

Keystone Town CouncilWork Session Agenda

The Keystone Town Council will have a Work Session on January 14, 2025, at 4:00 p.m. at 1628 Sts. John Rd, Keystone, CO 80435.

The Town of Keystone conducts hybrid meetings. This meeting will be held in person at Keystone Town Hall and will also be broadcast live over Teams. <u>Join the live</u> <u>broadcast available by computer here.</u> If you will need special assistance in order to attend any of the Town's public meetings, please notify the Town Clerk's Office at (970) 450-3500x1 via phone, or <u>clerk@keystoneco.gov</u> via e-mail, at least 72 hours in advance of the meeting.

- I. CALL TO ORDER, ROLL CALL
- II. DISCUSSION OF TOWN FINANCIALS
- III. DISCUSSION OF DRAFT INTERGOVERNMENTAL AGREEMENT WITH THE
 TOWN OF DILLON FOR A JOINT LAW ENFORCEMENT AGENCY
- IV. DISCUSSION OF NUISANCE ORDINANCE
- V. DISCUSSION OF EMPLOYEE DOWN PAYMENT ASSISTANCE PROGRAM
- VI. DISCUSSION OF DRAFT ORDINANCE ON EMERGENCY AND LOCAL DISASTER AUTHORITY
- VII. DISCUSSION OF BUSINESS LICENSING
- VIII. DISCUSSION OF MANAGER/COUNCIL ISSUES
- IX. ADJOURNMENT

	F G	Н	I	J	К	L	М					
1	Town of Keystone											
2	Statement of Financial Position					Printed:	1/8/25					
3	As of Date Indicated											
4				Prelimi	nary - Subject	to Change	Printed: 1/8/25 Conserv Comserv 0 1,476,490 281,291 0 1,757,781 345,177 626 0 0 5,467 4,900 0 2,113,950					
5												
6	November 30, 2024		General	Capital	Housing							
7			<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	Trust Fund	Combined					
8	<u>ASSETS</u>											
9	Investment Acct - Colotrust		1,035,800		440,690	0						
17 23	Operating - FirstBank		281,291				281,291					
24	Total Cash in Bank		1,317,091	0	440,690	0	1 757 781					
25	Total Gasir in Bank		1,017,001		440,000		1,707,701					
26	Sales Tax Receivable		345,177				345.177					
27	Other Tax Receivable		626				· ·					
28	Accounts Receivable		0	0	0	0						
33	Interfund & Other Receivables		0				0					
34	Prepaid Expenses		5,467				5,467					
35	Office Space Security Deposit		4,900				4,900					
36 37	TOTAL ASSETS		1,673,260	0	440,690	0	2 442 050					
-	TOTAL ASSETS		1,673,260	U	440,690	<u> </u>	2,113,950					
38	LIADULTICO DECEDDED INCLOSES AND CUIN	.D. E.O. I	IT)/									
39	LIABILITIES, DEFERRED INFLOWS AND FUN	D EQU					00.000					
40	Accounts Payable		28,998	0	0	0	28,998					
46	Payroll Liabilities		12,900	0	0	0	12,900					
52 53	Wages Payable		0				0					
54	Due to Summit County (Sales Tax Advance) Misc Liabiliies		0				0 0					
55			-				(48)					
56	Clearing Account		(48)				(40)					
57	TOTAL LIABILITIES		41,850	0	0	0	41,850					
58												
59	DEFERRED INFLOWS											
60	Deferred Revenue		0				0					
61 62	TOTAL DEFERRED INLFOWS		0	0	0	0	0					
63	TOTAL DEFERRED INLFOWS					<u> </u>	0					
64	FUND EQUITY											
65	Invested in Capital Assets, Net		0				0					
66	Amount to be Provided for Debt Repayment		0				0					
67	Fund Balance - General Fund		1,631,411				1,631,411					
68	Fund Balance - Capital Improv Fund		1,001,411	0			1,001,411					
69	Fund Balance - Workforce Housing			O	440,690		440,690					
70	Fund Balance - Conservation Trust				440,000	0	0.000					
71	TOTAL FUND EQUITY		1,631,411	0	440,690	0	2,072,100					
72			-,,		1.0,000		_, _ , u					
73	TOTAL LIABILITIES, DEFERRED INFLOWS											
74	AND FUND EQUITY		1,673,260	0	440,690	0	2,113,950					
$\begin{bmatrix} 1 \end{bmatrix}$	No assurance provided on these financial statements;		=	=	=	=	=					
75	substantially all disclosures required by GAAP omitted.											

	E F	н	ı	J	К	ı	M	
2		'' 1	· ·	J	K	Printed:	1/8/25	
	Statement of Revenues, Expenses and Changes in Fund Balance Preliminary							
	Actual, Budget and Forecast for the Pe				,			
5	Modified Accrual Basis		2024 ANNUAL		2024 Fro	m Inception	(2/8/2024)	
6					10 Months	10 Months	,	
7		Approved		Variance	Ended	Ended	Variance	
8		2024	2024	Favorable	11/30/24	11/30/24	Favorable	
9		Budget	Forecast	(Unfavor)	Actual	Budget	(Unfavor)	
10	GENERAL FUND							
	Revenues							
12	Sales Tax (1 mo estimated)	2,614,224	2,614,224	0	2,202,728	2,136,556	66,172	
13	Other Tax Revenue		_,0 : :,=_ :		-	2,:00,000	00,	
14	Highway Users Tax Fund	48,627	0	(48,627)	0	0	0	
15	Cigarette Tax	5,092	9,867	4,775	7,193	4,707	2,486	
16	Nicotine Tax	59,628	0	(59,628)	0	0	0	
17	Road and Bridges Tax	91,684	91,684	(0)	79,518	76,812	2,706	
18	Specific Ownership Tax	25,348	0	(25,348)	0	0	0	
19	Auto Ownership Tax	9,970	0	(9,970)	0	0	0	
20	Other Tax Revenue	0	0	O O	0	0	0	
22	Total Other Tax Revenue	240,348	101,551	(138,797)	86,711	81.520	5,191	
23	Fees	210,010	101,001	(100,707)	50,711	01,020	0,101	
24	Building Permits	203,203	203,203	0	62,060	177,800	(115,740)	
25	Franchise Fees	0	0	0	0	0	0	
		200 000	200 000		20.000		(445.740)	
27		203,203	203,203	0	62,060	177,800	(115,740)	
28	Licenses							
29	Business Licenses	E44 700	544 700	0	0	0	(40.047)	
30	Short Term Rentals	541,732	541,732	(0)	501,415	541,732	(40,317)	
31	Liquor Licenses Tobacco Licenses	0	5,250 0	5,250 0	3,598 600	0	3,598 600	
32	Tobacco Licenses	U	U	0	600	U	600	
34		541,732	546,982	5,250	505,613	541,732	(36,120)	
35	Fines							
36	Municipal Court Fines			0	0	0	0	
37 38	Code Enforcement Fines			0	0	0	0	
39		0	0	0	0	0	0	
40	Other Income	0			0		0	
41	Grants		70,728	70,728	45,432	0	45,432	
42	Interest on Taxes		70,720	0	0	0	0	
43	Interest on Investments		10,000	10,000	12,805	0	12,805	
44	Admin Miscellaneous Income		. 0,000	0	0	0	0	
45								
46		0	80,728	80,728	58,237	0	58,237	
47	Total Revenue	3,599,507	3,546,688	(52,819)	2,915,349	2,937,608	(22,259)	
49	I Otal INGVELLAG	3,333,307	3,340,000	(32,019)	ک ر ا تاری ک	2,331,000	(22,239)	
	Expenditures							
51	Employee Benefits & Taxes							
52	401 A Match	44,414	44,414	0	31,590	40,376	8,786	
53	457 Match	16,655	16,655	0	5,494	15,141	9,647	
54	Flexible Spending Account (FSA)	5,774	1,425	4,349	1,125	5,249	4,124	
55	Wellness Reimbursement	12,158	9,166	2,992	7,395	11,053	3,657	
56	Health Insurance Premiums	79,834	63,627	16,207	63,627	72,576	8,949	
57	Health Ins Employee Contributions		(12,385)	12,385	(10,288)	0	10,288	
58	Workers Comp Insurance Premiums	11,381	15,359	(3,978)	12,288	10,346	(1,941)	
59	Payroll Taxes	18,543	12,636	5,907	11,243	16,857	5,614	
63 64	Total Employee Benefits & Taxes	189 750	150 907	37 962	122,474	171,599	/O 12E	
04	i otal Ellipioyee Dellelits & Taxes	188,759	150,897	37,862	122,414	17 1,599	49,125	

