

RECORD OF PROCEEDINGS

**TOWN OF DILLON
TOWN COUNCIL
REGULAR MEETING**
Tuesday, December 6, 2016
7:00 p.m.
Dillon Town Hall

CALL TO ORDER & ROLL CALL

A regular meeting of the Town Council of the Town of Dillon, Colorado, was held on Tuesday, December 6, 2016, at Dillon Town Hall, 275 Lake Dillon Drive, Dillon, CO. Mayor Burns called the meeting to order at 7:00 p.m. and the following Council Members answered roll call: Jen Barchers, Kyle Hendricks, Mark Nickel, and Carolyn Skowyra. Council Member Brad Bailey and Tim Westerberg were absent (excused). Staff members present were: Kerstin Anderson, Marketing and Communications Director; Tom Breslin, Town Manager; Mark Heminghous, Police Chief; Carri McDonnell, Finance Director; Scott O'Brien, Public Works Director; Ned West, Town Planner; and Jo-Anne Tyson, Town Clerk.

APPROVAL OF AGENDA

There being no changes to the agenda, it will stand as approved.

APPROVAL OF CONSENT AGENDA

Council Member Barchers moved to approve the following consent agenda:

- a. Minutes of Regular Meeting of November 15, 2016
- b. Approval of Bill List dated December 2, 2016 in the amount of \$310,649.62 and Payroll Ledger dated November 25, 2016 in the amount of \$65,615.51.
- c. Excused Absence for Council Member Westerberg for November 15, 2016 Town Council Meeting.

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

CITIZEN COMMENTS

No citizen comments were made.

CONSIDERATION OF ORDINANCE NO. 11-16. SERIES OF 2016

AN ORDINANCE BY THE TOWN COUNCIL OF THE TOWN OF DILLON, COLORADO, REPEALING AND REPLACING IN ITS ENTIRETY CHAPTER 19, "FEES," OF THE DILLON MUNICIPAL CODE FOR THE PURPOSES OF UPDATING FEES ASSOCIATED WITH THE REQUIREMENTS OF THE DILLON MUNICIPAL CODE; AND, SETTING FORTH DETAILS IN RELATION THERETO.

Finance Director Carri McDonnell reported that this is the second reading and public hearing for repealing and replacing Chapter 19, Fees, of the Dillon Municipal Code. All fees have been reviewed and several proposed increases were presented at first reading on November 15, 2016.

The proposed changes include: 1) Water fees will now reflect the recommendations of the 2014 water and sewer rate study. The capital fee is increasing 2% and water volume charges are increasing an average of 2% which are now the same across the types of users. 2) Marina fees were amended to more accurately reflect assessed charges. New categories were added for sailing and touring programs and 3) Police services fees are amended to more accurately reflect the cost of services in relation to labor hours. Ms. McDonnell stated that one item was added since first reading which includes the addition of out of town water and sewer rates reflecting two times the in town resident rates.

Ms. McDonnell reported that this public hearing was published in accordance with public posting requirements as set forth by the Dillon Municipal Code. Mayor Burns opened the public hearing at 7:06 p.m. There being no comments from the public, Mayor Burns closed the public hearing at 7:07 p.m.

Council Member Barchers moved to approve Ordinance No. 11-16, Series of 2016. Council Member Hendricks seconded the motion which unanimously upon roll call vote.

CONSIDERATION OF EMERGENCY ORDINANCE NO. 12-16, SERIES OF 2016

AN ORDINANCE AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY BY THE TOWN OF A SITE LEASE AGREEMENT, A LEASE PURCHASE AGREEMENT, AND RELATED DOCUMENTS, CONCERNING THE LEASING BY THE TOWN OF CERTAIN PROPERTY TO FINANCE AND REFINANCE CERTAIN PUBLIC IMPROVEMENTS; RATIFYING ACTION PREVIOUSLY TAKEN; PROVIDING OTHER MATTERS RELATED THERETO; AND DECLARING AN EMERGENCY.

Ms. McDonnell reported that this ordinance approves the financing for the amphitheater improvement project and the refinance of the 2010 marina lease agreement. The financing is a 20 year lease at 3.55% interest with annual payments of \$477,412. The interest rate on the 2010 marina lease agreement was 4.65% which results in a \$70,000 savings to the Marina.

