

REGULAR MEETING
TOWN OF GRAND LAKE BOARD OF TRUSTEES
MONDAY, OCTOBER 25, 2010 7:30 P.M.

CALL TO ORDER: The regular meeting of the Board of Trustees was called to order by Mayor Judy Burke at 7:30 p.m. at the Town Hall, 1026 Park Avenue.

PRESENT: Mayor Burke; Trustees Johnson, Lanzi, Lewis, Ludwig, Peterson, and Weydert; Town Manager Hale, Town Clerk Kolinske and Town Planner Wittman.

ABSENT: None.

APPROVAL OF MINUTES

October 11, 2010: Trustee Peterson moved to approve the minutes of the October 11, 2010 regular meeting as written, seconded by Trustee Weydert. All Trustees voted aye except Trustee Johnson, who abstained.

ANNOUNCEMENTS: Mayor Burke announced that it would be appreciated if cell phones were turned off during the meeting.

Mayor Burke announced that Election Day is Tuesday, November 2, 2010. The polling place will be the Grand Lake Fire Station. The polls will be open from 7 a.m. to 7 p.m. Mail In Ballots must be received by the Clerk and Recorder's Office by 7 p.m. on Election Day.

Mayor Burke then announced that the East Grand School District was informed last week that "if" the Colorado Department of Education were to award the "Accredited with Distinction" level of accreditation this year, Grand Lake Elementary would have been awarded such a title. In order to receive this title a school must score in the top 10% of all schools throughout the entire state. Accreditation levels are determined by a schools performance as measured in four categories, Academic Achievement, Academic Growth, Academic Growth Gaps, and the total participation rate of students on the CSAP tests. These scores are weighted and averaged to determine the overall performance of a school. Grand Lake Elementary earned 89.7 or 89.7% of the 100 points possible, placing them in the top 10% of schools in Colorado. Grand Lake Elementary met state expectations in the areas of Academic Achievement and CSAP participation, and exceeded state expectations in the areas of Academic Growth and Academic Growth Gaps.

CONFLICTS OF INTEREST:

Mayor Burke stated that if there are any Trustees wishing to announce a conflict of interest with any items on this evening's agenda, they should do so at this time.

Trustee Johnson announced that he had a conflict with the Local Liquor Licensing issues as he holds a license for The Bears Den.

Trustee Ludwig announced that he had a conflict with the Local Liquor Licensing issues as he holds a license for The Rapids Lodge and Restaurant.

REPORTS: SALES TAX
CASH FLOW REPORT
FOR OCTOBER 2010:

Mayor Burke asked Town Clerk Kolinske to present the sales tax cash flow report. Kolinske reported that the amount of revenue received in October 2010 for the month of August is \$145,582. Although up from October 2009, this amount is 3.44% below what was received through October 2009.

REPORTS: FINANCIAL
REPORT FOR
SEPTEMBER, 2010:

Mayor Burke asked Financial Trustee Peterson to present the Financial Report for September 2010. Peterson reported that General Fund expenditures through the end of September totaled \$1,245,166.36 or 70.6% of budget. He said the Water Fund expenditures for the same period totaled \$276,111.69 or 56.5% of budget, the Marina Fund expenditures totaled \$112,850.69 or 34.7% of budget and the PAYT Fund expenditures have now totaled \$2,238.16.

At 7:35 p.m. Trustee Johnson excused himself and took a seat in the audience and Trustee Ludwig excused himself and left the room.

LIQUOR LICENSING AUTHORITY: QUASI-JUDICIAL – CONSIDERATION OF RENEWAL OF THE HOTEL AND RESTAURANT LIQUOR LICENSE FOR THE BEAR’S DEN, LLC, D/B/A THE BEARS DEN - Mayor Burke asked Town Clerk Kolinske to present this matter to the Board. Kolinske reported that the fees have been paid; the renewal documents are in order and indicate no changes from the previous renewal. The water and business license were current. She noted that sales tax returns are one month delinquent and there are some penalties and interest due. The Grand County Sheriff’s Department reviewed their files and found no adverse information that would affect the status of the license. She concluded by saying that Benton Johnson, Manager, was seated in the audience.