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	Town of Keystone Statement of Revenues, Expenses and	Changes in E	und Polones		Preliminary	Printed:	1/8/25	
	Statement of Revenues, Expenses and Actual, Budget and Forecast for the Pe				Premmary			
	Modified Accrual Basis		2024 ANNUAL		2024 Fro	2024 From Inception (2/8/2024)		
6					10 Months	10 Months		
7		Approved		Variance	Ended	Ended	Variance	
8		2024	2024	Favorable	11/30/24	11/30/24	Favorable	
9		<u>Budget</u>	<u>Forecast</u>	(Unfavor)	<u>Actual</u>	<u>Budget</u>	(Unfavor)	
65	General Expenditures All Department Telephone	1 ts 2,830	2,410	420	2,265	2,630	365	
66 67	Office Lease	50,700	50,900	(200)	46,000	45,800	(200)	
68	Office Building Maintenance	3,700	3,700	0	1,350	3,450	2,100	
69	Office Supplies	3,754	8,848	(5,094)	8,823	3,379	(5,444)	
70	Prof Services/Membership Fees	10,429	16,711	(6,281)		10,429	(4,958)	
71	Dues and Subscriptions	7,936	1,625	6,311	1,625	7,128	5,503	
72	Training	6,802	6,802	(4.400)	6,052	6,802	750	
73 74	Travel/Meals/Ldging Uniforms/Clothing	6,802 1,700	8,300 3,795	(1,498) (2,095)		6,802 1,700	(498) (2,405)	
75	Insurance	5,000	3,880	1,120	3.104	5,000	1,896	
76	Bank and Misc Fees	0	100	(100)	-, -	0	(90)	
77	IT/Technology	68,016	68,016	° 0	32,216	59,938	27,722	
78	Website	6,802	6,802	0	542	6,122	5,580	
79 80	Equipment Repairs/Leases	5,526	5,526	0	0	4,974	4,974	
81	Total Gen Exp All Departments	179,996	187,414	(7,418)	128,859	164,154	35,295	
82	·							
83	Mayor and Town Council	44.000	44.000	•	0.557	40.000		
84	Mayor Wages	11,000	11,000	0	9,554	10,000	446	
85 86	Council Wages Cell Phone AllowTown Council	33,000 5,775	33,000 5,775	0	27,875 4,819	30,000 5,250	2,125 431	
87	Cell I Horie Allow Fown Council					·		
88 89		49,775	49,775	0	42,248	45,250	3,002	
90	Misc Expense Town Council	1,251	5,596	(4,345)	5,411	1,138	(4,273)	
91	Total Mayor and Town Council	51,026	55,371	(4,345)	47,659	46,388	(1,271)	
92								
93	Administration Services	407.500	407 500	0	00.050	442.200	04.540	
94 95	Town Manager Wages Town Clerk Wages	127,530 95,047	127,530 95,047	0	88,850 85,043	113,360 86,214	24,510 1,171	
96	Office Clerk Wages	58,333	58,333	0	43,268	52,500	9,232	
97	Cell Phone Administration	2,250	2,250	0	1,633	2,025	392	
98	Keystone Housing Administration	15,000	15,000	0	11,000	13,500	2,500	
100		298,160	298,160	0	229,793	267,599	37,806	
101	Postage	2,607	2,607	0	11	2,349	2,338	
102	Printing	7,300	7,300	0	734	6,570	5,836	
103	Community Engagement	8,502	8,502	0	0	4,500	4,500	
104 105	Local Travel Elections	2,607 12,000	2,607 12,000	0	102	2,370 12,000	2,268 12,000	
106	Town Attorney Contract	90,688	152,344	(61,656)	136,914	84,000	(52,914)	
107	Smoking Cessation (fr Nicotine Tax)	59,628	59,628	0	0	53,000	53,000	
109	Payroll Contract (Paylocity)	4,950	4,950	0	4,177	4,500	323	
110	Accounting Contract (M&W)	63,494	63,494	0	49,052	50,000	948	
111	Annual Audit Contract Short Torm Pontal Contract Support	0 116 761	0 116 761	0	96.250	116 761	0 30 511	
112 113	Short Term Rental Contract Support Miscellaous Adminstrative Expense	116,761 0	116,761 10	0 (10)	86,250 10	116,761 0	30,511 (10)	
114	·						(10)	
115	Total Administrative Services	666,697	728,363	(61,665)	507,044	603,649	96,605	
116	Community Davalanment							
117 118	Community Development Comm Dev Director Wages	124,431	124,431	0	106,146	112,431	6,285	
119	Planner2 Wages	60,489	60,489	0	21,678	52,927	31,249	
120	Cell Phone Comm Dev	1,350	1,350	0	776	1,200	424	
121 122	Keystone Housing Incentive Comm I	9,500	9,500	0	5,500	8,500	3,000	
123		195,770	195,770	0	134,100	175,058	40,958	
124	Building Permit/Inspections	162,562	162,562	0	483	142,240	141,758	
125	GIS	9,069	9,069	0	0	8,163	8,163	
126	Professional Services (Contracted)	11,336	11,336	0	0	10,206	10,206	
127	Planning Supplies/Printing Local Travel	5,668 2,834	5,668 2,834	0	710 0	5,073 2,580	4,362 2,580	
128 129	Communications	2,034 2,721	2,034 2,721	0	365	2,560 2,417	2,580 2,052	
130	Miscellaneous Comm Dev Expense	0	0	0	0	0	0	
131 132		380 060		0			210,079	
132	Total Community Develop	389,960	389,960	U	135,658	345,737	∠10,079	

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	Town of Keystone					Printed:	1/8/25
	Statement of Revenues, Expenses and				Preliminary		
	Actual, Budget and Forecast for the Per Modified Accrual Basis		a 2024 ANNUAL		2024 Ero	m Incontion (2/9/2024\
5 6	Modified Accrual Basis		2024 ANNUAL		10 Months	m Inception (10 Months	21012024)
7		Approved		Variance	Ended	Ended	Variance
8		2024	2024	Favorable	11/30/24	11/30/24	Favorable
9		Budget	Forecast	(Unfavor)	Actual	Budget	(Unfavor)
133		Buagot	1 0100000	<u>tomator,</u>	7 totaa.	<u> Daugot</u>	(Ginaroi)
134	Public Works						
135	Public Works Director Wages	45,344	45,344	0	21,230	37,787	16,556
136	Cell Phone Public Works	450	450	0	150	375	225
137	Keystone Housing Public Works	3,000	3,000	0	1,250	2,500	1,250
138 139		48,794	48,794	0	22,630	40,662	18,031
140	Communications	2,721	2,721	0	0	2,496	2,496
141	Engineer Consultant	5,668	5,668	0	0	4,725	4,725
142	Planning and Printing Supplies	2,834	2,834	0	0	2,267	2,267
143	Road Maint/Snow Plowing Contracts	3			-		
144	Loveland Pass Village	0	0	0	0	0	0
145	Keystone Roads- Currently County N	0	0	0	0	0	0
146	Roads not County Maintained	0	66	(66)	3,466	0	(3,466)
147	Asphalt Crack Seal Noxious Weed Control	0	6,400	(6,400)	6,400 0	0 0	(6,400)
148 149	Other Maintenance	0	0 302	0 (302)	2,802	0	0 (2,802)
150	Total Road Maintenance/Snow Plowin	0	6,768	(6,768)	12,668	0	(12,668)
151	. Stat. 1 Car. Maintenance/Orlow 1 Towns	•	0,100	(3,700)	12,000	J	(12,000)
152	Signage	0	0	0	224	0	(224)
153	Engineering Services	0	3,427	(3,427)	3,427	0	(3,427)
154 155	Miscellaneous Public Works Expense	0	130	(130)	130	0	(130)
156	Total Public Works Expenses	60,017	70,342	(10,325)	39,079	50,149	11,070
157			·	,		•	·
158	Public Safety						
169	Miscellaneous Public Safety Exp	0	85,708	(85,708)	55,556	0	(55,556)
170 171	Total Public Safety Expenses	0	85,708	(85,708)	65,431	0	(65,431)
172	Total Tubilo Guicty Expenses		00,700	(00,700)	00,401		(00,401)
173	Municipal Court						
174	Judge	0	0	0	0	0	0
175	Prosecutor	0		0	0	0	0
176 178	Miscellaneous Exp Municipal Cout	0		0	0	0	0
179	Total Court Expenses	0	0	0	0	0	0
180	·						
181	Total Operating Expenditures	1,536,455	1,668,055	(131,600)	1,046,204	1,381,676	335,471
182	Total Davison (france sheet)	0.500.507	0.540.000	/50.010	0.045.040	0.007.000	(00.050)
	Total Revenue (from above)	3,599,507	3,546,688	(52,819)	2,915,349	2,937,608	(22,259)
184 185	Operating Surplus (Deficit)	2,063,053	1,878,633	(184,419)	1,869,145	1,555,932	313,213
187	Operating outplus (Denoit)	2,000,000	1,070,000	(104,418)	1,000,140	1,000,002	010,210
	Other Sources (Uses)						
189	Transfer to Capital Improvement	(900,000)	(886,800)	13,200	(237,734)	(823,900)	586,166
190	Transfer fr Workforce Housing	0	0	0	0	0	0
191	Transfer fr Conservation Trust	0	0	0	0	0	0
192	Summit County Adv - Sales Tax	0	1,400,000	1,400,000	1,400,000	1,400,000	0
193 194	v - i Summit County Adv - Repayment	0	(1,400,000)	(1,400,000)	(1,400,000)	(1,400,000)	0
-	Total Other Sources (Uses)	(900,000)	(886,800)	13,200	(237,734)	(823,900)	586,166
196		(555,555)	(000,000)	10,200	(201,104)	(020,000)	000,100
	Beginning Fund Balance - General	0	0	0	0	0	0
198							
-	Ending Fund Balance - General	1,163,053	991,833	(171,219)	1,631,411	732,032	899,379
200	Components of General Fund Bal	=	=	=	=	=	=
201	TABOR Restricted Funds	46,094	50,042		31,386	41,450	
202	Unrestricted Funds	1,116,959	941,792		1,600,024	690,582	
203		1,110,939	991,833		1,631,411	732,032	
205	-	.,,	,		.,,,,,,		

