

The regular meeting of the Vail Town Council was called to order at approximately 6:00 P.M. by Mayor Chapin.

Members present:                      Dave Chapin, Mayor  
   Jenn Bruno, Mayor Pro Tem  
   Dick Cleveland  
   Kevin Foley  
   Kim Langmaid  
   Greg Moffet  
   \*Jen Mason absent

Staff members present:              Patty McKenny, Acting Town Manager  
   Matt Mire, Town Attorney  
   Tammy Nagel, Deputy Town Clerk

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### **1. Citizen Participation**

Doug Lovell and Chris Jarnot with Vail Resorts were pleased to inform council of Vail Resorts support for the use of the \$4.3 million parking capital investment to be used towards the Red Sandstone School joint parking project.

### **2. Appointments for Board and Commissions**

#### **2.1. Vail Local Housing Authority Appointment**

Presenter(s): Dave Chapin, Mayor

Action Requested of Council: Motion to reappoint Francisco Meza to VLHA.

Background: The Town Council appointed Francisco Meza to the VLHA in February to serve a term due to a resignation, a term which ended May 31, 2017. Mr. Meza is interested in continuing to serve on the VLHA for the new term of five years, ending in May 2022. Since the interview process was recently conducted, it is suggested to reappoint the current member to serve this next term.

Bruno made a motion to reappoint Francisco Meza to the Vail Local Housing Authority; seconded by Moffet; approved 6-0.

### **3. Consent Agenda**

#### **3.1. Request to Award Construction Contract to SHC Landscape in the Amount of \$33,099.63 for the Vail Village Riparian Buffer Planting Project.**

Background: The Vail Village Riparian Buffer Planting project includes the addition of plantings in multiple areas between Vail Valley Drive and the International Bridge. Areas include section of the Village Streamwalk, the bank behind the Row Houses, at the confluence of Mill Creek and Gore Creek, the hillside behind Austria Haus and the turf area behind Village Center.

Moffet made a motion to approve the consent agenda; seconded by Foley; approved 6-0.

#### **4. Town Manager Report**

##### **4.1. Summer Data Collection, Parking and Enhanced Bus Service Updates**

Presenter(s): Greg Hall, Public Works Director

Hall reported the enhanced summer bus services began on Memorial Day with doubling of peak service on East Vail, Golf Course and Sandstone routes. Bus usage is up 22% thus far with the biggest increase of riders on the Sandstone route. Hall stated the summer parking data collection was going well and he would return to council with more information on a later date.

#### **5. Presentations/Discussion**

5.1. CSE Strategic Plan update per the five year plan guidelines. The CSE voted to adopt the plan on May 3, 2017.

Presenter(s): Barry Davis and Mark Gordon, CSE

Action Requested of Council: Approval or Approval with Amendments

Background: The CSE determined that the previous 2013-2017 Strategic Plan provided a comprehensive and relevant foundation from which to adapt and update the new plan.

Barry Davis, CSE Chair and Mark Gordon, CSE Co-Chair, presented the updates to the CSE Strategic Plan. The 2018-2022 Strategic Plan key updates include the following:

- Clarification and definition of event category types – Community, Recreational & Cultural and Education & Enrichment.
- Detailed scorecards for both categories.
- Enhanced CSE strategic direction including providing additional guidance to event producers.
- More specific requirements for producer deliverables, such as the marketing checklist and event recap.
- Revised list of critical success measurements including tools for objective evaluation criteria.
- Commitment to requiring environmental sustainable event practices.

Cleveland made a motion to approve the CSE updates to the Strategic Plan; seconded by Moffet; approved 6-0.

##### **5.2. 2016 Financial Audited Financial Statements for the Town of Vail**

Presenter(s): Kathleen Halloran, Finance Director and Michael Jenkins, McMahan and Associates

Action Requested of Council: The 2016 audited financial statements are presented for Council information; no action requested.

Background: In accordance with section 9.11 of the Vail Town Charter, an independent audit shall be made of all town accounts at least annually. The audit shall be conducted by certified public accountants and copies made available for public inspection at the municipal building. The 2016 audit was conducted by McMahan and Associates, LLC.