Trustee Peterson moved to approve the renewal of the Hotel and Restaurant Liquor License for the Bear’s Den, LLC, d/b/a The Bear’s Den contingent upon the sales tax being paid current. Trustee Weydert seconded the motion and all Trustees voted aye.

At 7:39 p.m. Trustee Johnson excused himself and left the room.

LIQUOR LICENSING AUTHORITY: **QUASI-JUDICIAL – CONSIDERATION OF APPROVAL FOR A SPECIAL EVENTS LIQUOR PERMIT FOR THE GRAND ARTS COUNCIL’S FUND RAISING EVENT FOR MIKE “THE GENERAL” SMITH** - Mayor Burke asked Town Clerk Kolinske to present this matter to the Board. Kolinske explained that an application for a Special Events Liquor Permit has been received, with the appropriate state fee, certificate of good corporate standing, and floor diagram, from the Grand Arts Council. The request is to sell malt, vinous and spirituous liquor by the drink for consumption on the premises only. The requested date is Friday, November 12, 2010 from 5:00 to 11:00 p.m. for a fund raising event for Mike “The General” Smith. The proposed location is the Grand Lake Community House. Public notice was posted on the premises on October 15, 2010 and attested to by Grand County Sheriff Deputy Payne. The Grand County Sheriff’s Department reviewed the application and found no adverse information which would affect this permit. She then noted that Suzi Maki was present as Event Manager for this event.

Trustee Weydert moved to approve the Special Events Liquor Permit for the Grand Arts Council’s fundraising event for Mike “The General” Smith. Trustee Lewis seconded the motion, and all Trustees voted aye.

LIQUOR LICENSING AUTHORITY: **QUASI-JUDICIAL – CONSIDERATION OF SPECIAL EVENTS LIQUOR PERMIT APPLICATIONS FROM THE GRAND ARTS COUNCIL FOR THEIR ANNUAL HOLIDAY MELODRAMA** – Mayor Burke asked Town Clerk Kolinske to present this matter to the Board. Kolinske explained that an application for six Special Events Liquor Permits has been received, with the appropriate fee, certificate of good corporate standing, and floor diagram, from the Grand Arts Council for their Annual Holiday Melodrama. The request is to sell malt, vinous and spirituous liquor by the drink for consumption on the premises only. The requested dates are December 26, 2010 through December 31, 2010 from 5:00 to 10:00 p.m. The proposed location is the Grand Lake Community House. The Arts Council qualifies for a Special Events Permit in that it is incorporated with the State of Colorado as a non-profit social group, and has not received Special Events Permits for more than 10 days during 2010 (these six will make 10). It has been the most recent procedure of this Board to receive the application and then schedule consideration of approval of the permit as a regular item of business at the following meeting. Although a Public Hearing is not required by statute, the Board may choose to set one. The premises are required by statute to be posted for at least 10 days prior to approval of the permit. Approval of the requested permit may be scheduled for the November 8th regular Board meeting, as either a Public Hearing or regular item of business. Kolinske noted that Jim Cervenka, Treasurer, and Andrea Cox were present.

Trustee Peterson moved to act on this request as a regular item of business at the November 8, 2010 Board meeting. Trustee Lewis seconded the motion, and all Trustees voted aye.

At 7:48 p.m. Trustees Ludwig and Johnson resumed their seats.

OLD BUSINESS:

PUBLIC HEARING – CONSIDERATION OF RESOLUTION NO. 24-2010, A RESOLUTION AUTHORIZING A SPECIAL USE PERMIT FOR THE TEMPORARY PLACEMENT OF A SNOWMOBILE RENTAL FACILITY TO BE LOCATED AT LOTS 9-10, BLOCK 28, TOWN OF GRAND LAKE – Mayor Burke opened the Public Hearing and asked Town Planner Wittman to present this matter to the Board. Wittman explained that on September 1, 2010, the Planning Commission forwarded a favorable recommendation to the Town Board of Trustees for approval of a Special Use Permit (SUP) request from Grace Locke Ventures, LLC, d/b/a Grand Adventures, to place a temporary snowmobile rental business on Lots 9-10, Block 28 of the Town of Grand Lake, a/k/a 304 West Portal Road. This was conducted through the Commission’s approval of Planning Commission Resolution No. 13-2010. The Town received the SUP application request from Chip Besse, who purchased the business prior to the start of the 2009-2010 snowmobile season, representing Grace Locke Ventures, LLC, d/b/a Grand Adventures, to place a temporary snowmobile rental business on Lots 9-10, Block 28, Town of Grand Lake, a/k/a 304 West Portal Road. The request is to operate the seasonal business from approximately Thanksgiving, 2010 until the first week of April, 2011. Open 7 days a week from 8 am to 8 pm, the business is expected to operate as it has in the previous years. In addition to the application form, the applicant has included a request letter, a site plan and the current lease agreement, executed in August, 2009, with provisions for automatic renewal for duration of ten years, between the legal property owner, Sombrero Stables, LLC and Grand Adventures. While the use is a Use-By-Right on the commercially-zoned parcel, the Town has treated this annual application as a Special Use Permit as the business is being run from a temporary structure and temporary structures are not listed as a Use-by-Right or a Conditional Use in the Commercial Zoning District. Special Use Permits, if approved, allow for the placement of a temporary structure and/or use for a maximum of six (6) months. According to the code, upon receipt of a Planning Commission recommendation, the Board of Trustees must either move to not uphold the recommendation of the Commission or hold a Public Hearing. The Town Board heard this matter on September 13, 2010, and moved to hold a Public Hearing on October 25, 2010. Legal Notice #5570408 was published in the Middle Park Times on September 23, 2010. On September 14, 2010, the Town sent certified mail, return receipt requested, to 19 property owners within 200’ of the subject parcel; the applicant was also sent certified mail. To date, 16 property owners, as well as the applicant,

have signed as having received the notice; three letters have been returned as undeliverable. The Town has not received any public comments regarding the request. Staff has drafted Resolution No. 24-2010 based on the recommendation of the Planning Commission. Staff recommends the Board take public comment, including testimony by the applicant if the applicant desires. Once all comment has been made, the Board should discuss this matter. Based on public testimony and Board discussion, the Board may move to:

- 1) Move to approve Resolution No. 24-2010, a Resolution Authorizing a Special Use Permit for the Temporary Placement of a Snowmobile Rental Facility to be Located at Lots 9-10, Block 28, Town of Grand Lake; OR
- 2) Move to deny Resolution No. 24-2010, citing specific findings of why the application is denied.

Wittman noted that the applicant, Chip Besse, was present.

Having no comment from the applicant or the public, Mayor Burke closed the Public Hearing and turned the matter over to the Board of Trustees.

Trustee Peterson moved to adopt Resolution No. 24-2010, a Resolution Authorizing a Special Use Permit for the Temporary Placement of a Snowmobile Rental Facility to be Located at Lots 9-10, Block 28, Town of Grand Lake. Trustee Lewis seconded the motion and all Trustees voted aye.

OLD BUSINESS:

PUBLIC HEARING – CONSIDERATION OF ORDINANCE NO. 17-2010, AN ORDINANCE AMENDING THE TOWN OF GRAND LAKE MUNICIPAL CODES BY AMENDING SECTION 1 OF ARTICLE 2 OF CHAPTER 6 SIGN CODE - Mayor Burke opened the Public Hearing and asked Town Planner Wittman to present this matter to the Board. Wittman explained that at the Board's regularly-scheduled meeting held in September of this year, the Board discussed proposed changes to the Municipal Sign Code. While the Board was favorable to the changes and a motion was made to approve the ordinance, the motion failed. Another motion was made for the Board to hold a Public Hearing on this matter to give greater opportunity for review and comment by the public. The ordinance was placed on the Town's website and Legal Notice #5613693 was published in the Middle Park Times on September 30, 2010. The Town has not received any public comments regarding the proposed ordinance. The Planning Commission also held a Public Hearing and no comments were received. The Town Board should discuss the proposed ordinance further, if so desired. After all discussion has taken place, the Board may move to:

- 1) Direct staff to incorporate any changes discussed by the Town Board and to have staff bring a modified Ordinance back to the Board at a later date; or
- 2) Uphold the Planning Commission recommendation by adopting Ordinance No. 17-2010, an Ordinance Amending the Town of Grand Lake Municipal Codes by Amending Section 1 of Article 2 of Chapter 6, Sign Code.

