



TOWN OF MOUNTAIN VILLAGE
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**TOWN OF MOUNTAIN VILLAGE
MINUTES OF THE DECEMBER 8, 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, December 8, 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
Dan Caton
Michelle Sherry
Bruce MacIntire

The following Town Council members were absent:

Cath Jett

Also in attendance were:

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
Kevin Swain, Finance Director
Julie Vergari, Chief Accountant
Nichole Zangara Riley, Director of Marketing & Business Development
Chris Broady, Police Chief
Glen Van Nimwegen, Dir. of Planning & Development Services
Deanna Drew, Director of Plazas & Environmental Services
Finn Kjome, Director of Public Works
Jim Loebe, Director of Transit and Recreation
Sam Starr, Planner
Steven Lehane, Director of Cable & Broadband Services
Kristin Meucci

Anton Benitez
Robert Stenhammer
Tim Johnson
Kathy Murphy
Kristen Booher
Julia Levine
Duncan Hogarth
Steve Togni
Michael Martelon
Neil Habanos
Erin Ries
Chris Myers
Paul Ruud
Chris Hawkins
Michael Lynch

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 Laila Benitez and seconded by Dan Caton, 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 9:33 a.m.

Public Comment for Non-Agenda Items (3)

No public comment was received.

Consideration of Approval of Minutes of the November 17, 2016 Regular Town Council Meeting (4)

On a **MOTION** by Laila Benitez and seconded by Michelle Sherry, Council voted unanimously to approve the November 8, 2016 meeting minutes the following statement added to agenda item # 11: *Town Council expressed appreciation and support for the plan, in particular those summer time enhancements that can help to spread out our visitor traffic across the community and up on the mountain.*

Liquor Licensing Authority: (5)

Consideration of an Application by Telluride Ski & Golf for a Temporary Modification of Premises on the Hotel and Restaurant with Optional Premises Liquor License to Extend Liquor Service at Optional Premise Allred's Restaurant to Include the Ridge Club for a Wedding Cocktail Reception February 25, 2017

Deputy Town Clerk Susan Johnston presented the above item stating that the application was complete, appropriate fees have been paid, and the application had been reviewed by Assistant Town Attorney Jim Mahoney and Police Chief Chris Broady. Council discussion ensued. Council asked legal to investigate whether or not staff can approve wedding modification of premises on a staff level. On a **MOTION** by Dan Caton and seconded by Laila Benitez, Council voted unanimously to approve the application by Telluride Ski & Golf for a temporary modification of premises on the Hotel and Restaurant with Optional Premises liquor license to extend liquor service at optional premise Allred's Restaurant to include the Ridge Club for a wedding cocktail reception on February 25, 2017.

Bi-Annual Reports for Marketing Telluride Inc. (MTI) and Colorado Flights Alliance (CFA) (6)

Chief Operating Officer of CFA Matt Skinner presented his report. He reported a fourteen percent year over year increase in overall passengers this past summer and stated that one of CFA's goals is to secure year round air service into the Telluride Airport (TEX). Allegiant is offering a low cost flight from Montrose to Denver. The C approach for the Telluride Airport is expected to be fully approved within the next six months. This will allow for larger aircraft to land at the airport. The approach pattern has been redesigned so that planes will approach from the golf course rather than over the Meadows. The Cortez Airport has partnered with Boutique Airlines who run low cost daily flights to Phoenix and Denver. The Montrose Airport has added a north terminal baggage claim location to expedite baggage pick up.

President and CEO of Marketing Telluride Inc. Michael Martelon presented his report stating that Trip Advisor has recently decided to separate lodging based on tax collecting entities. The website currently has tabs for Telluride and Telluride/Mountain Village. When a user performs a search and Telluride is entered as the destination; Mountain Village lodging is not represented in the results. Mr. Martelon has requested that Trip Advisor remove the Telluride tab and utilize only the Telluride/Mountain Village tab. He noted that the Mountain Village Lodging numbers are down by thirty percent from last year and pacing behind Telluride in bookings. Mr. Martelon stated that he has been in contact with the president of Trip Advisor to resolve the issue. Public comment was received by Steve Togni of The Mountain Lodge stating that Mountain Village needs to be represented as part of one destination with Telluride on Trip Advisor. Director of Marketing and Business Development Nichole Zangara asked Mr. Martelon to also convey to Trip Advisor that the Gondola is owned by the Town of Mountain Village and therefore they should direct Gondola inquiries to Mountain Village instead of Telluride.com. The grey market (VRBO and Air B&B) represents between nine to eleven percent of the total lodging in Mountain Village. Mountain Village's bed base has expanded through the grey market. Discussion ensued on how to ensure that property owners/managers are obtaining business licenses and paying lodging taxes. The Telluride brand has been awarded the Number One Ski Resort ranking in Conde Nast Traveler three out of the last four years. Marketing Telluride Inc. will continue to cultivate public relations on the Telluride brand.

