



**BASALT TOWN COUNCIL  
MEETING MINUTES – JUNE 14, 2022**

**Basalt is an inclusive, sustainable, mountain community that boasts both historic charm and progressive vision. It is an engaging place to live, work and play while offering an abundance of creative, professional, educational and recreational outlets.**

**1. CALL TO ORDER AND ROLL CALL**

Mayor Bill Kane called the regular meeting of the Council to order at 6:05 PM. Also present were Council members Angela Anderson, David Knight, Glenn Drummond, Ryan Slack and Elyse Hottel. Council member Dieter Schindler was absent.

The Auditors had arrived early. Rather than making them wait to the end of the agenda, Council made a motion to amend the agenda.

**M/S COUNCILORS DRUMMOND AND KNIGHT THAT THE TOWN COUNCIL MOVE THE AUDIT ON THE AGENDA FROM 7F TO 6A. THE MOTION CARRIED 6-0.**

**2. CONSENT AGENDA AND MOTION: 2A. Minutes: May 24, 2022**

**M/S COUNCILORS SLACK AND KNIGHT TO APPROVE THE CONSENT AGENDA ITEMS AS PRESENTED. TH MOTION CARRIED 6-0.**

**3. CALL TO THE PUBLIC**

There were no public comments made this evening.

**4. MAYOR AND COUNCIL REPORTS/COMMENTS**

Ryan Slack extended a thank you to staff and Ryan Mahoney for getting the pool up and running. Town Manager Ryan Mahoney noted there were a few items that staff continued to work on including the slippery paint that has now been textured, and mats that were being added to the restroom and shower areas. The noise issue of the fans at the pool is to be managed with a ten-foot tall fence with some blue-board on the back.

Mayor Kane attended the RFTA annual retreat on June 9. It was a productive day with the biggest outcome being the system cutbacks. There will be essentially a 15% reduction in service across the board, driven by the inability to attract drivers. There will be a lot of buses with standing room only. RFTA is in the process of making offers to convert a number of old lodging properties to be fixed up for staff housing in order to attract workers.

Elyse Hottel reported on the CORE (Colorado Office of Resource Efficiency) interviews for executive director to be held on Monday.

Elyse said the Eagle County Climate Action Collaborative was putting together an EV readiness plan.

Elyse said she attended the first official board meeting of the Greater Roaring Fork Valley Housing Coalition. In terms of budgeting, the expectation for 2023 is the same funding request as for 2022 of \$10,000. They intend to use the funds to leverage a number of grants: DOLA to create a three year strategic plan; IHOP grant for \$100,000 for an assessment of affordable housing strategies and policies in the valley and in Colorado – and their successes; an ARPA grant to be applied for in October, and a CHFA (Colorado Housing and Finance Authority) grant to help the coalition with administrative duties while they get up and running.

## **5. MANAGER'S REPORT**

Town Manager Ryan Mahoney updated the council that the Chamber Caboose was being sanded and prepped for a new coat of paint.

Also, two of the three weather stations are up and running on Basalt Mountain. These weather stations came out of the Lake Christine fire and offer an opportunity for the National Weather Service to obtain more accurate data on potential flooding and evacuation notices.

Ride the Rockies came through town yesterday. All the cyclists but two, were able to get on the road this morning, due to mechanical issues.

## **6. PRESENTATIONS: 6A. 2021 Audit Report**

Finance Director Christy Chicoine introduced Paul Backes and Michael Sherven, of McMahan and Associates, LLC, who were present to discuss the Basalt 2021 Audit.

Paul Backes shared the audit documents with Council. Paul explained the audit consists of planning, fieldwork and reporting. It reviews how the money comes to Basalt and who handles it. He discussed the internal controls of the Town related to investment policies, bank signatories, who makes journal entries, cash receipts, bank statements, and receivables with a goal of following up on any funds owed to the Town; same with the accounts payable – are they in the budget, coded properly and being paid in a timely manner. They review each department for how the money comes in and goes out and are the correct internal controls in place. They run budget actuals and verify the numbers. They review the investment policies, capital assets tracking and depreciation. Paul said they review 334 different workpapers to help make sure the financial statements are correct; Basalt does an additional level of reporting beyond what other small communities do; it is similar to what larger entities such as a county would report. Basalt did receive an award for Excellence in Financial Reporting.