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<u>_</u>	E F Town of Keystone	Н	I	J	K	Printed:	M 1/8/25
3	Statement of Revenues, Expenses and	Changes in F	und Balance		Preliminary		1/0/25
4	Actual, Budget and Forecast for the Pe				o		
5	Modified Accrual Basis		2024 ANNUAL		2024 Fro	m Inception (2/8/2024)
6					10 Months	10 Months	
7		Approved		Variance	Ended	Ended	Variance
8		2024	2024	Favorable	11/30/24	11/30/24	Favorable
9	DECEDIATED FUNDS	<u>Budget</u>	<u>Forecast</u>	(Unfavor)	<u>Actual</u>	<u>Budget</u>	(Unfavor)
\vdash	RESTRICTED FUNDS						
207	CAPITAL IMPROVEMENTS Revenue and Other Financing Source						
208	Contribution from General Fund	900,000	886,800	13,200	237,734	823,900	(586,166)
210	Contribution from Concrair and						<u> </u>
211 212	Total Revenues	900,000	886,800	13,200	237,734	823,900	(586,166)
213	Capital and Non-Routine Projects						
214	Repayment for Incorporation Costs	180,000	180,000	0	148,013	228,750	80,737
215	Summit County fee for Cash advance	5,000	5,000	0	5,000	5,000	0
216	Office Set Up-Furniture, Supplies and	41,500	41,500	0	0	26,500	26,500
217	Facility Modifications	50,000	50,000	0	0	50,000	50,000
218 219	Staff Hiring Expense Start Up Consultant Support (Clerk/Co	5,000 32,500	5,000 32,500	0	544 0	5,000 32,500	4,456 32,500
220	IT-Infrastructure/Software/Computers/	109,900	109,900	0	16,288	119,900	103,612
221	Website	15,000	15,000	0	0	15,000	15,000
222	Town Signage	30,000	30,000	0	0	30,000	30,000
223	Interim Town Manager (\$150/hr, 10 we	60,000	67,900	(7,900)	67,890	60,000	(7,890)
224	Engineering Assessment Town Mainta	40,000	40,000	0	0	40,000	40,000
225	Flood Plain Plan	20,000	20,000	0	0	0	0
226 227	Trails and Open Space Master Plan Comprehensive Use Plan	30,000	30,000	0	0	0	0
228	2 Police Vehicles and equipment	260,000	260,000	0	0	260,000	260,000
229		878,900	886,800	(7,900)	237,734	872,650	634,916
230	Total Capital and Non-Routine Exp	676,900	000,000	(7,900)	231,134	672,030	034,910
	Surplus after other sources / uses	21,100	0	21,100	0	(48,750)	48,750
233	•	•		•			
	FUND BALANCE - Beginning Capital	0	0	0	0	0	0
_	FUND BALANCE - Ending Capital	21,100	0	21,100	= 0	(48,750)	48,750
236	Workforce Housing Fund	=	=	=	=	=	=
238	Revenue and Other Financing Source	es					
239	Revenue 5A (17.2%)	788,210	162,997	(625,213)	97,015	0	97,015
240	Revenue 6B (82.8%)		784,659	784,659	467,026	0	467,026
241	Interest Income		868	868	1,648	0	1,648
242 243	Total Revenues	788,210	948,524	160,314	565,690	0	565,690
244	Expenditures						
245	Housing Authority Fees	52,064	120,000	(67,936)	125,000	0	(125,000)
246 247	Transfer to General Fund	0	0	0	0	0	0
248	Total Expenditures	52,064	120,000	(67,936)	125,000	0	(125,000)
249	·			,			
	Surplus after other sources (uses)	736,146	828,524	92,378	440,690	0	440,690
251 252	Fund bal - Beginning Housing Fund	0	0	0	0	0	0
	Fund bal - Ending Housing Fund	736,146	828,524	92,378	440,690	0	440,690
254		=	=	=	=	=	=
	Conservation Trust Fund				1		
256	Revenue and Other Financing Source		_	//	_	=	<u>.</u>
257	Conservation Trust Revenue Interest Income	12,920	0	(12,920)	0	0	0
258 259	Total Revenues	12,920	0	(12,920)	0	0	0
260		12,320	<u> </u>	(12,320)	<u> </u>		
261	Expenditures	=	_		_	=	<u>.</u>
262	Conservation Trust Expenses	0	0	0	0	0	0
263 264	Transfer to General Fund	0	0	0	0	0	0
265	Total Expenditures	0	0	0	0	0	0
266		10.000	^	(10.000)	^		
267	Surplus after other sources / uses	12,920	0	(12,920)	0	0	0
268			_	•	_	0	0
268 269	Fund bal - Begin Cons Trust Fnd	0	0	0	0	0	0
269	Fund bal - Begin Cons Trust Fnd Fund bal - Ending Cons Trust Fnd	0 12,920	0	(12,920)	0	0	0

TOWN OF KEYSTONE, COLORADO STAFF REPORT

TO: Mayor & Town Councilmembers

THROUGH: John Crone, Town Manager

FROM: Jennifer Madsen, Town Attorney

DATE: January 14, 2025 – Work Session

SUBJECT: Discussion of draft Intergovernmental Agreement with the

Town of Dillon for a Joint Law Enforcement Agency

Executive Summary:

This staff report provides a detailed summary of the draft Intergovernmental Agreement (IGA) between the Town of Keystone and the Town of Dillon to establish a joint law enforcement agency. This initiative aims to enhance public safety through shared resources and improved operational efficiency. Keystone's incorporation necessitates establishing law enforcement services in the Town, which this agreement addresses by creating the Dillon-Keystone Police Department ("Police Department").

Background:

During the budget discussions for fiscal year 2025, Town Council provided direction to negotiate an agreement with the Town of Dillon for a joint law enforcement agency. The Town Manager and the Town Attorney worked with the Dillon Police Chief, the Dillon Town Manager, and the Dillon Town Attorney to draft the Intergovernmental Agreement Between the Town of Dillon and the Town of Keystone for a Single Law Enforcement Agency ("Police IGA"). This draft Police IGA has also been reviewed by CIRSA's general counsel for consistency with the Town's participation in CIRSA (the public entity self-insurance pool).

If Council provides direction in the work session to approve the agreement, the next

step is for the Police IGA to be placed on a future regular meeting agenda for approval. To meet the IGA start deadline in the draft of February 1, the recommendation is that Council approves the Police IGA at the next regular meeting on January 28. As an aside, the IGA with Summit County Sheriff's Office terminates on May 9, 2025. This agreement may be terminated in advance with 30 days' written notice of termination. The plan is for the Town Manager to work with the Dillon Police Chief on a reasonable transition of law enforcement services between the Summit County Sheriff's Office and the joint police department.

Overview of the Police IGA:

1. Purpose and Authority: The IGA is executed under Colorado Revised Statutes § 29-1-203, which permits intergovernmental cooperation. It establishes a unified law enforcement agency to provide services within the boundaries of both municipalities.

2. Term and Renewal:

- Effective from February 1, 2025, to December 31, 2027.
- Automatically renews for one additional three-year term unless terminated by either party with written notice by July 1, 2027.
- Termination requires a six-month notice, with prorated cost-sharing during the notice period.

3. Agency Operations and Management

- Dillon will serve as the managing agency and employer for all personnel, with the
 Chief of Police reporting to the Dillon Town Manager and consulting with the
 Keystone Town Manager. The Keystone Town Manager has a role in the
 retention, removal, selection, and appointment of the Police Chief. In addition,
 Town Council retains the authority to ratify these decisions in accordance with
 Section 7.5 of the Home Rule Charter.
- The Police Department will provide 24/7 law enforcement services, ensuring operational readiness in Keystone by June 1, 2025.
- With the approval of Town Council, Keystone may offer additional employee

benefits (e.g., housing and recreation).