Halloran reviewed the highlights of the 2016 financial statements. Halloran explained government entities are required to report financial statements in two types of reports so regardless of the background of the reader they can understand the material. A Government Wide Statement provides a broad overview similar to a private sector business, including capital assets and long-term debt on a full accrual basis. The Fund Statement provides financial

transactions for specific activities or governmental functions; focus on near-term inflows and outflows and spendable balance. 2016 the Town's assets exceed liabilities of \$229.7M and over half of that amount are the Town's capital assets. The remaining amount is the Town's reserves; \$2.0M TABOR; \$14.5M restricted and 79.1M unrestricted. In 2016 the Town increased its net position by \$12.5M. The General Fund came in favorable to budget by \$3.7M; \$1.3 came in from additional revenue collected (parking and lift tax); and \$2.4M in savings on expenditures. Capital Projects Fund managed \$12.2M in projects; which came favorable to budget by \$19.8M. The RETT Fund came favorable to budget at the end of 2016 by \$6.9M. Michael Jenkins, McMahan and Associates, LLC, informed council the Town received an unmodified clean audit opinion; which is the highest level of assurance the Town's financial reporting is correct.

### 5.3. Colorado Snowsports Museum and Hall of Fame Capital Project Update

Presenter(s): Susie Tjossem, Executive Director, Colorado Snowsports Museum and Hall of Fame

Action Requested of Council: Provide staff with direction regarding the amount and timing of the town's contribution toward this project.

Background: In 2016, Town Council approved a \$500,000 capital contribution to the renovation of the Colorado Snowsports Museum and Hall of Fame. Since that time, construction bids came in higher than anticipated. The Museum is presenting an update of costs and cash flow projections for the project.

Staff Recommendation: Provide staff with direction regarding the amount and timing of the town's contribution toward this project.

Susie Tjossem, Executive Director of the Colorado Snowsports Museum and Hall of Fame, requested confirmation from council regarding the town's \$500,000 contribution and when the contribution would be made available for the museum to use. Tjossem reviewed the revised \$1.3M renovation costs for the museum. The revised plan includes a remodel of the airlock entry into usable exhibit space, moving the entry to align with visitor flow patterns, eliminating the aged drop ceilings, moving and remodeling the 24 year old bathrooms and kitchen (ADA compliant) and moving the gift shop space. Tjossem explained that given the current construction estimate, the town's \$500,000 now represents 37% of construction related costs which is 3% less than the pro-rata established during 2016 Budget. If the Town of Vail contribution was increased by \$40,562 the 40/60% pro-rata would be preserved. Tjossem felt this could be accomplished, in part, by eliminating \$31,950 in TOV Building Permit and Plan review fees.

Most council members agreed to the contribution of \$500,000 and said no to waiving building permit fees. Council requested a statement be provided reflecting written donations and bank finance before giving the \$500,000 contribution. Additionally, council requested the museum enter into a lease with the Town prior to releasing funds.

### 5.4. Overview of Big Horn Road and Intermountain South Frontage Road Overhead Power line to underground conversion project

Presenter(s): Greg Hall Director of Public Works

Action Requested of Council: The Town Council is being asked to provide direction to the staff and Holy Cross Energy regarding underground projects. The staff has posed options which the staff would like direction on at this time.

Background: The 1999 Town of Vail 20 year Franchise agreement with Holy Cross Energy allowed for the collection of an additional 1% of gross revenues to be placed into a Community

Enhancement Fund. To date the Town of Vail has received \$ 2,682,964 of which \$ 1,612,868 has been used exclusively for the undergrounding of overhead powerlines. There are nearly 7 miles of overhead lines still within the Town of Vail. The town received \$ 196,407 in payment this past year. The Big Horn Road and Intermountain South Frontage Road projects are on a high priority list of projects to be completed.

Staff Recommendation: Staff recommends the Town Council pursue first the phasing option, and if phasing is not possible the town lends itself the shortfall to be paid back with future enhancement fund payments. Staff would return to council based on this direction and once bids are received based on engineered plans later this year to award the construction contract.

Hall reviewed the Holy Cross Energy undergrounding of power lines projects: Big Horn Road and Intermountain South Frontage Road. The Big Horn Road project was started eight years ago and has been incrementally completed as funds allowed. The Town staff has been working to secure the remaining funds to complete the remaining 3300 feet of lines. The estimated cost to complete this project is \$1,023,500.00. The Intermountain South Frontage Road project has 4200 feet of line and Holy Cross selected to follow the existing line. The estimated cost to complete South Frontage Road project is \$1,129,500.00. The town has funds to complete one of the projects this year and it would take approximately 5 years to collect funds to complete the next project. Council asked if staff had spoken with the two neighborhoods to inquire about possible cost-share.

