

CITY OF STEAMBOAT SPRINGS

REGULAR MEETING NO. 2006-26

TUESDAY, SEPTEMBER 19, 2006

MINUTES

Mr. Ken City Council President Brenner, City Council President, called Regular Meeting No. 2006-26 of the Steamboat Springs City Council to order at 4:02 pm, Tuesday, September 19, 2006, in Centennial Hall, Steamboat Springs, Colorado.

City Council Members present: Ken Brenner, Susan Dellinger, Towny Anderson, Loui Antonucci; Steve Ivancie, Kevin Kaminski and Paul Strong.

City Staff Members present: Alan D. Lanning, City Manager; Anthony B. Lettunich, City Attorney; Julie Jordan, City Clerk; Julie Franklin, Deputy City Clerk; Brain Berndt, Assistant Director of Planning Services; Suzanne Bott, Senior Planner; Chris Wilson, Director of Parks, Recreation and Open Space; Jim Weber, Director of Public Works; Don Taylor, Director of Financial Services; Linda Kakela, Director of Intergovernmental Services; and JD Hays, Director of Public Safety.

NOTE: All documents distributed at the City Council meeting are on file in the Office of the City Clerk.

1. Parks & Recreation Commission Interviews.

Council conducted interviews with the following people: Mr. Jonathan Casson, Mr. Curtis Church, and Mr. Bertram Halberstadt. By ballot vote, Council chose the following person to serve as the alternate member for the Parks and Recreation Commission until March 31, 2007: Mr. John Casson.

EXECUTIVE SESSION: For a conference with the City Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b). (4:30 P.M.)

MOTION: City Council President Pro-Tem Dellinger moved and Council Member Strong seconded to adjourn Regular Meeting 2006-26 at approximately 4:25pm for a conference with the City Attorney for the purpose of receiving legal advice on specific questions under C.R.S. Section 24-6-402(4)(b). The motion carried 7/0.

MOTION: Council Member Kaminski moved and Council Member Ivancie seconded to come out of executive session and reconvene Regular Meeting 2006-26 at approximately 5:10pm. The motion carried 7/0.

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City Council President Brenner noted for the record, that if any person who participated in the executive session believes that any substantial discussion of matters not included in the motion to go into the executive session occurred during the executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, that person should state his/her concerns for the record.

No concerns were indicated.

MISCELLANEOUS ITEMS

Council Member Kaminski presented his resignation from his Council seat effective immediately. This is due to the requirements of Section 3.10 of the Steamboat Springs Home Rule Charter, that requires a Council Member to reside within the District he represents, and he has recently moved out of District 3. He encouraged Council to revisit this Charter requirement in the future.

CITY COUNCIL UPDATE (6:00 P.M.)

2. COUNCIL MEMBERS' REPORTS

Council Member Ivancie:

1. Attended the joint meeting with the School District and discussed the joint use policy. The District noted their desire to meet more frequently.
2. Attended the Grand Futures Board meeting and discussed alcohol/tobacco prevention, as well as Amendment 44.

City Council President Pro-Tem Dellinger:

1. Noted the need for a motion regarding joint funding of the Northwest Colorado Sports Complex Study. **MOTION:** City Council President Pro-Tem Dellinger moved and Council Member Strong seconded to have staff bring forward a Supplemental Ordinance to fund up to \$35,000 for the Northwest Colorado Sports Complex Study. The motion carried 6/0.
2. Reminded Council of the Economic Development Council meeting at The Smokehouse on September 27, 2006 at 7:00pm.
3. Would like to talk to the County Commissioners regarding their contribution to the Community Center. **UNANIMOUS CONSENT:** City Clerk to place this item on an agenda.

Council Member Antonucci:

1. Noted that Yampa Valley Housing Authority (YVHA) has closed out on Fox Creek, however grant money is not available until the beginning of 2007. They are working with private lenders.

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Council Member Strong:

1. Noted that the West End Village builders are experiencing difficulties and suggested having staff try to facilitate the process. **DIRECTION:** City Manager to research.

City Council President Brenner:

1. Attended the Colorado Municipal League (CML) Board retreat.
2. Attended the Colorado Water Conservation District meeting.

a. **Yampa Valley Airport Commission.**

City Council President Pro-Tem Dellinger provided the agenda and information from the September 14, 2006 meeting, and noted that the next meeting is September 28, 2006, and will be a tour of the Yampa Valley Airport.