4. Budget and Cost-Sharing

- Keystone's 2025 contribution is \$1,016,414, payable in equal monthly installments. This amount is consistent with the Town of Keystone's 2025 law enforcement budget.
- Keystone's budget share for future years is capped at 33% unless otherwise agreed.
- Annual reconciliation of costs ensures proportional financial responsibility.

5. Capital and Equipment

- Police vehicles and equipment are owned, maintained, and replaced by Dillon,
 with costs shared according to the budget apportionment.
- Upon termination of the IGA, assets will be divided proportionally.

6. Municipal Court

- The Parties will create a combined municipal court to address local offenses. The Parties will work on an amendment to the IGA between Silverthorne, Dillon and Keystone for the operation of a municipal court.
- Keystone ordinances will remain enforceable and distinct.

7. Liability and Insurance

- Both municipalities retain coverage under the Governmental Immunity Act.
- Dillon assumes primary legal responsibility for claims arising from Police
 Department activities, while Keystone indemnifies Dillon for claims originating from Keystone ordinances or regulations.

There are significant benefits to Keystone in an agreement for a combined Police
Department. An agreement for combined law enforcement services represents a
sharing of resources with Dillon and reduces administrative and operational costs
compared to independently establishing a Keystone police department. Keystone will

receive enhanced law enforcement services under this Police IGA. Keystone will receive the benefit of an established law enforcement infrastructure and immediate and comprehensive public safety coverage. This Police IGA also gives Keystone local oversight on the law enforcement operations. Keystone retains input on policies, budgeting, and personnel decisions, ensuring alignment with local priorities. The Police IGA will require active communication and coordination between Keystone and Dillon to make sure that Keystone's needs are addressed.

Recommendation for Adoption:

Staff recommends approving the IGA with the Town of Dillon, as it offers a strategic and cost-effective approach to ensuring public safety for Keystone's residents and visitors.

Attachment:

Draft Combined Law Enforcement Agreement

INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF DILLON AND THE TOWN OF KEYSTONE FOR A SINGLE LAW ENFORCEMENT AGENCY

THIS AGREEMENT made and entered into by and between the TOWN OF KEYSTONE (hereinafter referred to as "Keystone") and the TOWN OF DILLON (hereinafter referred to as "Dillon") (each a "Party" and collectively the "Municipalities" or "Parties").

WHEREAS, the Town of Dillon operates an effective police department; and

WHEREAS, in February 2024, the Town of Keystone was incorporated; and

WHEREAS, the Municipalities have determined that an agreement allowing for the creation of a joint Dillon & Keystone Police Department, consisting of personnel employed by, and organized as a department within, the Town of Dillon organization, is in the best interests of both Municipalities; and

WHEREAS, cooperation among adjoining and adjacent municipalities is a proper exercise of municipal governmental powers and duties under and pursuant to C.R.S. § 29-1-203 and delivers essential services to the public in the most cost-effective manner possible.

NOW, THEREFORE, in consideration of their mutual rights and obligations as set forth below, Keystone and Dillon agree as follows:

1. AUTHORITY FOR AGREEMENT. This Intergovernmental Agreement ("Agreement") is being entered into by the Municipalities pursuant to the authority granted to municipalities in C.R.S. § 29-1-203, which allows governments to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each of the cooperating or contracting units.

2. TERM OF AGREEMENT, WITHDRAWAL OR DISSOLUTION.

- 2.1 This Agreement shall be effective for a term commencing on February 1, 2025, at 12:00 A.M., until December 31, 2027 at 11:59 P.M., and, subject to the provisions of this Agreement, and shall automatically renew for one (1) additional three-year term beginning January 1, 2028, at 12:00 A.M., unless: (1) either Party notifies the other, in writing, on or before July 1, 2027 of its decision not to renew the Agreement for the additional three-year term; or (2) this Agreement is terminated by either Party as permitted herein; or (3) either Party fails to appropriate funds for its share of expenses as provided below.
- 2.2 Termination. This Agreement may be terminated by any Party for any reason as provided in this paragraph. Such termination shall be effective after the terminating Party provides six (6) months written notice of termination (the "Notice Period") to the other Party. If the

Agreement is terminated for any reason during a fiscal year, the Town of Keystone shall only be responsible for the payment of the prorated sixth (6) months of costs based on the annualized budget amounts for the Notice Period. All terms, rights, and obligations of all Parties under this Agreement shall remain in effect during the Notice Period.

2.3 The Municipalities acknowledge that their obligations under this Agreement are subject to annual appropriation by the governing body of each Party and shall not constitute or give rise to a general obligation or other indebtedness of either Party within the meaning of any constitutional or statutory provision or limitation of the State of Colorado nor a mandatory charge or requirement against either Party in any ensuing fiscal year beyond the fiscal year in which this Agreement has been executed. If the governing body of either Party fails to budget and appropriate funds for its share of expenses, in accordance with Section 3 herein, then this Agreement shall terminate as of the end of the fiscal year for which such funds were last budgeted and appropriated.

3. SINGLE LAW ENFORCEMENT AGENCY; OPERATIONS; BUDGET.

- 3.1 By this Agreement, the Municipalities establish a joint law enforcement agency to provide law enforcement services to each of the Municipalities. The agency herein created shall be known as the Dillon Keystone Police Department (the "Police Department"). The Parties acknowledge that an initial ramp-up period will be necessary to ensure operational readiness, with the plan of providing full law enforcement services to the Town of Keystone by June 1, 2025.
- 3.2 All mutual municipal boundaries of the Municipalities shall be considered as non-existent for the purposes of law enforcement services. The single service area of Dillon and Keystone, which is the boundaries and total geographic area of Keystone and the boundaries and total geographic area of Dillon, is established. Notwithstanding the foregoing, each Party shall be responsible for the adoption of its own Town ordinances and regulations which establish the local laws that are applicable and enforced within each of the Towns' municipal boundaries.
- 3.3 Dillon shall serve as the managing agency for the Police Department and the employer for the Police Department except as set forth in paragraph 3.4 related to the Chief of Police of the Police Department. Dillon shall be responsible for paying all Police Department bills and shall provide Keystone with yearly accountings. Furthermore, Dillon shall be responsible for managing all employment matters, including payroll and employee benefits, and other related matters. The personnel employed under the terms of this Agreement shall always be considered Dillon employees and not employees of, or under the direction of Keystone, and they shall not be entitled to employment benefits, pension, civil service, unemployment compensation, workers' compensation, or other status or right relating to Keystone employees, except that, Keystone, with the approval of its Town Council, may offer additional employment benefits, not limited to housing, recreation, and any other future opportunities, to Police Department staff. Dillon shall provide for all comprehensive law enforcement services.

- 3.4 The Police Chief shall report directly to the Dillon Town Manager and shall be responsive to the input of the Keystone Town Manager for matters directly related to the Town of Keystone and the Police Department. The Dillon Town Council retains the authority set forth in Section 7.5 of the Dillon Town Charter.
- 3.4.1 Keystone Town Manager shall have a role in the retention, removal, selection, and appointment of the Police Chief. The Keystone Town Manager shall fully participate in the hiring process for a Police Chief and the selection of a new Police Chief shall require the Keystone Town Manager's consent of the candidate. Decisions to appoint and to remove the Police Chief must be ratified by resolution of the Keystone Town Council in accordance with Section 7.5 of the Town of Keystone Home Rule Charter. The Keystone Town Manager may request the termination of the Police Chief. The Dillon Town Manager will review the request and the Managers will engage in good faith discussion related to the termination. The termination of the Police Chief shall require a mutual agreement between the Parties. If mutual agreement cannot be reached within five (5) business days, either party may escalate the matter to a third-party mediator.
- 3.4.2 The Police Chief shall consider information and input from the Dillon and Keystone Town Managers related to complaints that are determined to be "sustained complaints" pursuant to established Police Department policies and procedures. The Chief will follow the established Police Department policies and procedures, investigate each complaint per such policies and procedures and review sustained complaints with Managers as appropriate.
- 3.4.3 The Police Chief, or the Police Chief's designee, will provide reports to Keystone of law enforcement activities in Keystone monthly or within a reasonable period as requested by the Keystone Town Manager. These reports may include written and/or oral reports to the Keystone Town Council at its work sessions or regular meetings, or upon request.
 - 3.5 All Police Officers shall be sworn to serve and protect both Municipalities.
- 3.6 Any complaints of violation of law or policy by the Police Department related to services provided in Keystone will be made in writing to the Dillon Town Manager, or Chief, by Keystone or other complaining person. The Police Department will acknowledge any complaint and follow established Police Department policy to process complaints. Any sustained complaints will be presented to the Managers. The Parties will share in the cost of any personnel-related investigations completed by a third party.
- 3.7 All non-sworn Police Employees shall provide administrative law enforcement services to both Municipalities, including, but not limited to code enforcement and the processing and maintenance of law enforcement records in accordance with the Colorado Criminal Justice Records Act.
- 3.8 All sworn officers, including the Chief, shall be commissioned police officers of each Party, with all powers and authority granted by law and by the ordinances of each Party to

the Chief of Police and police officers thereof. The Police Chief and the police officers providing law enforcement services in the Municipalities shall enforce the municipal ordinances of the municipality in which the services are provided, as well as applicable state statutes. The Police Department shall provide law enforcement services in conformity with federal, state, local law, and the established Police Department policies. The Police Department shall provide law enforcement services 24 hours a day, 7 days a week.