Paul explained there were a lot of parties that use this information - banks, insurance, SEC, bond holders, Certificate of Participation (COP) holders, federal and state grants – that is why the audit is so lengthy. Overall, the Town has no significant journal entries. Paul Backes said that all the information Council is getting regularly as part of their budgeting and monitoring process is accurate and correct.

Mike Sherven reviewed the Governing Board Letter that says the Town did not enter into any transactions that they did not have the authority to, and there were no changes in the accounting policies. There are also some accounting estimates that go into producing the financials – pension liability, depreciation and fixed assets, and allowance for uncollectable accounts. There were no significant difficulties encountered performing the audit, there were in fact no difficulties. There were no uncorrected misstatements; there was one journal entry that came in after the draft of the audit. Mike said there was one recommendation due to the small size of the staff, that one person should not have both control of the physical asset and accounting records, and suggested the Council continue to actively monitor the accounting system through quarterly review of financial statements. In 2023, the auditors will implement GASB 87 (Governmental Accounting Standards Board) related to leases. Paul Backes closed by saying overall, that's as clean of an audit report as we have given; Basalt passed with flying colors.

Council congratulated Christy on her hard work and clean audit.

**M/S COUNCILORS SLACK AND DRUMMOND TO ACCEPT THE 2021 AUDIT. THE MOTION CARRIED 6-0.**

**6B. Green Team Update – 2019/2022 Greenhouse Gas Emissions Inventory Report** (Sara Nadolny)

Staff Planner Sara Nadolny, liaison with the Green Team, and Phi Filerman of CORE (Colorado Office of Resource Efficiency) were present to discuss the latest information in the 2019-2022 Greenhouse Gases Inventory Report. Sara reviewed the Town's Climate Action Goals adopted by Resolution in 2017: To reduce Basalt's Greenhouse gas emissions by 25% by 2025, and reduce them by 80% by 2050 (based on the 2014 baseline numbers). To do this, Basalt has been working with CORE to get a Greenhouse Gas Inventory every three years using 2014 as a baseline. This report covers 2019 and 2020, though 2020 was off due to the pandemic. These reports cover transportation, waste and buildings in Basalt, Aspen, Pitkin County and Snowmass Village. Basalt is not on track to meet its greenhouse gas emissions reduction goals. Overall, there was a 15% increase in emissions compared to the 2014 baseline data. The greatest emitter of emissions is on-road transportation and waste. Community generated solid waste emissions have increased 40% since 2014; this considers only full-time residents.

Sara reviewed successes and opportunities noting that buildings were the only area to decrease emissions between 2014 and 2020 due to progressively cleaner electric grids. The Town has installed EV infrastructure as well as solar/heat pumps at the pool, and transit through We-Cycle and Basalt Connect. Opportunities for improvement exist in all sectors: transit, building codes, electrification, waste reduction campaigns, construction and demolition regulations and leveraging resources and regional partnerships.

Phi Filerman discussed the methodology changes from the previous reports. In the past, each individual jurisdiction has done its own inventory. They decided a regional picture made more sense to give a more complete picture of the whole upper valley. This required an alignment of methodologies starting with the City of Aspen's elaborate methodology that they have used for some time. This explains the bump seen in the local numbers and will be more accurate data going forward.

Questions were asked as to whether Basalt's solar, EV and other actions could be measured. Even though they may be measurable, they will make an impact by leading other communities.

Council questions and comments followed regarding use of 2019 as the baseline and working from there; what can Basalt do to nudge existing homeowners to replace things; what are other communities doing to incentivize existing commercial and residential to electrify. A graphic representation of what was causing the most damage – methane vs natural gas vs electricity was asked for. A comment was made that it was not all doom and gloom, but a good reminder we need to keep after it; it is not a short term thing. Sara and Phi and the Green Team were thanked for bringing this report to Council.