The Town will be issuing certificates of participation and are using Dillon Town Hall as collateral for the transaction. The Town will lease the Town Hall under a site lease to UMB Bank then lease it back under a lease purchase agreement, paying rent to UMB. UMB, as the Trustee, then pays Alpine Bank the principal and interest payments that the Town makes over the 20 year lease term. Ms. McDonnell stated that if the Town were to default or not appropriate the lease payments, UMB can take the facility and lease it to another party in order to pay Alpine Bank. However, the building still remains the property of the Town, but subject to the site lease.

Council Member Barchers moved to approve Ordinance No. 12-16, Series of 2016. Council Member Hendricks seconded the motion which unanimously upon roll call vote.

CONSIDERATION OF RESOLUTION NO. 51-16, SERIES OF 2016

A RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF DILLÓN, COLORADO, ADOPTING THE BUDGET FOR THE TOWN OF DILLON, COLORADO, FOR THE FISCAL YEAR ENDING DECEMBER 31, 2017 AND SUMMARIZING THE REVENUES AND EXPENDITURES FOR EACH FUND.

Ms. McDonnell reported that this resolution approves the adoption of the 2017 budget. The 2017 total revenues are \$10,696,781.00 with a beginning fund balance of \$12,206,608.00.

2017 total expenditures are \$17,837,273.00. Total reserves for all funds are \$2,990,891.00 leaving a fund balance of \$2,056,763.00 at December 31, 2017. This adoption includes the Summit County Telecommunications Consortium (SCTC) in the amount of \$171,034.00. The SCTC board, comprised of one staff person from the four towns and the county, approved the 2017 SCTC budget. The Town of Dillon acting as the lead agency includes the SCTC in our budget as an agency fund.

Council Member Skowyra moved to approve Resolution No. 51-16, Series of 2016.
Council Member Barchers seconded the motion which unanimously upon roll call vote.

CONSIDERATION OF RESOLUTION NO. 52-16, SERIES OF 2016

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE TAXABLE YEAR 2016 TO HELP DEFRAID THE COSTS OF MUNICIPAL GOVERNMENT FOR THE TOWN OF DILLON, COLORADO FOR THE 2017 BUDGET YEAR.

Ms. McDonnell stated that the mill levy must be certified to the Summit County Board of County Commissioners prior to December 8, 2016. This resolution approves the property tax mill levy for the 2017 budget year. The assessed valuation for the town decreased by .18% or \$116,500.00. The general operating mill levy can be maintained at 3.351. The general operating mill levy of 3.351 is split between the General Fund (2.873) and Capital Improvement Fund (.478).

Council Member Skowyra moved to approve Resolution No. 52-16, Series of 2016.
Council Member Hendricks seconded the motion which unanimously upon roll call vote.

CONSIDERATION OF RESOLUTION NO. 53-16, SERIES OF 2016

A RESOLUTION APPROPRIATING SUMS OF MONEY TO DEFRAID EXPENSES AND LIABILITIES OF THE TOWN OF DILLON, COLORADO FOR THE 2017 BUDGET YEAR.

Ms. McDonnell stated that this resolution appropriates the money for the 2017 expenditures by fund based on the 2017 budget. The total expenditures of \$17,837,273.00 will be paid from the total estimated fund balance on December 31, 2016 of \$12,188,146.00 and 2017 revenues of \$10,696,781.00. This appropriation also includes the budget for the Summit County Telecommunications Consortium in the amount of \$171,034.00.

Council Member Barchers moved to approve Resolution No. 53-16, Series of 2016.
Council Member Hendricks seconded the motion which unanimously upon roll call vote.

CONSIDERATION OF RESOLUTION NO. 54-16, SERIES OF 2016

A RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF DILLON, COLORADO, MAKING SUPPLEMENTAL APPROPRIATIONS TO VARIOUS FUNDS FOR THE TOWN OF DILLON, COLORADO FOR THE 2016 BUDGET YEAR.

Ms. McDonnell reported that the Council adopted the 2016 budget and appropriated the funds in December 2015. The Council may amend the budget during the budget year by resolution after a public hearing. Ms. McDonnell stated that this public hearing was published in accordance with public posting requirements as set forth by the Dillon Municipal Code on November 25, 2016.