- 3.9 The law enforcement services performed, and the expenses incurred under this Agreement shall be deemed for public and governmental purposes, with any immunities thereunto appertaining.
- 3.10 The police headquarters for the Police Department shall be located at 275 Lake Dillon Drive, Dillon, Colorado. It is acknowledged that the Police Department may be required to move to a new location. Capital costs to acquire a site and construct or lease a new facility will be apportioned between Keystone and Dillon in accordance with a separately negotiated IGA.
- 3.11 All personnel files and financial records relating to the operation of the Police Department shall be maintained in a secure manner, or digitally secured, with authorized access.
- 3.12 All police records shall be maintained in a secure manner at the Dillon Town Hall, Summit County Communications Center, or digitally secured. Keystone shall have access to all police records for law enforcement activities performed in Keystone, upon request of the Keystone Town Manager. The Parties agree to follow the established Police Department policy and Colorado law when responding to criminal justice records requests. The records custodian for the Department is the "keeper" of all criminal justice records. Any criminal justice records requests received by the Town of Keystone shall be forwarded as soon as practicable to the Police Department to respond accordingly. Upon termination of this Agreement, the records may be be delivered in legal form to Keystone, upon request.
- 3.13 Dillon shall prepare an annual proposed Police Department budget for consideration and approval by each Municipality's governing bodies not later than August 1 of the year prior to the year for which the budget is prepared and submitted. The Department budget shall include all anticipated costs and expenses of the Police Department, and associated expenses.
- 3.14 Responsibility to pay for the Police Department budget shall be apportioned between the Municipalities as follows:

In fiscal year 2025, the Town of Keystone shall be responsible for one million sixteen thousand four hundred fourteen dollars and no cents (\$1,016,414.00) and to be paid to the Town of Dillon in equal monthly installments. The Town of Dillon shall be responsible for the remainder of the Police department budget.

On or before August 1, 2025, and each August 1 thereafter, a Police Department budget and annual percentage apportionment shall be communicated to the Municipalities in writing by the Department. The Parties agree that Keystone's percentage apportionment of the operational and capital law enforcement budgets shall not exceed 33%, unless both Parties agree to a higher apportionment for the 2026 and 2027 budget years. The Parties further agree to convene no later than July 1, 2027, to review and address the apportionment percentage for the contract renewal.

- 3.15 The costs of capital equipment, including without limitation, police vehicles acquired while this Agreement is in effect, as further described below, shall be shared in accordance with the annual apportionment. Upon any termination or expiration of this Agreement, assets purchased pursuant to this Agreement shall be divided between the Parties in accordance with the same annual apportionments unless otherwise agreed. Police vehicles shall be purchased and titled as provided below.
- 3.16 Police vehicles. Dillon shall purchase, own, and register all police vehicles. The Police Department shall decide on a schedule for replacing vehicles during the annual budget process. It is anticipated that a fleet of vehicles will be needed and that each vehicle may need to be replaced after reaching the end of its useful life. Vehicles being rotated out of the Department will be disposed of in a manner to maximize the value of the vehicle as determined by the Department. Decommissioned vehicles may be sold at auction or used as a "trade-in" toward the purchase of the new vehicle. Each replacement vehicle shall be titled to the Town of Dillon. Keystone shall reimburse Dillon for approved purchases of vehicles, through yearly budgets and this Agreement. The Police Department shall retain records concerning the fleet replacement schedules.
- 3.17 Reconciliation. Each year, no later than March 1st, Dillon shall prepare an accounting of the total Police Department expenditures for the previous year and shall reimburse Keystone for any overpayment in the previous year's payment. The overpayment is calculated by the Police Department expenditures and is reconciled against Keystone's percentage apportionment. For example, by March 1, 2026, Dillon shall prepare an accounting of the total Police Department expenditures for 2025. The total expenditures shall be multiplied by Keystone's percentage apportionment to determine overpayment. Alternatively, Keystone may elect to apply any overpayment towards the current year's budget payments. Should expenditures for the previous year exceed the original budgeted amounts, the cost exceeding the budget will be apportioned to Dillon and Keystone in accordance with the annual apportionment of the Police Department budget then in effect.
- 3.18 Any expenditures beyond the total approved in the annual Police Department budget shall be required to be approved by the Managers (and, if necessary, governing bodies) of each Party or such expenditures shall not be authorized, and apportionment of such expenses shall not apply. However, either Party may unilaterally make a Police Department expenditure if reimbursement from the other Party is not expected and identified in apportioned funds.

4. MUNICIPAL COURT.

- 4.1 The Municipalities will each participate in a combined municipal court. The Parties agree to develop an intergovernmental agreement for the operation of the combined municipal court.
- 4.2. Municipal Offenses: Officers of the Police Department shall write citations and summonses for violations of the Keystone Town Code, including its model traffic code, on forms provided by the Police Department for this purpose. Such forms will refer to the designated Municipal Court, and the court address and appearance time shall reflect the fact that the offenses will be heard at the designated Municipal Court.

5. INSURANCE, LIABILITY, INDEMNIFICATION.

- 5.1 The Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended, provides protection to the Municipalities, the Police Department, the identified Municipal Court, and the officials, agents, employees, and attorneys of the same.
- 5.2 Each of Dillon and Keystone shall procure and maintain the following insurance coverage at their own expense. Dillon and Keystone agree that their respective participation in a public entity self-insurance pool providing coverages of the types and with minimum limits listed below, shall satisfy this requirement.
 - 5.2.1. Commercial General Liability insurance with minimum combined single limit of \$10,000,000 (ten million dollars) each claim/occurrence and \$10,000,000 (ten million dollars) aggregate, covering the operations by or on behalf of the Party against claims for bodily injury, including death, personal injury, and property damage liability. The policy shall include products and completed operations liability, and blanket contractual liability. Dillon's policies shall include law enforcement liability coverage.
 - 5.2.2. Commercial Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than \$1,500,000 (one million five hundred thousand dollars) each claim/occurrence for vehicles owned by each respective Party. Dillon shall insure vehicles owned by Dillon, to include auto liability and auto physical damage insurance for Police Department vehicles; Keystone shall insure vehicles owned by Keystone.
 - 5.2.3. Public Officials' Liability insurance to cover claims arising out of the discharge of public duties with minimum limits of \$2,000,000 per claim/occurrence and aggregate.
 - 5.2.4. Dillon shall make provisions for workers' compensation insurance, social security employment insurance and unemployment compensation for its

employees performing services under this Agreement as required by any law of the State of Colorado or the federal government and shall upon written request exhibit evidence of the same to Keystone. Each of Dillon and Keystone is responsible for the required and necessary workers' compensation coverage on their respective employees.

- 5.3 Claims Made Policies. Dillon's and Keystone's required coverages for Commercial General Liability, Commercial Automobile Liability or Public Officials' Liability Insurance are provided on a "Claims Made" policy, and each Party shall maintain "tail" (extended reporting period) coverage for such coverages for a two-year period following the termination or expiration of this Agreement, subject to availability under the terms and conditions of existing policies. All "Claims Made" policies shall include a retroactive date of February 1, 2025, or earlier as each Party in its discretion shall determine with respect to its coverages, subject to availability under and terms and conditions of existing policies.
- 5.4. Additional Insureds. All policies referenced in this Section shall be primary insurance with respect to the actions of the insured Party. Each Party is solely responsible for any deductible losses under its own policy(ies) required of or carried by it. Except for Workers' Compensation, each Party's policies shall include the other Party as an additional insured for damage or injury arising out of the premises or operations of the Party that is the named insured under the Policy. The named insured's policy shall provide primary insurance for the additionally insured Party to the extent and in the manner provided in the applicable policy.
- 5.5. Certificates. Each Party shall provide the other with Certificates of Insurance for the coverages required under this Section prior to the beginning of the term of this Agreement, and with notice of any cancellation or expiration of a required coverage at least thirty (30) days prior to any such cancellation or expiration of coverage.
- 5.6. Dillon Indemnity. To the extent authorized by law and without waiving the provisions of the Colorado Governmental Immunity Act, §§ 24-10-101, et seq., C.R.S. ("CGIA"), Dillon shall defend, indemnify and save harmless Keystone, its officers, employees and agents from any and all costs, including, but not limited to, attorneys fees, investigation fees or other costs of defense, claims, judgments, or awards of damages, whether in settlement of any claim or by order of any court, alleged to be or resulting from the acts or omissions of Dillon, its officers, employees, or agents associated with this Agreement, including but not limited to claims arising from or in any way related to the provision of Services hereunder (to include without limitation claims under the Americans with Disabilities Act), regardless of the standard of negligence or conduct alleged to have occurred, claims for failure to train, discipline or supervise or for ratification of the same or for improper hiring or retention or otherwise related to employment matters, contract matters, or arising in connection with this Agreement, including but not limited to the provision of Services hereunder.
 - 5.6.1. Except as provided in Section 5.7, whenever any third party (a) files a written notice of claim against Dillon or Keystone (as required under C.R.S. §24-10-109, and as may

be amended from time to time) for damages related to the services provided under this Agreement, (b) serves Dillon or Keystone with a summons and complaint related to the services provided under this Agreement, or (c) otherwise makes any claim for damages against the Dillon or Keystone related to the services provided under this Agreement (such claim, notice of claim or service of a complaint shall be referred to jointly in this paragraph as a "Claim"), such Claim shall be received by and acted upon by Dillon's risk management and Legal Department. Dillon shall remain responsible for receiving and acting upon such claims even though it may assert a protection under the CGIA or other law. Keystone shall promptly forward all such Claims it may receive to the Dillon Attorney.