**7. COUNCIL ACTIONS : 7A. Appointments – Green Team:** Interview and Appointment of Prospective Green Team Member (Sara Nadolny)

Eileen Fagan was present at the meeting and introduced to Council by Sara Nadolny. Council interviewed Eileen as to her background and interest in volunteering on the Green Team.

Sara noted the Green Team was down to only 2 voting members at this time. Eileen has attended several Green Team meetings. The Green Team recommended her appointment.

**M/S COUNCILORS SLACK AND KNIGHT THAT THE TOWN COUNCIL APPOINT EILEEN FAGAN TO THE BASALT GREEN TEAM FOR A TERM TO END JUN 14, 2025. THE MOTION CARRIED 6-0.**

**7B. Appointments – BACH (Basalt Affordable Community Housing):** Interview and Appointment of Prospective BACH Member (James Lindt)

Katie Erickson was present via Zoom and introduced to Council by James Lindt. James noted Katie had previously served on BACH and had to drop off for a bit, but was interested in returning to BACH. Council interviewed Katie as to her interest in returning to BACH. James noted BACH had recommended the appointment of Katie Erickson.

**M/S COUNCILORS SLACK AND ANDERSON TO APPOINT KATIE ERICKSON TO BACH FOR A TERM TO END JUNE 14, 2025. THE MOTION CARRIED 6-0.**

**7C. Resolution No. 40, Series of 2022:** Resolution of the Town Council of Basalt, Colorado Approving a Grant of Tobacco Tax Funds to the Roaring Fork School District for a Learning Specialist at Basalt High School and Authorizing an Intergovernmental Agreement (Ryan Mahoney and Peter Mueller)

Peter Mueller of Basalt High School was present this evening to discuss this item. Town Manager Ryan Mahoney said that back in April, staff had worked with the middle and high schools to look at using some of the tobacco tax funds to be put to beneficial community use. At this time, there is \$100,000 left in the tobacco funds. Peter Mueller explained the school was seeking a full time learning specialist.

As a reminder, in ongoing grants, the Town has approved \$150,000 to The Hope Center; we also paid for a full time counselor for the elementary school. Other grants looked more at the community level with our non-profit partners working with children, Veterans and for medical

needs. We have also been funding Pitkin County Detox at about \$17,000 per year. Ryan also worked with Jason Santos of Basalt High School to do some capital projects - a new track, new bleachers and press box, and finishing out the weight room that had been funded largely by the Boosters to date. There is still around \$100,000 which we'd like to use toward academic pursuits in the high school.

Peter Mueller, Basalt High School Principal, said the refurbishment of the athletic facilities was really important to help the school stay up to date and safe for our teams and visiting teams. Those funds are not just about football, but about growing great human beings.

The school is back this evening seeking additional funds for a learning specialist. The failure rate in core classes has doubled due to COVID. Before COVID, one in ten kids was failing the core classes. When COVID hit, that went to 80%. Algebra, biology, world and US History are the core classes with high failure rates. The intent is to use the learning specialist to co-teach the hard classes, pair them with the core teacher and to provide better academic support - a different academic approach, tailored assessment to get at student's needs. Peter said they know this is still about tobacco, and there is a very strong correlation between tobacco use, substance use and failing grades. If a student is engaged intellectually, personally connected to their school, they have a better chance of staying substance free.

The funds would be \$100,000 a year for a three-year period.

**M/S COUNCILORS DRUMMOND AND SLACK THAT THE TOWN COUNCIL ADOPT RESOLUTION NO. 40, SERIES OF 2022. THE MOTION CARRIED 6-0.**

**7D. Continued Public Hearing and Resolution No. 37, Series of 2022:** Resolution of the Town Council of Basalt, Colorado, Granting Subdivision/PUD Preliminary Plan Approval to Construct 155 Dwelling Units on Parcel 5, Sopris Meadows Subdivision/PUD (Possumco, LLC Application) (James Lindt)

Assistant Planning Director James Lindt offered a brief recap of the proposal highlighting the 12.2 acre parcel to house 155 dwelling units, located between Willits Lane and Willits Lake. Forty-six of the units are to be deed restricted in two buildings adjacent to Willits Lane. The applicant is to re-grade the lake and finish constructing the path around the lake. The three vehicular connections to the project were reviewed, as was the three-way stop at the central intersection. A playground is proposed to be constructed to be maintained by the HOA.