Having no public comment, Mayor Burke closed the Public Hearing and turned the matter over to the Board of Trustees.

Trustee Lewis moved to adopt Ordinance No. 17-2010, an Ordinance Amending the Town of Grand Lake Municipal Codes by Amending Section 1 of Article 2 of Chapter 6, Sign Code. Trustee Weydert seconded the motion and all Trustees voted aye.

NEW BUSINESS:

CONSIDERATION TO AUTHORIZE THE MAYOR TO SIGN A LETTER OF REQUEST FOR CONSERVATION TRUST FUNDS FROM GRAND COUNTY - Mayor Burke asked Town Planner Wittman to present this matter to the Board. Wittman explained that last year Town Manager Hale approached Grand County Commissioner Stuart about the Town's possibility of requesting Conservation Trust Funds (CTF) monies to conduct a trail restoration project in the Town of Grand Lake. CTF monies are funds the County receives that must be earmarked to specific purposes; trail development is an approved use of the funds. Town Manager Hale received positive support from Commissioner Stuart and encouraged the Town to make a formal request before the Board of County Commissioners. While staff had anticipated conducting this project in 2010, the fire mitigation activities in Thomasson Park left no time for the Town to be able to request funds, as well as complete the project given seasonal constraints. Staff has drafted a request for the Board of County Commissioners to see whether or not the Town would potentially be a beneficiary of CTF monies for a spring 2011 project. While this item has not been budgeted, the Town would not be conducting the project if CTF monies are not allocated to the Town of Grand Lake. The Board should review the request, with the estimated project budget. If the Board is favorable to making this request, the Board should move to authorize the Mayor to sign the request for funds letter. Additionally, the Board should also move to direct staff to incorporate the project funding into the 2011 budget with the Board's awareness this project will not occur if the funds are not granted to the Town.

Town Manager Hale suggested adding a sentence saying, "As the Town has never requested CTF monies from Grand County, the Town hopes the Board of County Commissioners reviews this request favorably."

Following brief discussion, Trustee Peterson moved to authorize the Mayor to sign the request for Conservation Trust Funds letter with the amendment Town Manager Hale suggested. Trustee Weydert seconded the motion and all Trustees voted aye.

NEW BUSINESS:

CONSIDERATION OF A SPECIAL EVENT PERMIT APPLICATION FROM THE GRAND ARTS COUNCIL FOR A FUND RAISING EVENT FOR MIKE "THE GENERAL" SMITH – Mayor Burke asked Town Manager Hale to present this matter to the Board. Hale explained that the Town is in possession of a Special Events Permit (SEP) Application submitted by the Grand Arts Council to conduct a fundraiser for Mike Smith. According to Section 12-2-31 - Special and Conditional Use Regulations: The Mayor, or the Mayor's designee, may sign the SEP without referring the matter to the Board of Trustees if the SEP is deemed to be in the best interest of the Town with the following items being taken into consideration:

- (a) The predominant use of the primary facility being used
- (b) The proposed event and the event hours
- (c) Neighborhood compatibility
- (d) Effect of the proposed event on the community
- (e) The Town's anticipated cost in Staff time and equipment use
- (f) Duplication of services or sales items
- (g) Permanent address of the non-profit organization or governmental entity
- (h) First time event

The Mayor, or the Mayor's designee, will refer the matter to the Board of Trustees for approval if the event involves a Special Events Liquor Permit. Since this is a first time event and will involve a liquor permit, it's being referred to the Board of Trustees for approval. If the Board is comfortable with the alcohol aspect of this permit, staff recommends that a motion be made to authorize the Mayor to sign the Special Use Permit for the Grand Arts Council for the Mike Smith fundraiser.

Trustee Peterson moved to authorize the Mayor to sign the Special Use Permit for the Grand Arts Council for the Mike Smith fundraiser. Trustee Weydert seconded the motion and all Trustees voted aye.