Consideration of Approval to Perform an Open Burn within Town of Mountain Village Limits for the Telluride Fire Festival Pursuant to Section 17.6.9 of the Community Development Code (7)

Director of Plazas and Environmental Services Deanna Drew presented the above item in conjunction with applicants Erin Ries and Chris Myers. This is a private event to be held at the top of lift 7 and will have a large open burn they are calling "Fire on the Mountain". The applicants have secured the required approvals from the Fire District and TSG (Telluride Ski & Golf). Council discussion ensued on the level of insurance coverage required by the Town. Jim Mahoney stated that for the 2016 Fire Festival event, Council granted

an exception to the five million dollar requirement and accepted two million dollars in liability insurance. Police Chief Chris Broady has reviewed and accepted the fire safety plan provided by the applicant. Ms. Ries stated that the 2017 event is more organized and structured and will include four firefighters and one EMT on site. Jim Mahoney stated that the town must at least match San Miguel County's insurance requirements for a controlled open burn. Council directed staff to agendize a discussion at a future meeting on the insurance requirements for controlled open burns and the possibility of considering a lower insurance level in the winter season when the risk is lower. On a **MOTION** by Laila Benitez and seconded by Dan Caton, Council voted unanimously to approve an exception allowing the insurance coverage for the Telluride Fire Festival events in January 2017 to be one million dollars for each occurrence and two million dollars in aggregate.

On a **MOTION** by Bruce MacIntire and seconded by Michelle Sherry, 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(8)

Finance Director Kevin Swain presented the following:

a. Consideration of a Resolution Adopting the 2017 Metro District Budget

On a **MOTION** by Marty McKinley and seconded by Laila Benitez, Council voted to adopt a Resolution adopting the 2017 Metro District Budget as presented.

b. Consideration of a Resolution Appropriating Sums of Money for 2017

On a **MOTION** by Marty McKinley and seconded by Laila Benitez, Council voted to adopt a Resolution appropriating sums of money for 2017.

c. Consideration of a Resolution Revising the 2016 Budget

On a **MOTION** by Marty McKinley and seconded by Dan Caton, Council voted unanimously to adopt a Resolution revising the 2016 budget.

d. Consideration of a Resolution Re-Appropriating Sums of Money for 2016

On a **MOTION** by Laila Benitez and seconded by Marty McKinley, Council voted unanimously to adopt a Resolution re-appropriating sums of money for 2016.

e. Consideration of a Resolution Setting the Mill Levy for 2016 to be Collected in 2017

On a **MOTION** by Dan Caton and seconded by Marty McKinley, Council voted unanimously to adopt a Resolution setting the mill levy for 2016 to be collected in 2017.

On a **MOTION** by Laila Benitez and seconded by Marty McKinley, Council voted unanimously to reconvene as Town Council.

Finance: (9)

a. Second Reading, Public Hearing and Council Vote on an Ordinance of the Town Levying Property Taxes for the Year 2016 to be Collected in 2017

The Mayor opened the public hearing. No public comment was received. The Mayor closed the public hearing. On a **MOTION** by Dan Caton and seconded by Marty McKinley, Council voted 6-0 (Cath Jett was absent) to approve an Ordinance of the Town levying property taxes for the year 2016 to be collected in 2017.

b. Second Reading, Public Hearing and Council Vote on an Ordinance Adopting the 2017 Budget and Revising the 2016 Budget

Mr. Swain presented the proposed 2017 and revised 2016 budgets stating that the only change made from the first reading was to move \$12,000 for a Gondola economic impact study, from the Gondola budget back into the general fund. Transit Director Jim Loebe stated that the cost of the study will be split between the Town of Mountain Village, the Town of Telluride and TMVOA (Telluride Mountain Village Owners Association) and its purpose is to determine specific economic benefits to each party. The Mayor added that the 2016 Benchmarking Study consultant experienced difficulties gathering data, and that a work session will be agendized to discuss how to move forward in 2017. Town Attorney David Reed noted that a memo from staff, outlining the difficulties with the study, will be added to the packet as part of the public record. The Mayor opened the public hearing. No public comment was received. The Mayor closed the public hearing.