Discussion items were outlined in the May 24 packet and staff memos provided analysis around these topics. Staff highlighted three items for discussion this evening: affordable housing, access, and vested rights and phasing; these items have been updated since the last meeting. James reviewed the updates with Council who had provided direction to the applicants to make a portion of the affordable housing a for-sale product. The applicant has revised the proposal to propose 46 units of 'for sale' product to serve the 'missing middle' class of families making \$250,000. BACH did not support the proposal and asked for a joint meeting with Council to discuss Town goals for affordable housing on the project. Staff offered options in the conditions that Council could approve the preliminary plan application and set up a meeting with BACH prior to the final review. Alternatively, Council could continue review of this preliminary plan until BACH and council have met.

The Town Attorney has reviewed the ability to provide flexibility in the related to providing RO (resident occupied) units for mitigation. The applicant would need a code amendment with the final plan review to do the 100% affordable housing as RO units.

James Lindt said that BACH did approve the physical layout as well as the mix and bedrooms at a prior meeting. The applicants have proposed three access points to provide full vehicular access with mitigation measures as proposed by David Myler, representing area homeowners. The applicant has requested 10 years vested rights; phasing and vested rights is three years per Town Code, but that could be amended during the PUD process. P&Z has recommended seven years. The applicant has also requested a stay of vested rights during a recession period,

P&Z made a recommendation for approval on the application with conditions drafted in the memo this evening.

Michael Lipkin introduced Jay Ray Barlow and Jeff Orsulak, applicant Lipkin Warner team members. Michael said they had good discussions with staff and since last meeting, have put together a proposal for 23 for-sale units, a mix of categories, in addition to the 23 rental units. they are happy to do this, but need the time to do so. J. Ray Barlow explained that Park Modern 7 building took 15 months to build; longer than any of the other units due to supply chain and manpower issues. This project has earthwork to finish the lake, larger buildings, there's no infrastructure, no roads; it's a dramatically more demanding project.

Michael Lipkin said that Charlier Associates had made suggestions for traffic management – car share, bike stations, and bus passes (which Michael felt the employers in Aspen should be responsible for). Michael thought a quarter point RETA could be used to solve traffic problems in area.

Mayor Kane opened the Public Hearing at 7:49 PM. There were no comments and the public hearing was closed.

Council comments and questions followed concerning a ten year vesting with a three-year completion deadline for public improvements. The sale prices of a typical 2-bedroom unit were discussed and whether the standard HOA and insurance costs were included; appreciation caps and how those could be written up; who would manage the program; the possibility of reconsidering the category 6 units and redistributing those into categories 4 and 5. Council asked about how owners would qualify and what the priority of sale would be; what happens if an owner's status changes, or if they work remotely, could they claim they are a Basalt employee.

Bill Kane thanked the applicant for being remarkably responsive to council's requests. He suggested the applicant move forward with 23 of the units and defer on the next 23 until Council has had a chance to speak with BACH and work with the applicant to refine the next mix of 23 units. Bill also advocated for a 7-year vesting schedule.

James Lindt explained the applicant's had proposed their own occupancy priority system – non-profit visual arts and arts organization employees, healthcare workers for seniors, and locally owned small businesses of up to 30 employees and including owners of a locally owned small business.

Jody Edwards and Jeff Conklin discussed some language options for forming the plan to move forward on 23 units now, meet with BACH, and approve the second 23 units at final plan approval. Jeff said this approval tonight would come with a condition there be a code amendment to ensure the affordable housing mix fits within the inclusionary zoning housing requirements of the Town Code that would run concurrent with any final plan approval.

The matter of vesting was again discussed with the proposal at 10 years with the first 3 for completion of the public improvements. The issue of a recession extension was also discussed and what entity can officially declare a recession. There was agreement for setting the completion of the public improvements within four years (rather than three). Staff and the applicant discussed the need for a replat of the site as well. Council discussed the need for two Category 6 units and whether it would be worthwhile to test the market with Category 6 units; if they don't sell, they would fall back into a lower Category. There was a question as to whether Category 5 and 6 units could be left to the discussion of the second building.