Ms. McDonnell outlined recommended supplemental appropriations for additional expenditures for the following funds as:

- General Fund - \$149,753.00 to be paid from unanticipated revenues from the event. This was the change in accounting for events revenues in the revenue section of the budget instead of the expenditure section. This breaks down as Farmers Market Registration \$48,840.00, Farmers Market App \$1,330.00, Farmers Market Merchandise \$2,370.00, Concert Series \$82,514.00, Arts Festival \$1,139.00, Movies on the Water \$560.00 and Air Show \$13,000.00.
- General Fund - \$26,495.00 to be paid from unanticipated revenues from grant proceeds for the police department extra duty pay.
- General Fund - \$825,000.00 transfer out to the Capital Improvement Fund to be paid from unappropriated fund balance.
- Capital Improvement Fund - \$180,000.00 to be paid from unappropriated fund balance
 - \$120,000.00 for town hall improvements
 - \$60,000.00 for amphitheatre improvements
- Water Plant Investment Fund - \$215,000.00 to be paid from unappropriated fund balance from the delay in the water storage tank project from 2015 to 2016.
- Cemetery Perpetual Care Fund - \$2,600.00, to be paid from unanticipated revenues from donations to be used to purchase headstones for the unmarked grave project.

Mayor Burns opened the public hearing at 7:25 p.m. There being no comments from the public, Mayor Burns closed the public hearing at 7:26 p.m.

Council Member Hendricks moved to approve Resolution No. 54-16, Series of 2016. Council Member Barchers seconded the motion which unanimously upon roll call vote.

CONSIDERATION OF RESOLUTION NO. 55-16, SERIES OF 2016

A RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF DILLON, COLORADO, AUTHORIZING THE TOWN OF DILLON TO ENTER INTO AN ECONOMIC DEVELOPMENT AGREEMENT WITH RECREATIONAL EQUIPMENT, INC., A WASHINGTON COPORATION; AUTHORIZING AND DIRECTING THE APPROPRIATE TOWN OFFICERS TO SIGN THE NECESSARY AGREEMENT.

Ms. McDonnell reported that this resolution allows the Town of Dillon to enter into an agreement with Recreational Equipment, Inc. (REI) whereby there will be a rebate of sales taxes collected by REI to be shared between the Town of Dillon (75%) and REI (25%) for an amount not to exceed \$600,000.00. The rebate amount will be remitted to REI on a quarterly basis over a period of 10 years or until the total rebate amount is paid in full and all REI sales tax will be retained by the Town of Dillon.

Council Member Skowrya moved to approve Resolution No. 55-16, Series of 2016. Council Member Nickel seconded the motion which unanimously upon roll call vote.

COMMITTEE REPORTS

- Dillon Business Association – Manager Breslin stated he is unaware of any DBA meetings or functions despite several phone calls and emails to the organization.
- NWCCOG Executive Committee, Council Meeting, and Quality/Quantity – Council Member Skowrya stated this meeting will be held on Thursday, December

- 8, 2016 and she will update Council at their next meeting.
- Snake River Regional Planning Commission – Council Member Bailey was absent and therefore did not provide a report.
 - Summit County Housing Authority – Mr. Breslin stated that at tomorrow's meeting, the group will be reviewing the overall structure of the Housing Authority.
 - Summit County Transit Board – Council Member Nickel stated the Transit Board's meeting will be held on Wednesday, December 7, 2016.
 - Summit County Wildfire Council – Council Member Barchers did not have a report but stated she will provide an update at the next Council meeting.

TOWN MANAGER'S UPDATE

Manager Breslin reported on the following items:

- The selection process for the Marina Manager is nearly complete.
- R.E.I. will begin construction in the old Sports Authority location mid-December.
- Flow control and recycling discussions continue among the municipalities.
- A new PUD will be presented by Danny Eilts at the Planning and Zoning meeting Wednesday, December 7, 2016. Mr. Breslin advised Council not to discuss this item as it may come before them at a future meeting.
- The Town Holiday party is Thursday, December 8, 2016 at Red Mountain Grill.
- Kudos to Public Works Director Scott O'Brien for facilitating the Council Chambers renovation.
- He will be having a discussion with CMC as to their decision on purchasing Town owned lots and pending their response, asked Council for permission to re-open RFP process and explore other opportunities for the available lots.

MAYOR'S REPORT:

Mayor Burns congratulated Council and staff on their great work in 2016 and stated that he looks forward to seeing many projects come to fruition over the next few years.

ADJOURNMENT:

There being no further business, Mayor Burns declared the meeting adjourned at 8:20 p.m.

Respectfully submitted by:


Jo-Anne Tyson, CMC/MMC, Town Clerk