

*RECORD OF PROCEEDINGS*

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**TOWN OF DILLON  
TOWN COUNCIL  
REGULAR MEETING**

Tuesday, August 18, 2020

7:00 p.m.

Dillon Town Hall

and

Virtually via MicroSoft Teams

**CALL TO ORDER & ROLL CALL**

A regular meeting of the Town Council of the Town of Dillon, Colorado, was held on Tuesday, August 18, 2020, at Dillon Town Hall and virtual via teleconferencing. Mayor Carolyn Skowyra called the meeting to order at 7:08 p.m. and the following Council Members answered roll call: Brad Bailey, Jennifer Barchers, Karen Kaminski and Steve Milroy were present at Dillon Town Hall. Council Members Kyle Hendricks and Renee Imamura were absent (excused). Staff members present via teleconferencing were: Ned West, Town Planner and Kerstin Anderson, Marketing & Communications Director. Staff members present at Dillon Town Hall were: Nathan Johnson, Town Manager; Carri McDonnell, Finance Director; Cale Osborn, Acting Chief of Police; Dan Burroughs, Town Engineer; Scott O'Brien, Public Works Director; Craig Simson, Marina Director; and Adrienne Stuckey, Town Clerk.

**APPROVAL OF AGENDA**

Due to time constraints, Item #11 from the Work Session was added to Item #14 on the Regular Meeting Agenda.

**APPROVAL OF CONSENT AGENDA**

Council Member Kaminski moved to approve the following consent agenda:

- a. Minutes of Regular Meeting of August 4, 2020
- b. Approval of Bill List dated August 14, 2020 in the amount of \$171,91820 and Payroll Ledger dated August 14, 2020 in the amount of \$103,374.88

Council Member Milroy seconded the motion which passed unanimously upon roll call vote.

**CITIZEN COMMENTS**

There were no citizen comments.

**CONSIDERATION OF RESOLUTION NO. 35-20, SERIES OF 2020**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF DILLON,  
COLORADO APPOINTING A POLICE CHIEF; AND, SETTING FORTH DETAILS IN  
RELATION THERETO.**

Mayor Skowyra explained Council interviewed Sergeant Cale Osborn for Police Chief on August 12, 2020 and extended an offer to him for Police Chief. This resolution appoints Cale Osborn as Dillon Police Chief.

Council Member Barchers made a motion to approve Resolution No. 35-20, Series of 2020.  
Council Member Kaminski seconded the motion which passed unanimously upon roll call.

**SWEARING-IN OF POLICE CHIEF CALE OSBORN**

Former Police Chief Heminghaus swore-in Cale Osborn as Police Chief.

**CONSIDERATION OF RESOLUTION NO. 36-20, SERIES OF 2020**

**A RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF DILLON,  
COLORADO, ADOPTING THE 2020-2021 COLORADO COMMUNITIES FOR  
CLIMATE ACTION POLICY STATEMENT.**

Town Manager Johnson stated this resolution adopts the 2020-2021 CC4CA Policy Statement.

Council Member Bailey made a motion to approve Resolution No. 36-20, Series of 2020.  
Council Member Kaminski seconded the motion which passed unanimously upon roll call.

**CONSIDERATION OF RESOLUTION NO. 37-20, SERIES OF 2020**

**A RESOLUTION APPROVING A THIRD AMENDMENT TO RESTRICTIVE HOUSING  
COVENANT AND AGREEMENT FOR THE SAIL LOFTS AT LAKE DILLON  
CONDOMINIUMS AND ADOPTING THE TOWN OF DILLON WORKFORCE HOUSING  
PERMITTED CAPITAL IMPROVEMENTS SCHEDULE.**

Manager Johnson explained Staff and the Town Attorney are proposing a Third Amendment to the Restrictive Covenants for the Sail Lofts at Lake Dillon Condominiums to address comments received from Amy Priegel of the Summit County Combined Housing Authority (“SCHA”). The Amendment is intended to clarify the purchase and sale process of Restricted Units.

Approval of the Resolution would result in the Town’s approval and adoption of:

- The Third Amendment (including Exhibit B, “Notice of Intent to Sell Restricted Unit,” and Exhibit C, “Memorandum of Acceptance of Town Lien”); and
- The Town of Dillon Workforce Housing Permitted Capital Improvements Schedule (“PCI Schedule”), applicable to all Restrictive Covenants (not just those associated with Sail Lofts)

The Third Amendment would make the following clarifications:

- Seller may adjust resale price higher if the seller installs certain “Permitted Capital Improvements” (“PCI”) in the Restricted Unit. PCIs are set forth in the PCI Schedule maintained by the Town (i.e., that adopted by this Resolution)
- Adjustments to sale price for PCIs and replacements and upgrades for Wear and Tear may not exceed 3% of the Maximum Resale Price prorated (based on full months) over the 10- year period immediately prior to the sale.
- “Maximum Resale Price” is determined at listing date.
- “Calculated Maximum Resale Price” determined by adding to the Initial Sales Price 2% fixed appreciation for each full year of ownership; for partial years, the 2% allowable appreciation is prorated based on full months of ownership (e.g., 1% appreciation for 6 full months).
- Town and SCHA may request documentation to verify residence and work hour requirements.
- A person whose disability worsens or becomes more limiting so that such person can no longer work the required number of hours per week may remain in the unit (i) for 1 year following the commencement of such person’s inability to meet the work hour requirements, (ii) for so long as the Town or SCHA may authorize, or (iii) for so long as may be required under the ADA.
- The Restricted Unit must be the owner’s permanent primary full-time residence, and that a