City Council President Pro-Tem Dellinger concluded that the Master Plan Group had its first meeting, which was attended by many concerned pilots.

b. **Area Plan Coordinating Committee (APCC).**

Council Member Strong stated that the last APCC meeting was September 14, 2006 and he provided Council with the following documents that were distributed at the meeting: comparison of intergovernmental agreement (IGA) items, Area Plan action items, and the West Steamboat Springs Area Plan action item matrix.

Discussion commenced on what items Council wants in the IGA. **UNANIMOUS CONSENT:** Review the County's bullet point list and then respond.

City Council President Brenner suggested taking the guiding principals out of planning documents, IGA's, and zoning subdivision regulations and putting them in the IGA.

3. AGENDA REVIEW

a. **Council agendas for September 27, October 3, October 10, October 17, and a proposed October 24, 2006.**

DIRECTION: Ms. Jordan to close the September 27, October 3, October 10, and October 17, 2006 agendas.

DIRECTION: Ms. Jordan to leave the October 24, 2006 agenda as tentative, and not a joint meeting with the County.

b. **City Council policy/topic review schedule.**

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Ms. Jordan provided the upcoming policy/topic review schedule.

GENERAL PUBLIC COMMENT

Mr. Bud Romberg, President of the Steamboat Springs Health and Recreation Association (SSHRA), was present and noted that the SSHRA Board continues to meet with the Recreation Center Group. The SSHRA is changing their status from a 501c4 to a 501c3, which will make them eligible for more grant money. They are also continuing with upgrading the facility. Mr. Romberg requested that Council allow Intergovernmental Services staff to assist them in identifying and writing grant applications. He also requested Council consider assisting with any balance remaining from the SSHRA improvements.

Ms. Leslie Curly, Recreation Center Ad Hoc Committee, encouraged Council to support the Capital Improvements Program (CIP) budget item of \$250,000 to continue evolving the recreation center project for design and development.

At this time Council presented a Proclamation.

City Council President Brenner read a proclamation into the record recognizing September 21, 2006 as the International Day of Peace. Ms. Mary O'Brien was present to accept the proclamation and noted that there would be a "peace circle" on the Courthouse lawn on this day.

Return to General Public Comment.

Ms. Kathy O'Rourke, Steamboat Springs resident, voiced concern with the lack of restrictions on vacation home rentals (VHR). She presented some photos of events at a VHR in her neighborhood, and voiced concern that the homeowner in her neighborhood is not required to be present when the home is rented out. She feels that the current VHR program is unmanageable and requested that Council revisit this section of the Code.

Ms. Kathy Moser, Steamboat Springs resident, encouraged Council to make all family neighborhoods in the City non-commercial. She feels that the Community Development Code (CDC) is ambiguous with respect to VHR's and feels there may be many un-permitted VHR's, therefore the City is not receiving the lodging and sales tax that could be derived from VHR's.

Mr. Kenny Porteous, Westland Mobile Home Park mobile homeowner, voiced concern with the reduction in the reimbursement for the relocation costs of moving his family's home. He stated that he thought there was a deal in place regarding these costs, but he has been categorized as an owner/investor and has been prorated.

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Mr. Robin Craigen, Burgess Creek Road, noted that he owns and manages a vacation rental on Ridge Road. He stated that they run a legitimate business and do pay insurance and taxes. He noted that he participated in developing the criteria for VHR's in 2001, and since then there have only been two complaints City-wide. He voiced concern that the neighbors are concerned with one house and that issue has been resolved. He does not support revisiting the VHR requirements.

Ms. Susie Spiro, property manager, voiced concern with having any further restrictions on VHR's, feeling this will send the wrong message to Steamboat Springs' visitors and will also affect property values.

Ms. Laurrelle Crawford, homeowner of a vacation home that Ms. O'Rourke complained about, voiced concern that the neighbors filed complaints without talking to her first. She noted that the neighbors complaint is with weddings, so she has since stopped doing weddings. She stated that she monitors the events and does live on the premise. She noted that she has complied with regulations and requested that Council not place further restrictions on VHR's.

Mr. Lettunich noted that the complaint and analysis is still pending and being reviewed; the next step would be a review by the Planning Commission.
DIRECTION: Staff to report back.

At this time, Council heard an update on the Westland Mobile Home Park distribution funds.

Ms. DuBord directed Council's attention to the report provided by Ms. Elizabeth Black, Yampa Valley Housing Authority, detailing the circumstances regarding investor/owners properties. Council took no action.

