zamboni Building
- Public Restrooms
- Meadows Park
- Recreation Projects
- Backup generator
- Police Department phone logging system

Council directed staff to engage the Meadows residents to help determine future Meadows projects. Kim Montgomery stated that a Master Improvement Plan needs to be in place for the remainder of the Meadows improvements. Finn Kjome agreed to initiate the public input process.

Planning & Development Services

a. Building

Director of Planning & Development Services Glen Van Nimwegen presented his budget. The numbers of Design Review Board applications are up but none of the projects have broken ground to date. Electronic plan review has helped staff be efficient with scheduling inspections. The department implemented a program to purchase energy saving timers for heat tape systems and incentivize homeowners to have them installed. Council did not request any changes.

b. Planning

Glen Van Nimwegen presented the budget for the planning department stating that included are some funds to explore the possibility of expanding VCA. Mr. Van Nimwegen stated that DRB is working on revised design regulations. Staff will present a red lined version of the changes for review. The changes will address

the two main topics of windows and roof lines. Planner Sam Starr has joined the department. Council did not request any changes.

On a **MOTION** by Cath Jett and seconded by Laila Benitez, Council voted unanimously to convene as the Mountain Village Housing Authority.

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

Mountain Village Housing Authority

a. Affordable Housing Development Fund

11.11 percent of the sales tax collected is allocated to the Affordable Housing Development Fund.

1. San Miguel Regional Housing Authority (SMRHA)

SMRHA is requesting operating funding of \$87,776. Council did not request any changes.

2. Telluride Foundation – Affordable Housing Initiative

The Telluride Foundation request was for \$50,000 each from the Town of Mountain Village, San Miguel County and Town of Telluride to fund the hiring of a consultant. The Town's support is contingent upon the equal investment by the Town of Telluride, San Miguel County and the Telluride Foundation. Council requested that the MOU (Memorandum of Understanding) have performance measures included.

b. Mortgage Assistance Fund

The Mortgage Assistance program is funded by a \$60,000 transfer from sales tax funds. Council did not request any changes.

c. Village Court Apartments (VCA)

Mr. Van Nimwegen presented the budget for VCA stating that improvements this year include:

- Drainage pans in parking lot
- Installation of a deck by Building 10 with plans to add another deck by the playground in 2017
- Reinforced trash dumpsters to help keep the bears out

Mr. Van Nimwegen introduced Property Manager Cecilia Curry. Funds have been designated for the due diligence necessary to investigate adding additional units to VCA. Funds have been included in the budget to upgrade VCA hallways improving the sound buffering and making them more welcoming. Council discussion ensued regarding the VCA sub-committee addressing topics such as expanding VCA with units available for purchase as well as including a daycare facility in the expansion.

Community Grants and Contribution

a. San Miguel Watershed Coalition (SMWC)

SMWC requested \$10,000 to be used for water quality monitoring. Council consensus was to budget the \$10,000 requested.

b. Juvenile Diversion

Chief of Police Chris Broady presented the above item and stated that the funding request of \$10,000 is the same as last year. Council consensus was to fund at the level requested.

c. Eco Action Partners (EAP)

Kevin Swain stated that EAP has requested \$40,000 in funding. Council discussion ensued regarding the desire to see new accomplishments from EAP and programs that benefit Mountain Village. Council consensus was to leave the \$40,000 as a placeholder. There is an MOU in place with EAP and any changes to the agreement must be made prior to October 1st. Council will re-visit the level of support for EAP for 2018. Kim Montgomery will make EAP aware of the concerns.

d. San Miguel Resource Center (SMRCA)

Chris Broady stated that SMRCA has asked for \$16,000 in funding. Council consensus was to fund at the requested amount and will consider additional funds for the advocate program.

e. Tri County Health Network (TCHN)

Tri County Health Network made a funding request of \$50,000. They are also asking for regional support from San Miguel County and the Town of Telluride. Council discussion ensued on the likelihood of the funding being an ongoing expense and of utilizing liquor sales taxes as a source of funding. The Town of

Telluride and San Miguel County are considering dedicating funds from cannabis sales taxes. Council also discussed designating community support grants into two groups:

- humanitarian support
- environmental support


Council consensus was to earmark \$50,000 in the budget for TCHN. As part of the 2017 community grant process, Council asked to review funding requests that are related to existing agreements, such as EcoAction Partners and San Miguel Watershed Coalition.

There being no further business, on a **MOTION** by Dan Caton and seconded by Cath Jett, Council unanimously agreed to adjourn the meeting at 4:34 p.m.

Respectfully prepared,


Susan Johnston, Deputy Town Clerk

Respectfully submitted,


Jackie Kennefick, Town Clerk