An Intermountain resident addressed the council in support of the undergrounding of electrical lines in her neighborhood.

Council directed staff to pursue a phasing plan for the two Holy Cross projects.

#### 5.5. Stephens Park Discussion about Dogs Off Leash

Presenter(s): Gregg Barrie, Project Manager

Action Requested of Council: Provide staff with direction in regards to the issue of dog waste in the park

Background: This need for a discussion of the multi-use nature of the off leash dog area of Stephens Park has been raised due to the excessive dog waste not being removed by dog owners . Stephens Park is a neighborhood park located in the Intermountain neighborhood. In 2004 an area of the park was designated as an off-leash area for dogs. It is a very popular and heavily used area by users from Vail and beyond. Two current issues in the park warrant discussion 1) the park is a multi-use neighborhood park and 2) excessive dog waste.

Staff Recommendation: Staff recommends that a neighborhood meeting at the park should be the first step in resolving the issues outlined above. Proper notice should be provided, and several staff and council members should plan to attend.

Barrie spoke with council concerning year around excessive dog waste being a problem at Stephens Park. The park is a multi use neighborhood park that allows dogs to be off the leash while the animal is within the turf area. The park can become very busy with not just the neighborhood residents but also drivers stopping at the park as they are passing through town on I-70. The off-leash area at the park had been put on suspension in previous years due to accumulation of dog waste. Barrie suggested advertising a community meeting to educate and discuss the problems before suspending the use of the off leashed area.

Bill Suarez, Vail resident, expressed concern if the off-leash area was suspended at Stephens Park the problem would move to Big Horn Park in East Vail. Suarez asked if there could be a designated off-leash area at Donovan Park.

Council agreed with hosting a community wide outreach on June 20 to educate park users and to provide them with tools to help enforce waste cleanup. Neighborhood watch would be encouraged.

## **6. Action Items**

6.1. First reading of Ordinance No. 4, Series of 2017, an ordinance for a prescribed regulations amendment, pursuant to Section 12-3-7, Amendment, Vail Town Code, to amend Title 12 of the Vail Town Code with the addition of a new Chapter 26, Transportation Impact Fee.

Presenter(s): Tom Kassmel, Town Engineer and Chris Neubecker, Chief Planner

Action Requested of Council: Approve, amend or deny on Ordinance No. 4 Series 2017 on first reading.

Background: In 2016, the Town of Vail hired the consulting firm TischlerBise to develop an updated transportation impact fee. The impact fee is proposed to codify the current traffic mitigation fee to help fund future transportation related projects identified in the Vail Transportation Master Plan. The proposed fee will be applied in all zone districts, and will require developers to pay their proportional share for the necessary transportation infrastructure improvements that are directly related to the impacts created by the new development.

Staff Recommendation: Approve Ordinance No. 4 Series 2017 on first reading.

Neubecker reviewed the ordinance with council explaining the proposed transportation impact fee would apply to new developments, including creation of any new residential dwelling units, or any new commercial floor area. The fee would not apply to residential remodels where no additional units are added, or to commercial remodels that do not increase square footage. This new fee would be paid by the owner or developer, and would be collected by the Community Development Department at the time of issuance of a building permit. Revenues from this fee would be used by the Town of Vail for new transportation related infrastructure projects that are necessary due to the increased traffic from the incremental new development.

Council questioned if adopting impact fees in the categories of accommodation unit and commercial square feet would be a bad policy since these types of units already pay sales tax. Additionally, Council suggested adding a fee for core area single family and reduce the noncore area fees as to reflect the same fees as the core area.

Mark Berman, with Vail Board of Realtors, stated his board opposes the impact fees and would prefer the town elections to fund infrastructure projects for greater equity.

Council agreed to not take action on Ordinance No. 4, Series of 2017 to allow staff to make changes. The Town Attorney reminded council the impact fee would not be legally applied unless it is codified.

6.2. First Reading of Ordinance No. 5, Series of 2017, an ordinance of the Vail Town Council approving an encroachment into an existing view corridor to accommodate modifications to the Hill Building, located at 254 and 311 Bridge Street, Lots C & L, Block 5C, Vail Village Filing 1, and setting forth details in regard thereto.

Presenter(s): George Ruther, Director of Community Development

Action Requested of Council: Approve, approve with modifications, deny Ordinance No. 5, Series of 2017.