- 5.6.2. Except as provided in Section 5.7, in the event that Keystone, its employees, or elected officials are named in any claim, Dillon shall be the responsible party for defense or indemnification under this Agreement.
- 5.7. Keystone Indemnity. To the extent authorized by law, and without waiving the provisions of the CGIA, Keystone shall defend, indemnify and save harmless Dillon, its officers, employees and agents from any and all costs, claims, judgments or awards of damages, alleged to be or resulting from the acts or omissions of Keystone, its officers, employees or agents (other than Dillon employees including the Police Chief) associated with this Agreement. Any such claims by third parties based on the acts or omissions of Keystone, its officers, employees, or agents (other than Dillon employees including the Police Chief) shall be received and acted upon by Keystone management. Dillon shall promptly forward all such claims it may receive to the Keystone Attorney.
 - 5.7.1. In executing this Agreement, Dillon does not assume liability or responsibility for or in any way release Keystone from any liability or responsibility which arises in whole or in part from the existence or effect of Keystone ordinances, policies, rules or regulations. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such Keystone ordinance, policy, rule or regulation is at issue, Keystone shall defend the same at its sole expense and, if judgment is entered or damages are awarded against Keystone, Dillon, or both, Keystone shall satisfy the same, including all chargeable costs and reasonable attorney's fees.
- 5.8. The Dillon Attorney shall be primarily responsible for providing legal services and day-to-day legal support to the Police Department. In addition, Dillon shall advise on all Dillon ordinances, regulations, and policies. The Keystone Attorney shall be available to the Police Department to advise on Keystone ordinances, regulations, and policies. Additionally, the Keystone Attorney is available to provide advice related to enforcement actions, such as liquor and tobacco actions, in Keystone.

6. GENERAL PROVISIONS.

- 6.1 Amendments. This Agreement may be amended, modified, or changed in whole or in part only by a written agreement duly authorized and executed by both Municipalities in the same manner as this Agreement.
- 6.2 Entire agreement. This Agreement constitutes the entire Agreement and understanding between the Municipalities on the subjects contained herein, replacing all prior agreements on these subjects.
- 6.3 Confidential information. Subject to applicable law, each Party agrees to receive and hold any confidential information pertaining performance of and services under this Agreement ("Confidential Information") in strict confidence. Each Party also agrees: (i) to protect and safeguard the Confidential Information against unauthorized use, publication or disclosure; (ii) not to reveal, report, publish, disclose, transfer, copy or otherwise use any Confidential Information of the other Party except as specifically authorized by the other Party; (iii) not to use any Confidential Information for any purpose other than for performance under this Agreement; (iv) to restrict access to Confidential Information to those of its employees, agents, and contractors who have a need to know, who have been advised of the confidential nature thereof, and who are under express obligations of confidentiality or under obligations of confidentiality imposed by law or rule; and (v) to exercise at least the same standard of care and security to protect the Confidential Information received by it as it protects its own confidential information. If a Party is requested or required by law or in a judicial, administrative, or governmental proceeding to disclose any Confidential Information, it will notify the other Party as promptly as practicable so that such Party may seek a protective order or waiver for that instance.

Confidential Information shall not include information which: (i) is or becomes public knowledge through no fault of either Party; (ii) was in a Party's possession before receipt from the other Party; (iii) is rightfully received by a Party from a third party without any duty of confidentiality; (iv) is independently developed by a Party without use or reference to the other Party's Confidential Information; (v) is disclosed with the prior written consent of the Parties; or (vi) is required to be disclosed pursuant to the Colorado Open Records Act (CORA), Colorado Criminal Justice Records Act (CCJRA), or other applicable law.

Each Party shall return or destroy the Confidential Information upon written request by the other Party; provided, however, that each Party may retain one copy of the Confidential Information in order to comply with applicable law. Parties understand and agree that it may not always be possible to completely remove or delete all Confidential Information from databases without some residual data.

6.4 No third-party beneficiaries. The enforcement of the terms and conditions of this Agreement and all rights of action related to such enforcement shall be strictly reserved to the Parties, and nothing contained in this Agreement shall give or allow any claim or right of action whatsoever by any other or third person. It is the express intent of the parties to this Agreement

that any person receiving services or benefits under this Agreement shall be deemed an incidental beneficiary only.

6.5 Notice. Except as otherwise provided herein, all notices permitted or required under this Agreement shall be in writing, and shall be deemed properly given when placed in the United States mail's first-class postage prepaid, or personally delivered to the other Party, addressed to them at the addresses appearing on the signature page hereof. Each Party, by written notice to the other, may specify any other addresses for the receipt of such notices.

Notice to Dillon shall be addressed to:

Dillon Town Manager 275 Lake Dillon Dr. P.O. Box 8 Dillon, CO 80435

Notice to Keystone shall be addressed to:

Keystone Town Manager 1628 Saints John Rd. Keystone, CO 80435

- 6.6 Severability. Should any of the provisions of this Agreement be held to be invalid or unenforceable, then the balance of this Agreement shall be held to be in full force and effect as though the invalid portion was not included; provided, however, that should the invalidity or unenforceability go to the essence of the Agreement or be of a substantial nature, then the Party who would receive the benefit of the provision, were it not invalid or unenforceable, shall have the option to terminate this Agreement, forthwith.
- 6.7 Survival upon termination. Any obligations which are required to be fulfilled even after termination of the Agreement, to include without limitation those obligations on the Parties set forth in paragraphs 3.12 and 6.3 and Section 5, shall survive any termination or expiration of this Agreement.
- 6.8 Waiver. No waiver by Dillon or Keystone of any term or condition or breach of this Agreement shall be deemed or construed to constitute a waiver of any other term or condition or of any subsequent breach, whether of the same or a different provision of this Agreement.
- 6.9. Captions. The captions of the sections and paragraphs are set forth only for the convenience and reference of the Parties and are not intended in any way to define, limit or describe the scope or intent of this Agreement.

- 6.10 Governing law. This Agreement shall be governed by, and interpreted in accordance with, the laws of the State of Colorado, and venue for any action arising out of any dispute hereunder shall be in the Summit County District Court of the State of Colorado.
- 6.11 In any legal action brought by any party to this Agreement to enforce the terms hereof, the prevailing Party shall be entitled to all costs incurred in connection with the action, including attorneys' fees.

IN WITNESS WHEREOF, and intending to be legally bound hereby, in accordance with proper ordinance of each of the governing bodies of the Municipalities, we have hereunto caused this instrument to be executed, and the municipal seals affixed the day and year written above.

ATTEST:	TOWN OF KEYSTONE				
Town Clerk	Mayor				
ATTEST:	TOWN OF DILLON				
Town Clerk	Mayor				

TOWN OF KEYSTONE, COLORADO STAFF REPORT

TO: Mayor & Town Councilmembers

FROM: John Crone, Town Manager

DATE: January 14, 2025 – Work Session

SUBJECT: Discussion of Nuisance ordinance

Executive Summary:

The purpose of this work session item is to provide a proposed nuisance ordinance and to get Council input on the types of items that it desires in the Town's nuisance ordinance.

Background:

Nuisance ordinances are adopted to protect the Town from actions that may not always rise to a criminal level but are made illegal because they create a health or safety risk, are serious detriment to people's quiet enjoyment of their own property or create a situation that is an antithesis to the Town's stated goals and objections. A nuisance ordinance will define the Town's positions and are often enforced through either the police department or the town's code enforcement procedures.

Town Council has had two workshops on the proposed ordinance in July of this year. The attached ordinance attempts to take into account the comments received in those workshops.

The attached ordinance also includes enforcement procedures. I have mirrored the enforcement provisions in the Dillon town code. This would make it much easier for any joint code officers or police departments to enforce the ordinance.

As previously mentioned, nuisance codes and ordinances tend to be dynamic with sections added as necessary.