NEW BUSINESS:

CONSIDERATION TO AUTHORIZE THE TOWN MANAGER TO ENTER INTO A SERVICE PURCHASE AGREEMENT WITH EYE STREET SOLUTIONS - Mayor Burke asked Town Manager Hale to present this matter to the Board. Hale explained that the Board has been briefed a couple of times regarding the CAST effort to help

communities better regulate nightly rentals, or vacation rental by owner (VRBO's) as they are more commonly called. I have participated on this CAST committee and believe that we have found a good vendor to help solve this issue. Eye Street Solutions is a software development company that has shown that they have the ability to identify properties that are renting by the night vis-à-vis their web-accessible platform. Staff has viewed the chance to work with Eye Street as an opportunity to verify the efficacy of our nightly rental program—man versus machine if you will, are the 92 properties that we currently have identified the sum whole of the properties renting in Town, or will this software uncover new ones? I believe that the case is the former—there may be one or two that have evaded our detection thus far, but Code Enforcement Officer Korkowski does far too good of a job monitoring these sites for us to get caught too unaware. The question now is whether or not the Board is interested in participating in this effort, and if so which pricing structure would be most advantageous to the Town? A summary of the Service Purchase Agreement is as follows:

Option 1: Low cost of \$25.00 per property identified, but \$1 per property per month of maintenance for monitoring would be quite a bit to pay as staff has already identified most if not all of the properties out there.

Option 2. Highest initial cost per property identified, 40% of nightly rental license for first year of any property found, but this cost includes ongoing monitoring. So, one property found would cost the Town \$160, although the Town generates \$400 per property, and would still net \$240, but includes a full year of property monitoring for all of our properties at no additional cost.

Option 3. Ironically, this option was developed for us—mid level cost per property found, but the ongoing maintenance cost would be higher than we'd be paying under option one, and ends up being the worst deal for the Town.

Thus, if the Board is interested in pursuing this, Option 2 looks to be the best option for the Town. We'd pay a premium for each new property, but as long as our list is as good as staff believes it is, it would be far less expensive than either of the other options. If they don't find any new rental properties in Town, we may decide to part ways at that time without any ongoing maintenance, we wouldn't need their help, and they wouldn't want to monitor for free. The Town's of Fraser, Winter Park and Granby are all interested in participating, and the County Commissioners have stated that they'll set up a workshop with all of the Towns, as well as affected County leadership to discuss the County's potential participation (Assessor, Clerk, Manager, Attorney). Hale said that he has also been in contact with the Grand County Tourism Board

who is supportive of this effort and direction, but has thus far been reluctant to pledge any monies. He concluded by saying that the Board should discuss this proposal and the pricing options, and either move to:

1. Authorize the Town Manager to enter into a Service Purchase Agreement with Eye Street solutions with the cost structure as outlined under Option 2, based on discussion at the afternoon workshop.

OR

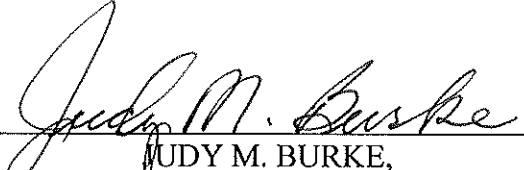
2. Elect not to enter into a Service Purchase Agreement with Eye Street solutions at this time.

During discussion, the Board discussed whether or not the Town should enter into an agreement not knowing if other municipalities or the County is going to participate. On the other hand, Trustee Weydert said that the other municipalities and the County will be looking at Grand Lake as the model as far as what Grand Lake has done and what Grand Lake is doing.

Following discussion, Trustee Peterson moved to authorize the Town Manager to enter into a Service Purchase Agreement with Eye Street solutions with the cost structure as outlined under Option 2 with the caveat that no money whatsoever is to be spent until the license is signed. Trustee Weydert seconded the motion and all Trustees voted aye.

CITIZEN PARTICIPATION: None.

ADJOURNMENT: Trustee Peterson moved to adjourn, seconded by Trustee Lewis. All Trustees voted aye, and the meeting was adjourned at 8:18 p.m., October 25, 2010.



JUDY M. BURKE,
MAYOR

ATTEST: 

RONDA KOLINSKE, CMC,
TOWN CLERK