Background: The Hill Building is impacted by three adopted view corridors. One of the view corridors is not affected by the proposed application to renovate the building. A second corridor is affected, however, the building currently encroaches into the view corridor and the applicant is proposing to significantly reduce the encroachment and substantially improve the view through the corridor. The third view corridor will be affected by a minimal increase in the height of the building and a chimney. In order to allow for this increase in height to occur, a view corridor encroachment must be approved by the Vail Town Council.

Staff Recommendation: The Town of Vail Planning & Environmental Commission has reviewed the proposed view corridor encroachment request. Upon review of the request, the Commission has forwarded its recommendation of approval to the Vail Town Council of the request, as proposed. In making their recommendation, the Commission found that the proposed encroachment complied with the criteria for review as outlined in the Vail Town Code. Therefore, the Commission recommends the Vail Town Council approve Ordinance No. 5, Series of 2017 as read.

Ruther reviewed the ordinance with council explaining the applicant is requesting a review of an Exterior Alteration, pursuant to Section 12-7B-7, Exterior Alterations or Modifications, Vail Town Code, to allow for a renovation to the Hill Building and a request for a recommendation to the Vail Town Council on an application for encroachments into an existing view corridor, pursuant to Section 12-22-6, Encroachments Into Existing View Corridors, Vail Town Code, to allow for encroachments into View Points #1 and #4 for modifications to the Hill Building, located at 254 and 311 Bridge Street. The scope of work of the proposed renovation included:

- No change in existing uses (i.e. ground floor or street level retail, second floor and above residential).
- An extensive renovation to the exterior materials of the building.
- Overall decrease of gross residential floor area (- 94 square feet).
- Increase of retail floor area of 76 square feet.
- Reduction in site coverage (- 371 square feet).
- Minor modifications to the massing and overall height of building (60% 33 ft. or less/40% < 43 ft.).
- Increase in softscape landscape area (+ 5 square feet).
- Maintain the existing non-conforming enclosed parking space within the structure.

The proposed renovation is in compliance with the development standards prescribed by the Commercial Core I zone district. Though the Hill Building is directly affected by three of protected view corridors in Vail Village, the applicant is proposing to comply with said view corridors, and is therefore, not proposing to either amend or encroach into the protected view corridors. The majority of the renovation occurs to the exterior of the building and on the second floor and above levels of the building.

Applicant representative, Tom Braun with Braun Associates, provided a PowerPoint outlining the project and the proposed view corridor encroachments to View Corridor 1. The encroachment would be caused by 2- two foot chimney caps and raising the roof ridge up 6 inches to building code and installation requirements.

A few council members felt the encroachments are minimal and project would be an enhancement to the village. Other council members felt the view corridor is sacred and suggested alternatives for the applicant such as a gas fireplace; which would not require a chimney to impact the view corridor.



There was no public comment.

Moffet made a motion to approve Ordinance 5, Series of 2017 as read; seconded by Foley; approved 4-2 (Bruno and Cleveland opposed)

### 6.3. Reschedule Regular Meeting on July 4, 2017 to July 11, 2017

Action Requested of Council: Motion to Reschedule Regular Meeting on July 4, 2017 to July 11, 2017.

Background: The Code provides for action when changing regular meeting day as follows:

#### 1-5-11: REGULAR AND SPECIAL COUNCIL MEETINGS

##### A. Regular Meetings:

1. Time And Place: The council shall meet regularly at least twice monthly at a day and hour to be fixed by the rules of the council. The meeting time shall be established at the town council's first organizational meeting to be held within seven (7) days from the election as described in section 1-5-3 of this chapter.

2. Deferment: In the event a regular meeting pursuant to subsection A1 of this section would fall on a legal holiday recognized by the town or a regular meeting cannot for good reason be held by the town council on a regular meeting date, the regular meeting shall automatically be held on the next secular day at the same time and place; provided, however, that for good cause the council at a regular meeting preceding the regular meeting which will be deferred may defer the regular meeting to a subsequent

Cleveland moved to move the regular scheduled Town Council meeting on July 4, 2017 to July 11, 2017; seconded by Moffet; approved 6-0.

There being no further business to come before the council, Moffet moved to adjourn the meeting and Foley seconded the motion which passed 6-0 and the meeting adjourned at 8:25 p.m.

Respectfully Submitted,

Attest:

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Dave Chapin, Mayor

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Patty McKenny, Town Clerk