TOWN OF KEYSTONE ORDINANCE NO. 2024-O-xx

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, REGARDING ADMINISTRATION AND ABATEMENT OF NUISANCES

WHEREAS, the Town of Keystone, Colorado ("Town") is a home rule municipality, duly organized and existing under the laws of the state of Colorado; and

WHEREAS, the Town Council of the Town of Keystone is responsible for protecting the health, safety, and welfare of the citizens of Keystone, including timely and efficiently abating nuisances from time to time; and

WHEREAS, the Town Council has determined that it is in the best interest of the health, safety, and welfare of the Town and its citizens adopt an ordinance to abate such nuisances in a cost effective, efficient, expedient, and effective manner.

NOW THEREFORE, BE IT ORDAINED by the Town Council of the Town of Keystone, Colorado, as follows:

- <u>Section 1.</u> The Town Council adopts the items in attached Exhibit A as the Town's nuisance ordinance regarding the abatement of certain activities identified as nuisances.
- Section 2. Should any one or more sections or provisions of this Ordinance or of the Code provisions enacted hereby be judicially determined invalid or unenforceable, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance or of such Code provision, the intention being that the various sections and provisions are severable.
- <u>Section 3.</u> Any and all Ordinances or Codes or parts thereof in conflict or inconsistent herewith are, to the extent of such conflict or inconsistency, hereby repealed; provided, however, that the repeal of any such Ordinance or Code or part thereof shall not revive any other section or part of any Ordinance or Code provision heretofore repealed or superseded.
- <u>Section 4.</u> Codification. This ordinance may be codified and numbered for purposes of codification without the need for further approval by the Town Council.

Section 5.	Effective Date.	After adoption	by the Tow	n Council,	this ordina	nce
shall take effect on	·					
•						
INTRODUCED, RE	AD AND PASSEI	O AS AN ORDI	NANCE OF	J FIRST RE	EADING A	ND
SCHEDULED FOR			,	REGULAR	,	

THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS

Ordinance No. 2024-O-xx Page 2 of 15 _____ DAY OF _____, 2024. Kenneth D. Riley, Mayor ATTEST: Town Clerk APPROVED AS TO FORM: Town Attorney READ, PASSED AND ADOPTED WITH A ROLL CALL VOTE OF IN FAVOR AND OPPOSED ON SECOND READING, AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS _____ DAY OF _____, 2024. Kenneth D. Riley, Mayor ATTEST: Town Clerk

Exhibit A
Town of Keystone Nuisance Ordinance

Section 1.. - Author of nuisances.

APPROVED AS TO FORM:

Town Attorney

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Any state of things prohibited by this Ordinance shall be deemed to be a nuisance, and any person who shall hereafter make or cause such nuisance to exist shall be deemed to be the author thereof.

Section 2. - Prohibition of nuisances.

It is unlawful for any person, being the owner, agent or occupant of, or having under his or her control, any building, lot, premises or unimproved real estate within the limits of the Town, to cause, permit, maintain or allow any nuisance to be or remain therein.

<u>Section 3</u>. - Ascertaining nuisances.

Whenever the pursuit of any trade, business or manufacture or the maintenance of any substance or condition of things shall, upon investigation, be considered by the Town Manager dangerous to the health of any of the inhabitants of the Town, the same shall be considered a nuisance and shall be abated.

<u>Section 4</u>. - Constitution of separate offense.

In the case of any nuisance in or upon any street, alley or other public or private grounds, the author thereof shall be guilty of a separate offense for every period of forty-eight (48) hours' continuance thereof after notice has been given to abate the same.

Section 5. - Filing complaint.

In addition to or in lieu of any procedure for abatement, a direct complaint may be filed by any person against any person who violates any provision of this Ordinance.

<u>Section 6</u>. - Emergency abatement.

When, in the opinion of the Town Manager there is actual and immediate danger to the public or occupants of a particular premises caused by a nuisance on such premises, the Town Manager is hereby authorized and empowered, without any notice or hearing, to order and require such premises to be vacated. The Town Manager or the Town Manager's designee shall immediately post the premises, warning of the

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dangerous condition, and shall then abate such nuisance and prepare a statement of costs incurred in the abatement thereof.

Section 7. - Right of entry.

The Town Manager or any other authorized person may enter upon or into any lot, house or other building or premises, with the proper respect of the occupant's constitutional rights, to examine the same and to ascertain whether any such nuisance exists, and shall be free from any action of liability on account thereof.

Section 8. - Notice to abate nuisance.

Whenever a nuisance is found to exist within the Town or within the Town's extraterritorial jurisdiction, the Town Manager shall give five (5) days' written notice to the owner or occupant of the property upon which such nuisance exists or upon the person causing or maintaining the nuisance.

Section 9. - Contents of notice.

The notice to abate a nuisance issued under the provisions of this Ordinance shall contain:

- (1) An order to abate the nuisance or to request a hearing within a stated time, which shall be reasonable under the circumstances:
- (2) The location of the nuisance, if the same is stationary;
- (3) A description of what constitutes the nuisance;
- (4) A statement of acts necessary to abate the nuisance; and
- (5) A statement that if the nuisance is not abated as directed and no request for hearing is made within the prescribed time, the Town will abate such nuisance and assess the cost thereof against such person.

Section 10. - Service of notice.

The notice to abate a nuisance shall be served as any other legal process may be served pursuant to law.

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Section 11. - Abatement by Town.

Upon the failure of the person upon whom notice to abate a nuisance was served pursuant to the provisions of this Ordinance to abate the same, the Town Manager shall proceed to abate such nuisance and shall prepare a statement of costs incurred in the abatement thereof.

Section 12. - Report of costs.

Upon the completion of any work by the Town contemplated by this Ordinance, the Public Works Director shall report, in writing, to the Town Manager, which report shall make a clear statement of the work done by the Town and the expense incurred in so doing, so that the Town Manager may determine the cost of such work. The Public Works Director shall make a separate report for each lot or parcel of land.

Section 13. - Assessment of property.

After considering the report of the Public Works Director, the Town Manager shall determine and assess the whole cost for the abatement thereof, including five percent (5%) for the inspection and other incidental costs in connection therewith, upon the lots and tracts of land from which the nuisance was abated.

Section 14. - Notice of assessment.

The Town Clerk, as soon as may be after such assessment is made, shall send by certified mail, return receipt requested, addressed to the owner of such lots or tracts of land at the reputed post office address, a notice of such assessment, which notice shall contain a description of the lots or parcels of land, the name of the owner and the amount of the assessment.

Section 15. - Payment of assessment.

(a) It shall be the duty of the owner to pay such assessment or object thereto, in writing, within thirty (30) days after the receipt of such notice, and in case of his or her failure to do so, he or she shall be liable personally for the amount of the assessment. The same shall be a lien upon the respective lot or parcel

of land from the time of such assessment, and the Town shall have all remedies for collection thereof provided by state statutes, for the purpose of having the same placed upon the tax list and collected in the same manner as taxes are now collected. The assessment shall be a lien against each lot or tract of land until it is paid and shall have priority over all other liens except general taxes and prior special assessments.

(b) The amount of such assessment may be paid to the Town Clerk at any time before the tax list is placed in the hands of the County Treasurer, but thereafter only to the County Treasurer.

Section 16. - Objection to assessment; hearing.

In the event any owner desires to object to said assessment, he or she shall, within thirty (30) days after the receipt of said notice, file a written objection thereto with the Town Clerk, who shall thereupon designate the next regular meeting of the Town Council as the date when said objector may appear and have a hearing before the Town Manager and Town Council.

Section 17. - Certified assessment.

In case the owner shall fail to pay such assessment or object thereto within the required time as provided above, then it shall be the duty of the Town Clerk to certify the amount of the assessment to the proper county officers, who shall collect the assessment as provided for by state law for the collection of delinquent general taxes.

Section 18. - Cumulative remedies.

No remedy provided herein shall be exclusive, but the same shall be cumulative, and the taking of any action hereunder, including charge, conviction or violation of this Ordinance in the Municipal Court, shall not preclude or prevent the taking of other action hereunder to abate or enjoin any nuisance found to exist.

Section 19. - Concurrent remedies.

Whenever a nuisance exists, no remedy provided for herein shall be exclusive of any other charge or action, and when applicable the abatement provisions of this Ordinance shall serve as and constitute a concurrent remedy over and above any charge or conviction of any municipal offense or any other provision of law. Any application of this Ordinance that is in the nature of a civil action shall not prevent the commencement or application of any other charges brought under this Code or any other provision of law.

Section 20. - Violations and penalties.

Any person who shall violate any of the provisions of this Ordinance shall be subject to the provisions as defined in the Town's general penalty ordinance.