- buyer may not own an interest in any other developed residential property.
- Maximum household size restriction eliminated.
  - The 10-day “Priority Period” in which the sale of Restricted Unit is limited to Town Workers; the Restricted Unit may be sold to the first Town Worker to make an offer outside the Priority Period unless the unit is under contract to be sold to another Qualified Occupant.
  - Requires owners to provide the Town and SCHA with written notice of the owner’s intent to sell the Restricted Unit at least 3 days prior to listing the unit (“Notice of Intent to Sell” attached as Exhibit B to the Restrictive Covenant).
  - Clarifies that lottery process applies only to Initial Sale.
  - Requires purchasers of Restricted Units to execute a “Memorandum of Acceptance and Notice of Lien,” in the same form as attached to the Restrictive Covenant as Exhibit C.
  - Escalates the \$150 liquidated damages for violation of sale and occupancy restrictions by 2% each year.

Council Member Barchers made a motion to approve Resolution No. 37-20, Series of 2020.  
Council Member Milroy seconded the motion which passed unanimously upon roll call.

**CONSIDERATION OF RESOLUTION NO. 38-20, SERIES OF 2020**  
**A RESOLUTION APPROVING AN EIGHTH AMENDMENT TO LEASE AGREEMENT BETWEEN THE TOWN AND ROLLING BOIL, LLC.**

Manager Johnson stated this is the eighth amendment to the Lease Agreement between the Town and Rolling Boil, LLC. and will extend the term to November 1, 2026 and will eliminate Concessionaire’s option to renew the Lease Agreement.

Council Member Bailey made a motion to approve Resolution No. 38-20, Series of 2020.  
Council Member Barchers seconded the motion which passed unanimously upon roll call.

**CONSIDERATION OF RESOLUTION NO. 39-20, SERIES OF 2020**  
**A RESOLUTION AUTHORIZING THE TOWN OF DILLON, COLORADO, TO ENTER INTO A CONTRACT WITH PHAZE CONCRETE, INC. FOR THE 2020 NORTH DILLON DAM ROAD WATER WORK; AUTHORIZING AND DIRECTING THE APPROPRIATE TOWN OFFICERS TO SIGN THE NECESSARY DOCUMENTS; AND, SETTING FORTH DETAILS IN RELATION THERETO.**

Dan Burroughs, Town Engineer, explained the Contract with Phaze Concrete makes modifications to the north and south ends of the segment to be abandoned, completes the 12” east west main to the east to the Vail Health project limits, and adds a new tee and valves in the east side of the Dam Road for a future restoration of the north-south segment.

Since the 12” east-west main work is already part of Vail health’s development agreement and construction obligations, they will reimburse the Town for the water line work within the Dam Road footprint. This will be approximately \$75,000-\$80,000 of the contract amount. The total contract amount is \$132,286.22.

Council Member Milroy made a motion to approve Resolution No. 39-20, Series of 2020.  
Council Member Kaminski seconded the motion which passed unanimously upon roll call.

**CONSIDERATION OF RESOLUTION NO. 40-20, SERIES OF 2020**  
**A RESOLUTION APPOINTING MEMBERS TO THE PARKS AND RECREATION COMMITTEE.**

Manager Johnson stated this resolution appoints Heather Distad, non-Dillon resident, and Maureen Lopp, Dillon resident, to the Dillon Parks and Recreation Advisory Committee (PRAC). Each will serve a two-year term as if each of their terms had commenced January 1, 2020.

Council Member Barchers made a motion to approve Resolution No. 40-20, Series of 2020. Council Member Kaminski seconded the motion which passed unanimously upon roll call.

**TOWN MANAGER'S UPDATE**

Manager Johnson reported on the following:

- On August 14, 2020, Ms. Anderson, Mr. Simson and Mr. Johnson took out the new Superintendent, Dr. Marion Smith Jr, on a pontoon around Lake Dillon. They discussed a potential partnership with the schools using the amphitheater.
- Last week there was a CAST meeting with the Governor and they discussed plans for opening the ski areas this winter.
- Governor Polis enacted a fire ban that prohibits open fires such as campfires and fireworks.
- Staff is working with an outside engineering firm who supplied the Town with a report on how to repair the leaking tank. Staff is working on options to get the repairs completed this Fall.
- He will attend the Managers' Luncheon on August 20, 2020 where they will be discussing the nicotine tax and its funds.

**MAYOR'S UPDATE:**

Mayor Skowyra reported on the following:

- She, along with Manager Johnson and Scott O'Brien, Public Works Director, met with the Hazmat Study team discussing the hazards of Hazmat trucks going through the tunnel.
- She attended the Managers', Mayors' and Commissioners' Breakfast on August 6, 2020.

**COUNCIL MEMBER COMMITTEE REPORTS AND COMMENTS:**

Council Member Kaminski reported on the following:

- The Summit Historical Society met on August 12, 2020 and she is an official board member.

**ADJOURNMENT:**

There being no further business, Mayor Skowyra declared the meeting adjourned at 7:49 p.m.

Respectfully submitted by:

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Adrienne Stuckey, Town Clerk