At this time, Council heard agenda item 4c, the Budget Review of Community Support.

CITY STAFF REPORT

4. UPDATES:

a. Intergovernmental Services Report.

No report was given.

b. Financial Services Report. (6:30 P.M.)

No report was given.

c. Budget Review of Community Support.

Mr. Jim Moylan, Community Support Steering Committee, provided a PowerPoint presentation highlighting the following: Community Support Money Steering Committee: Status Report and Preliminary Recommendations; historical process; 2007 requests through Coalitions; recommended model for 2007 allocations; recommended model for future allocations (2008 and beyond); and preliminary recommendations.

Council thanked and commended the Committee for their presentation and work.

At this time, Council heard agenda item 5, Yampa Basin Water Table Discussion with Tom Sharp and Dan Craig.

d. Review of Community Support not included in Committee Funding.

No report was given.

e. Budget Review of the Chamber Resort Association Funding Request.

Ms. Lynna Broyles, Steamboat Springs Chamber Resort Association (SSCRA), was present and provided a PowerPoint presentation highlighting the following: 2007 Integrated Marketing Proposal; market analysis, past, future and present; market cycle; competitive landscape; comparison of similar in-State competitors marketing dollars; brand image and positioning; Steamboat in the Summertime creative campaign; SSCRA Marketing Committee Mission Statement; and the 2007 budget breakdown.

Discussion commenced on SSCRA long term strategic plan, their ongoing changes, and their 3-5 year plan.

f. Urban Renewal Authority (URA) Sales Tax and Contract with Chamber for Marketing.

Mr. Taylor noted that the contract with the Chamber provides that the City pay them for the marketing services at 3 1/3 percent of the City's sales tax. Mr. Taylor noted the alternatives: to leave the URA sales tax out of the marketing contract or clarify the contract; or to lower the amount of sales tax the City commits to the URA to the net amount.

Mr. Lettunich clarified that the monies not used by the URA go back to the original taxing entity.

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City Council President Brenner spoke to the money being redirected into economic development. He does not feel that funding the Chamber is the "most pressing need."

Council Member Strong noted that the URA is proceeding with projects the City would have to complete.

DIRECTION: Mr. Taylor and Mr. Lettunich to report back with options.

At this time Council heard agendas item 6 and 7, the Local Marketing District Budget.

g. Budget Review of Capital Improvement Projects.

No report was given.

h. Manager's Report: Ongoing Projects.

**1.) Information on Associated Governments of
Northwest Colorado (AGNC) dues for 2007.**

Ms. DuBord noted that the AGNC dues are based on a community's assessed valuation and population.

Council Member Strong suggested trying to renegotiate the cost of dues. Council Member Anderson questioned if the City needs to be a member of Northwest Colorado Council on Governments (NWCCOG) and AGNC. Ms. DuBord stated that the Routt County Council on Aging is a member of AGNC, and AGNC's focus is energy in lobbying.

Ms. DuBord stated that staff is not recommending pulling out of AGNC, the City needs to get more involved and determine if it is getting the value of the \$10,000 membership dues.

Ms. DuBord further reported on the proposed Community Center project. She stated that the project is over-budget and spoke to the geothermal system versus a heat pump system. Costs are follows: 1. Geo-thermal System: \$260,000; 2. winterization costs: \$90,000; 3. Leadership Energy Efficient Design (LEED) Materials/Professional Services: \$47,000; and 4. heated Sidewalks/Patio: \$50,000.

Ms. DuBord noted that there will need to be a temporary location for the seniors for a couple months. Council Member Anderson spoke to alternate places to host the seniors. He would like to move forward with a temporary space for the seniors, and not make this budget decision tonight.

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PUBLIC COMMENT:

Mr. Bill Jameson voiced concern with this project being over-budget. He feels the project needs to be re-assessed and questioned if the City wants to invest \$3 million at this site.

Ms. DuBord stated that the money would come from reserves and staff would be looking for further grant funding. Ms. DuBord stated that staff could bring the project in on budget, but it will not be a LEEDS building. Council Member Ivancie stated that Council has made a commitment to be "LEEDS-friendly," and this is the cost of doing that.

MOTION: Council Member Ivancie moved and Council Member Strong seconded to approve funding for all four items totaling \$477,000. **FRIENDLY AMENDMENT:** Council Member Anderson: add the wood flooring back into the project. The motion failed 3/3. Council Members Anderson, Dellinger and Brenner opposed.