**M/S DRUMMOND AND KNIGHT THAT THE TOWN COUNCIL ADOPT RESOLUTION NO. 37, SERIES OF 2022, WITH THE FOLLOWING AMENDMENTS:**

1. Affordable Housing Mitigation requirements: Paragraph 7, 30% of the residential units and 20% of the floor area will be deed restricted price capped units comprised of two buildings of 23 units each; the first of which would be resident occupied ownership units with the categories presented by the applicant in the proposal in the agenda packet tonight. The second 23 units would be subject to future determination by the Town Council at the final plan review and approval – done upon a review and meeting of BACH and the Town Council together.
2. Code Amendments: Further the Affordable Housing Mitigation requirements of the preliminary plan would be subject to Town Council's approval of an amendment to the Code to the Inclusionary Housing Requirements to ensure this proposal fits within them; that code amendment to be approve either prior to or concurrent with any final plan approval.
3. Vesting: The vested rights period would be a period of ten years, however all the public improvements would be completed within four years. All the other terms contained in the first alternative condition No. 5., would remain the same except to paragraph H – to be replaced with the requirement that within 180 days of the final approval of development, there be a master replat of parcels 5A, B and C that comprise the development property to re-conform the existing rights of way within the project and also to depict building envelopes within the project so that future sub-plats can conform thereto.

**THE MOTION CARRIED 6-0.**

**7E. Public Hearing and Second Reading of Ordinance No. 13, Series of 2022:** An Ordinance of the Town Council of the Town of Basalt, Colorado, Granting Amendments to the Phasing for the Stott's Mill Development in Basalt, Colorado (James Lindt)

Assistant Planning Director James Lindt reviewed the background of the project for 113 dwelling units just north of Basalt High School, as well as the 4,000 square foot day care core and shell and 2 parks. The approvals require the applicant to complete the day care core and shell and parks prior to the issuance of a building permit for the 57<sup>th</sup> unit in the development. The applicant is requesting the ability to start construction on the 4<sup>th</sup> family building prior to completion of the day care core and shell and the two parks. The applicants have indicated they are willing to discuss the ability for the Town to buy down deed restrictions on some of the

free market units, and also a willing to provide a priority for multi family units for Basalt employees. The applicant has also noted that if they can construct the fourth building at the same time as the day care, it would reduce the impacts of construction on the residents of the first multi-family buildings. The Town still has several million dollars in security for the completion of the public improvements which must be completed prior to the issuance of CO on the fourth multi-family building.

Mayor Kane opened the public hearing at 8:51 PM. There were no public comments and the hearing was closed.

**M/S COUNCILORS SLACK AND DRUMMOND THAT THE TOWN COUNCIL ADOPT ORDINANCE NO 13, SERIES OF 2022 ON SECOND READING. A ROLL CALL VOTE WAS HELD. THE MOTION CARRIED 5-1 WITH COUNCIL MEMBER HOTTEL OPPOSED.**

**Item 7F - Audit Presentation (Christy Chicoine and McMahan & Associates, CPAs) had been moved earlier in the evening by vote to become Item 6A in the order of the agenda.)**

**8. INFORMATION AND CORRESPONDENCE:**

- 8A.** Accounts Payable;
- 8B.** Advanced Agendas;
- 8C.** May 2022 Sales Tax Report;
- 8D.** Correspondence to the Town

It was noted both Mayor Kane and Mayor Pro-tem Knight would be out at the next meeting; Council member Ryan Slack will chair the meeting.

**9. ADJOURNMENT**

The meeting adjourned at 8:53 PM.

The minutes of the June 14, 2022 meeting were read and approved this 28<sup>th</sup> day of June, 2022.

**BASALT TOWN COUNCIL:**

By:   
William G. Kane, Mayor



**ATTEST:**

  
Pamela Schilling, Town Clerk

This meeting can be viewed in its entirety on Grassroots TV here:  
<https://townofbasalt.ompnetwork.org/sessions/248355?embedInPoint=1&embedOutPoint=11145&shareMethod=link>