On a **MOTION** by Marty McKinley and seconded by Dan Caton, Council voted 6-0 (Cath Jett was absent) to pass an Ordinance adopting the 2017 Budget and Revising the 2016 Budget.

Moved to agenda item # 15

Regional Wastewater Treatment Plant Master Planning Update (10)

The Town of Mountain Village co-owns and co-funds the Regional Wastewater Treatment Plant. Public Works Director Finn Kjome introduced Town of Telluride Public Works Director Paul Ruud. Mr. Ruud explained that the wastewater treatment plant project will occur in stages. Stantec Engineering Services was hired to develop the Telluride Regional Wastewater Treatment Plant Master Plan. The goal is to develop a map of how to move forward with both short term management changes and structural capital investments to meet increasing growth within the utility service area as well as new discharge permit regulations, long term growth and anticipated upcoming discharge permit regulations. The Mayor disclosed that his company has a partnership with Stantec in the Oil and Gas sector and inquired as to whether or not he should recuse himself. Town Attorney David Reed stated that there was no conflict. Stantec has been leading weekly meetings, conducting interviews, and gathering and analyzing existing systems data and relevant regional information.

Objectives:

1. Develop a strategy to ensure compliance with discharge permit limits for metals, particularly copper and arsenic.
2. Identify factors in the wastewater treatment system that constrains its ability to meet existing and upcoming discharge permit limits.
3. Determine how the wastewater treatment system can meet anticipated growth within the existing service area over the next 30 years?
4. Determine how to optimize bio solids generation, treatment, storage, and disposal.

Council discussion ensued. Mr. Rudd stated that the project is a multi-tiered process with compliance milestones defining the expansion. The study should be complete by the end of the first quarter of 2017. Potential financial implications of the Master Plan's recommendations will be presented and discussed in detail at a future work session. Council thanked Mr. Ruud for an informative update.

First Reading, Setting of a Public Hearing and Council Vote on an Ordinance Regarding the Following Proposed Actions for Lot 640A, 306 Adams Ranch Road: (11)

- a. **The Proposed Rezoning of the Southern .55 Acres of Lot 640A (2.56 Acres) from Multi-Family Zone District to Class 2 Active Open Space and the Remaining 2.01 Acres to Class 3 Active Open Space; and**
- b. **The Transfer of 15 units of Employee Apartment or Condominium Units (45 Person Equivalent Density) from the Density Bank to Lot 640A for a Total of 45 Units of Employee Apartment or Condominium Units (135 person Equivalent Density).**

(The Applicant has Requested that this Item be Continued to the January 19 Town Council Meeting)

On a **MOTION** by Laila Benitez and seconded by Bruce MacIntire, Council voted unanimously to continue this item to the January 19, 2017 Town Council meeting.

Council took a lunch break from 12:10 p.m. to 1:28 p.m.

First Reading, Setting of a Public Hearing and Council Vote on an Ordinance Regarding (1) A Major Amendment to the See Forever Planned Unit Development to Convert the Proposed Restaurant and Related Space, Known as COM-1 per the See Forever Village at The Peaks Subdivision Plat Recorded At Reception Number 379984, to Residential Condominium; (2) Rezoning of Approximately 500 Square Feet of Town Owned Open Space, Parcel OS-3J that is Located Directly Below the Deck of Unit A101 of the See Forever Condominium Plat from Full Use Active Open Space to Village Center; and (3) Rezone and Transfer of a Condominium Unit of Density (3 Person Equivalent) to the See Forever PUD. The Address of the Property is 117 Sunny Ridge Place (12)

Director of Planning and Development Services Glen Van Nimwegen presented the above item stating that the Ordinance had been continued from the October 20th and November 17th meetings to ensure the applicant and the HOA were in agreement over several items. Council discussion ensued. Public comment was received by Chris Hawkins of Alpine Planning, LLC, Doug Tueller, attorney for the HOA and Mike Lynch.

Dan Jansen left the meeting at 1:55 p.m. Mayor Pro-Tem Marty McKinley presided.