Discussion during the motion:

Council Member Strong feels the building will be useful to many groups for a long period of time, and supports moving forward.

Ms. Nan Anderson, project architect, was present and noted that building costs are estimated to escalate at 5.5 percent.

MOTION: City Council President Pro-Tem Dellinger moved and Council Member Antonucci seconded to approve funding for all four items totaling \$477,000. The motion carried 4/2. Council Member Anderson and City Council President Brenner opposed.

At this time Council heard agenda items 8, 9 and 10 of the Consent Calendar.

CITY ATTORNEY'S REPORT

Mr. Lettunich provided no report.

PROCLAMATIONS AND RECOGNITIONS:

There were no items scheduled for this portion of the agenda.

COMMUNITY REPORTS (8:00 P.M.)

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5. Yampa Basin Water Table Discussion/Tom Sharp and Dan Craig.

Mr. Tom Sharp, Chairman of the Yampa White Basin Roundtable, and Mr. Dan Craig, Municipal Representative on the Yampa White Basin Roundtable, were present.

Mr. Sharp stated that the Colorado Water Conservation Board deals with flood control prevention, mapping, compiles data on water rights and availability, provides loans and grants for various water projects, has a construction fund, a severance tax, deals with in-stream flows, and has an Interstate section.

Discussion took place relative, but not limited to: recommendations regarding Yampa and White Rivers; public outreach; and exporting/diversion of water out of the Yampa River Basin.

City Council President Brenner questioned a meeting regarding prohibition/limitation of export between the basins. Mr. Sharp stated that this meeting has not taken place yet.

City Council President Brenner stated that Council would like to know more about the four County's rights. **DIRECTION:** Mr. Sharp to work with staff on this, track northern District activity, and communicate this information to Mr. Lettunich.

City Council President Brenner questioned if Mr. Sharp is opposed to transferring of water out of the Yampa. Mr. Sharp stated that he has always tried to preserve and keep the water in the Yampa river basin. City Council President Brenner noted the need to work together to protect the water in the basin and questioned what else can be done. Mr. Sharp stated that it is difficult to perceive a role for any City or Town, the capability is at the County level.

Mr. Lettunich questioned if there are plans to expand the Stagecoach Reservoir. Mr. Sharp spoke to the plan to build up the spillway, stating that they have to go through environmental assessments and the public process. Construction may begin the end of next year.

Mr. Lettunich spoke to concern about Yampa River Water and recent comments made by Mr. Russell George, Director of the Colorado Department of Natural Resources.

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City Council President Brenner noted the need to get a story in the newspaper, so that residents will be aware of the efforts to divert water out of the basin, and affected municipalities/Counties can be "rallied."

Mr. Dan Craig stated that other areas do "want our water," and they are desperate. The City is fortunate to have Mr. Sharp defending the Yampa River, however there is no way the Roundtables can keep willing buyers and sellers from moving forward.

At this time Council heard agenda item 4e, the Budget Review of the Chamber Resort Association Funding Request.

6. Local Marketing District (LMD) Budget.

Ms. Sandy Evans-Hall, Steamboat Springs Chamber Resort Association and Secretary to the LMD, spoke to the 2007 operating plan. She stated that the goal is to create competitive, year-round air service, and a market for all seasons programs. She stated that they have been talking to Frontier Airlines and spoke of the funding ability to augment winter air marketing.

Mr. Andy Wirth, Steamboat Ski and Resort Corporation, was present and noted that the current view of air is volatile, and winter tourism is dependent on it. They are in negotiations with Frontier Airlines, they just need "gate space."

CONSENT CALENDAR - GENERAL BUSINESS

7. RESOLUTION: A resolution approving the Steamboat Springs Local Marketing District operating plan and the Steamboat Springs Local Marketing District budget for the year 2007.

City Council President Brenner read the resolution title into the record.

MOTION: Council Member Antonucci moved and Council Member Ivancie seconded to approve a resolution approving the Steamboat Springs Local Marketing District operating plan and the Steamboat Springs Local Marketing District budget for the year 2007. The motion carried 6/0.

At this time, Council heard agenda item 4h1, Information on Associated Governments of Northwest Colorado (AGNC) dues for 2007.

8. RESOLUTION: A resolution of the City Council of The City of Steamboat Springs, Colorado, approving a lease agreement for international bus driver housing.