On a **MOTION** by Dan Caton and seconded by Bruce MacIntire, Council voted 4-1 (with Laila Benitez dissenting and Dan Jansen and Cath Jett absent) to pass on first reading an Ordinance approving (1) A Major Amendment to the See Forever Planned Unit Development to Convert the Proposed Restaurant and Related Space, Known as COM-1 per the See Forever Village at The Peaks Subdivision Plat Recorded At Reception Number 379984, to Residential Condominium; (2) Rezoning of Approximately 500 Square Feet of Town Owned Open Space, Parcel OS-3J that is Located Directly Below the Deck of Unit A101 of the See Forever Condominium Plat from Full Use Active Open Space to Village Center; and (3) Rezone and Transfer of a Condominium Unit of Density (3 Person Equivalent) to the See Forever PUD subject to the following conditions:

1. The Mayor is authorized to review and approve the final PUD Development Agreement and other legal instruments as set forth in the final PUD Development Agreement which may be required to be amended concurrently with the PUD.
2. Owner shall provide a certificate to the Town of ownership of the density unit prior to executing the PUD Development Agreement.
3. The Owner shall obtain any required approval of the See Forever Village at the Peaks Homeowners Association, Inc. to effectuate any of the approvals set forth herein and to execute any of the legal instruments which must be amended by the PUD Development Agreement.
4. When either ceiling or wall studs are in place, or when drywall is complete on the new residential unit, Owner shall cause to be prepared a condominium map amendment by a Colorado licensed surveyor which incorporates the new residential unit and re-allocation of parking spaces into the See Forever Village at the Peaks Homeowners Association. Owner shall submit and obtain approval from the Town for such map amendment prior to issuance of a certificate of occupancy for such residential unit.
5. Once the deed restriction termination for Exhibit E of the Agreement is executed by the Town, Owner shall provide a fully executed deed restriction termination by TSG, which is also a party to the deed restriction set forth in Exhibit E of the Agreement, to the Town prior to recordation in the Official Records.
6. Owner shall provide for staff approval an easement in a form acceptable to the Town Attorney's office, for the exclusive use of the upper Observation Area as described per Reception No. 346331; and relocate the telescope to the public plaza as approved by staff. Such easement shall include the obligation of the Owner to pay for all maintenance of the upper Observation Area including but not limited to snowmelt and related costs.
7. The condominium map amendment required herein shall designate the four parking spaces currently designated as commercial general common elements as follows: a one parking space designated for the new residential unit, two parking spaces designated as general common elements for the HOA's benefit and one individual parking unit.
8. The Owner shall be responsible for obtaining an agreement in a form acceptable to the Town Attorney's office requiring the owner of Lot 114 to pay for all costs associated with the 442 square feet of snow melted walkway leading to Lot 114.

And to set the second reading, public hearing, and final Council vote for January 19, 2017.

Community Grants Program Update (13)

Laila Benitez presented the above update stating that the proposed process for 2017 (2018 budget) is outlined in the packet materials. The Mountain Village Community Grant Committee is proposed to be comprised of two Council members, two Town staff members, and two Mountain Village residents who will be appointed by Council. The Committee will review applications and make funding recommendations to

Council. Criteria for decisions will be based on an organization's written application, supporting documentation, and the recommendation of the Mountain Village Community Grant Committee. Council discussion ensued regarding the type of restrictions for capital campaigns and endowments and will not exclude small scale and justifiable expenditures. Ms. Benitez will draft the language for the restrictions and forward to Council and staff. Communications will include press release, social media, email marketing, and web site. Council directed staff to agendize approval of the Mountain Village Community Grant Committee bylaws and program procedures at the January Council meeting.

Telluride Conference Center Committee Formation (14)

Nichole Zangara presented. In October, Council expressed interest in forming a committee that would be responsible for vetting the Town's options regarding the potential sale of TCC (Telluride Conference Center) and/or future operations of the facility. Council discussion ensued. Marty McKinley and Bruce MacIntire agreed to serve on the committee and Kevin Swain will serve as one staff member with Kim Montgomery or another staff member to be determined as the other. The next step is to draft the bylaws which will outline the mandate, responsibilities and deliverables to be considered at the January 19, 2017 Town Council meeting.

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

Council Boards and Commissions Updates: (15)

a. Eco Action Partners (EAP) – Sherry

San Miguel Power will renew the Income Qualified program which currently has twenty-seven enrollees. EAP is exploring the possibility of the State allowing a reusable cup in the Entertainment District/Common Consumption Area.

b. Telluride Historical Museum (THM)-Sherry

Ms. Sherry stated that the 2016 budget had a \$30,000 deficit; however, THM is anticipating that the 2017 budget will have a surplus. The Museum's revenues for the sluice exhibits were negatively affected by the Sluice Exhibit in Mountain Village by approximately \$1000.

c. San Miguel Watershed Coalition (SMWC)– Jett

There was no report.

d. Colorado Flights Alliance (CFA) – Jansen

There was no report.

e. Transportation & Parking- Benitez/MacIntire

Bruce MacIntire encouraged everyone to download the ParkMobile Application that is now online for parking options in Mountain Village.

f. Budget & Finance Committee – McKinley/Caton

There was no report.

g. Gondola Committee – McKinley/Caton

There was no report.

h. Colorado Communities for Climate Action (CC4CA)- Jett

There was no report.

i. Mayor's Update-Jansen

The Mayor asked Director of Cable & Broadband Services Steven Lehane to update Council at a future date on technology upgrades and expanding Broadband.

j. San Miguel Authority for Regional Transit (SMART)

Laila Benitez stated that SMART will hold the second meeting on Monday, December 12th at 10 a.m. at the Miramonte Building. The agenda includes defining a job description, position requirements, accounting services, and banking requirements. Ms. Benitez stated that the Board will advertise for the advisory committee membership.

Council moved to agenda item # 10

Staff Reports: (16)

a. Marketing & Business Development

Nichole Zangara presented her bi-annual report outlining the department's scope of projects. She announced that the Town is welcoming its first manufacturer to Mountain Village. Wagner Skis will be opening a shop in the Palmyra Building. Council congratulated Ms. Zangara for her last report and wished her well in her new endeavors.

Other Business (19)

Steven Lehane stated that a cable programming issue has arisen after cable rates have been set for 2017 and in order to continue offering FOX channel, which will be airing the Super Bowl, one of the following options must occur:

1. Drop the channel (no rate increase)
2. Pay the programming fee (keep the channel) and raise the cable rates to consumers
3. Pay the programming fee (keep the channel) and absorb the additional cost (loss of revenue)

Council discussion ensued and they directed staff to increase the cable rate by \$5.50/month and to present a new Resolution at the January Council meeting replacing the Resolution passed at the December 8th, 2016 Town Council meeting. The rate increase will be effective February 1, 2017. Council stressed ensuring adequate communication to the public regarding this issue.

Laila Benitez provided a brief overview of the activities for the Holiday Prelude event on December 17, 2016 which will include free ice skating, North Pole on Ice, Santa's Village and live reindeer in Sunset Plaza.

Nichole Zangara stated that the Gondola Anniversary celebration is December 20th at the Telluride Conference Center from 6:00-9:00 p.m. The celebration is free and open to the public.

Marty McKinley stated that during discussions regarding the potential sale of VCA (Village Court Apartments), it was determined that thirty-eight additional units could be added. The Telluride Town Council meets Tuesday, December 6th, and will consider the Private Public Partnership (P3) Memorandum of Understanding (MOU) for the further development of work force housing. If it is approved, the cost of the consultant would be split with the Town of Telluride and San Miguel County however; Mountain Village runs the risk that the VCA project may not be addressed immediately. If Council decides move forward and hire a consultant to oversee the building of the thirty-eight additional VCA units, then the Town would be responsible for paying the consultant with the cost potentially being shared with Telluride Ski & Golf (TSG) and Telluride Mountain Village Owners Association (TMVOA). Council direction was to move forward with a more detailed proposal from the consultant and confirm TSG and TMVOA's willingness to participate.

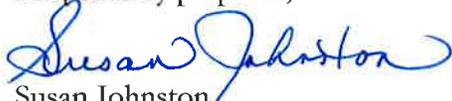
Dan Jansen returned to the meeting at 2:53 p.m.

On a **MOTION** by Dan Caton and seconded by Laila Benitez, Council voted unanimously to enter into executive session at 3:08 p.m.

Council returned to regular session at 4:13 p.m.

There being no further business, on a **MOTION** by Michelle Sherry and seconded by Laila Benitez, Council unanimously agreed to adjourn the meeting at 4:14 p.m.

Respectfully prepared,


Susan Johnston
Deputy Town Clerk

Respectfully submitted,


Jackie Kennefick
Town Clerk