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City Council President Brenner read the resolution title into the record.

- 9. RESOLUTION: A resolution adopting the official parking map for downtown Steamboat Springs.**

City Council President Brenner read the resolution title into the record.

- 10. FIRST READING OF ORDINANCE: An ordinance amending the model traffic code to allow the traffic engineer to adopt parking regulations relating to off street parking facilities owned or leased by the city; providing an effective date; and setting a hearing date.**

City Council President Brenner read the ordinance title into the record.

MOTION: City Council President Pro-Tem Dellinger moved and Council Member Antonucci seconded to approve items 8, 9, and 10 of the Consent Calendar, a resolution of the City Council of The City of Steamboat Springs, Colorado, approving a lease agreement for international bus driver housing; a resolution adopting the official parking map for downtown Steamboat Springs; and the first reading of an ordinance amending the model traffic code to allow the traffic engineer to adopt parking regulations relating to off street parking facilities owned or leased by the city, providing an effective date and setting a hearing date. The motion carried 6/0.

PLANNING COMMISSION (9:00 P.M.)

- 11. Planning Commission Report.**

There was no Planning Commission representative present.

Council Member Antonucci noted that he was the City Council representative at the Planning Commission Worksession and input on the Steamboat Barn Village was relayed to him.

CONSENT CALENDAR- PLANNING COMMISSION REFERRALS

There were no items scheduled for this portion of the agenda.

PUBLIC HEARINGS - PLANNING COMMISSION REFERRALS

- 12. PROJECT: Steamboat Barn Village**
PETITION: Preliminary plat for a 64 lot subdivision with a requested variance to the project access.

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City Council President Brenner read the project title into the record.

Mr. Berndt stated that the key issue is access, the applicant did propose a second access, however staff did not support this access. Staff supports tabling this item until the applicant has secured a second access to the site.

Council Member Antonucci noted that the Planning Commission feels that there is substantial enough change for this project to be referred back to them for review.

MOTION: City Council President Pro-Tem Dellinger moved and Council Member Strong seconded to remand agenda items 12, 13, and 14 back to the Planning Commission. The motion carried 6/0.

Discussion during the motion:

Mr. Bob Weiss was present representing the applicant and stated that they have a viable proposal for the second access, however they don't see any prospect to have access through the hospital. They would like to make a presentation to Council and voiced concern with further delay.

Mr. Karl Gills, Yampa Valley Medical Center (YVMC), stated that they have been working with the applicant and are willing to continue the discussion. However, they are not willing to make the concession on the right of way unless they know they can use the land for its best use.

13. **Community Housing Plan discussion- Steamboat Barn Village.**
14. **SECOND READING OF ORDINANCE: An ordinance re-zoning property located in the SE ¼, NW ¼, & SW ¼, NE ¼ & N ½, SW ¼ & NE ¼, SW ¼ of section 21, township 6 north, range 84 west of the 6th p.m. in Routt County, also known as Steamboat Barn Village; from RE-1 (Residential Estate –1) zone district to RN-3 (Residential Neighborhood – 3) zone district and OR (Open Space/Recreation); repealing all conflicting ordinances; providing for severability; and providing an effective date. (Berndt)**

This is the second of two scheduled meetings; this item was also heard on September 5, 2006.

PUBLIC HEARING - GENERAL BUSINESS

There were no items scheduled for this portion of the agenda.

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APPROVAL OF MINUTES**

**15. APPROVAL OF MINUTES
a. Regular Meeting 2006-22, August 15, 2006.**

Council Member Antonucci stepped down.

MOTION: Council Member Strong moved and Council Member Ivancie seconded to approve the August 15, 2006 City Council minutes. The motion carried 5/0. Council Member Antonucci stepped down.

Council Member Antonucci returned to the meeting.

POLICY REVIEW

There were no items scheduled for this portion of the agenda.

ADJOURNMENT

MOTION: Council Member Antonucci moved and City Council President Pro-Tem Dellinger seconded to adjourn Regular Meeting 2006-26 at approximately 10:56pm. The motion carried 6/0.

MINUTES PREPARED AND RESPECTFULLY SUBMITTED BY:

Sabrina Archuleta
Sabrina Archuleta
Acting Deputy City Clerk

REVIEWED AND RESPECTFULLY SUBMITTED BY:

Julie Jordan
Julie Jordan, MMC
City Clerk

APPROVED THIS 12 DAY OF October, 2006.