Section 21 – Nuisances Defined

A nuisance is defined as meaning any person doing an unlawful act or omitting to perform a duty or suffering or permitting any condition or thing to be or exist, which act, omission, condition or thing either:

- a. Injures or endangers the comfort, repose, health or safety of others;
- b. Offends decency;
- c. Is offensive to the senses;
- d. Unlawfully interferes with, obstructs or tends to obstruct or renders dangerous for passage any public or private street, highway, sidewalk, stream, ditch or drainage;
- e. In any way renders other persons insecure in life or the use of property; or
- f. Essentially interferes with the comfortable enjoyment of life and property or tends to depreciate the value of the property of others.
- g. Has been declared to be such by state courts or statutes or known as such at common law.

Section 22.

In addition to the nuisances identified in Section 21 of this Ordinance, the following are declared to be nuisances by the Town Council of the Town of Keystone.

1) Noise – It is prohibited to make and/or amplify sound in an excessive manner which can or does annoy, injure, or endanger the comfort, repose, health, or safety of others and emits sounds or vibrations that can be felt or heard outside of the property boundary.

It shall be a nuisance to make excessive noise between the hours of 11:00 pm and 6:00 am.

It shall be a nuisance to operate a vehicle within Town limits that creates excessive noise or creates noise through the operation of a compression release engine brake.

- 2) <u>Fireworks</u> It is prohibited to set off fireworks that explode or leave the ground, with the exception of pre-approved public displays. This includes firecrackers, bottle rockets, Roman candles, cherry bombs, and mortars.
- 3) Open Fires -
 - <u>A</u>: Open burning is prohibited at all times in the town, except under the following conditions:
 - 1. The burning is for the noncommercial cooking of food for human consumption;
 - 2. The burning is for recreational purposes and is located within an established campfire ring, fire pit, or other similar protective enclosure, and the fire is no larger than three feet (3') in diameter and two feet (2') in height;
 - 3. The burning is a smokeless flare or safety flare used to indicate danger or distress to the public or public safety officials; or
 - 4. The burning is conducted in compliance with a permit issued by the town manager or designee, which permit may be issued by the town manager or designee if the town manager or designee finds that such burning can be accomplished in a safe manner and in compliance with all other applicable regulations.
 - <u>B</u>: Notwithstanding subsection A of this section, the town council may by resolution, in its sole discretion, place additional restrictions on open burning upon receipt of credible evidence of the need for additional restrictions or bans.
 - \underline{C} . Notwithstanding subsection A of this section, all open burning is prohibited in the town during any periods of time when the board of county commissioners of the county of Summit, state of Colorado has adopted burning restrictions, in accordance with such restrictions, provided that the town may, at the discretion of the town manager or

designee, exempt certain locations or devices from the burning restrictions adopted by the board of county commissioners, or adopt additional restrictions on locations or devices that are more restrictive than those adopted by the board of county commissioners.

- 4) Noxious Fumes or Smokes It is prohibited to cause or allow the transmission or emission of an odor that a reasonable person would consider an offensive odor; endangers the public health or welfare; or unreasonably interferes with another person's health, safety, peace, comfort or enjoyment of property.
- 5) Animals -
 - A. It is prohibited to allow an animal to run at large under circumstances where the animal is not either restrained by means of a leash, rope, chain or other physical restraint of sufficient strength to control the animal or is not under the effective and immediate control of the owner or other responsible person present with the animal and immediately obedient to that person's commands.

Exceptions: The following shall constitute exceptions to running at large:

- 1. An animal is not considered to be running at large, either on or off the premises of its owner, if the animal is being physically held by the owner or other responsible person or is in the immediate presence of the owner or other responsible person and is immediately obedient to that person's command.
- 2. An animal is not considered to be running at large if it is confined within a motor vehicle or secured within the confines of the bed of a pickup truck, in compliance with the provisions of this chapter, in such manner that it cannot exit the vehicle or pose a risk to any person outside the confines of the vehicle by its own volition.
- <u>B</u>. It is prohibited to keep a dog that disturbs the peace with loud, persistent barking, yelping, or whining.
- Camping (I do not recall the Council's wishes on prohibiting camping on private property or public property)
- 7) <u>Noxious and Dangerous Liquids</u> This will allow the Town to regulate the storage of chemicals on private property.

8) Noxious Weeds and Rank Vegetation – Leafy spurge, Canadian thistle, Russian knapweed, spotted knapweed, and diffuse knapweed, and all other plants designated "undesirable plants" by the Town are declared to be a public nuisance. Such action may be taken as is available for nuisance abatement under the laws of this state and the Town of Keystone, and as the Town Council, in its sole discretion, deems necessary.

Section 23

In addition to the nuisances identified in Section 21 of this Ordinance, failure to abide by the following requirements are declared to be nuisances by the Town Council of the Town of Keystone

For the purpose of this section, the following definitions shall apply:

ATTRACTANT: Any substance which could reasonably be expected to attract wildlife or does attract wildlife, including, but not limited to, food products, pet food, feed, compost, grain or salt.

DUMPSTER ENCLOSURE: A fully enclosed structure consisting of four (4) sides and a secure door or cover, which shall have a latching device of sufficient strength and design to prevent access by wildlife, and which shall be constructed to prevent wildlife access to the dumpster. Dumpster enclosures are subject to all planning and zoning requirements and building codes. An enclosure of less than one hundred twenty (120) square feet shall not require a building permit. An enclosure of one hundred twenty (120) square feet or larger requires a building permit.

REFUSE: Any waste that could reasonably attract wildlife which includes, but shall not be limited to, kitchen, organic waste, food, food packaging, toothpaste, deodorant, cosmetics, spices, seasonings and grease.

REFUSE CONTAINER: Any trash can, dumpster, or similar device used for the collection and storage of solid waste.

RESIDENT: Any person, firm, corporation or organization within the town of Keystone or on town-controlled land.

SPECIAL EVENT: An outdoor gathering such as a concert, conference or festival, whether occurring on public land or private.

WILDLIFE: Any undomesticated animal, including, but not limited to, elk, deer, sheep, lynx, skunks, magpies, crows, bears, raccoons, coyotes, beavers, porcupines, mountain lions, bobcats and foxes.

WILDLIFE-PROOF REFUSE CONTAINER: A container used for the storage of refuse that has been certified to be wildlife-proof by the Colorado Parks division of wildlife, the U.S. Park Service, or the U.S. Forest Service. A container not so certified, is considered a wildlife-proof refuse container if it is fully enclosed, of sturdy construction, and includes a latching mechanism suitable to prevent wildlife from opening the container. Latching mechanisms shall allow a gap between the container lid of no more than one- half inch (1/2"). Latching mechanisms shall keep the lid closed in the event the container is turned on its side or upside down. Wildlife-proof refuse containers may include drain holes no larger than one inch (1") in any dimension.

A. All residential containers that receive refuse edible by wildlife must be secured inside the home or garage. Residents unable to keep their refuse container inside the home or garage shall store their refuse in a wildlife-proof refuse container or enclosure approved by the town of Keystone.

- B. Residents with curbside pick-up shall place refuse containers at the curb, alley, or public right of way at or after six o'clock (6:00) A.M. on the morning of scheduled pick up. After pick-up, all containers must be removed from the curb, alley or public right of way by eight o'clock (8:00) P.M. on the same day unless the refuse container is wildlife-proof, in which case the container may be left out. Trash operators must close wildlife-proof after emptying the container.
- C. Other household waste that cannot reasonably be considered "refuse" or an "attractant" as defined in this chapter, including, but not limited to: nonedible yard maintenance waste, household items, and cardboard, shall not require the use of wildlife-proof containers when not commingled with refuse or any other attractant.
- D. Multi-family housing developments and other types of clustered residential housing, utilizing centralized refuse containers, must use either a wildlife-proof refuse container or a dumpster enclosure for all refuse. The container or enclosure shall be kept closed in a secure manner except when refuse is being deposited.

MAINTENANCE AND OPERATION OF ALL REFUSE CONTAINERS AND ENCLOSURES:

A. All refuse containers defined in this chapter shall be kept closed and secured when refuse is not being deposited. Any container which is overfilled so as to prevent a container's designed latching is not a wildlife resistant or wildlife-proof refuse container within the meaning of this chapter.

B. If a container or enclosure is damaged, allowing access by wildlife, repairs must be made within forty-eight (48) hours after written notification by town of Keystone personnel.

SPECIAL EVENT REFUSE DISPOSAL:

Outdoor special event sites shall be kept free from the accumulation of refuse. Refuse must be collected from the grounds at the close of each day's activities and shall be deposited into appropriate wildlife-proof containers or dumpster enclosures as provided in this chapter, or shall be removed to an appropriate disposal site.

CONSTRUCTION SITE REFUSE DISPOSAL:

All construction sites must have a designated refuse container which receives "refuse" or attractants as defined by this chapter. This container shall be a wildlife-proof refuse container.

COMMERCIAL REFUSE DISPOSAL:

- A. All refuse containers receiving refuse from commercial establishments and restaurants shall be in wildlife-proof containers, or shall be secured in a dumpster enclosure.
- B. Container lids and dumpster enclosure doors shall be kept closed and latched at all times except when loading or removing refuse. The area around the container or enclosure must be kept free from refuse at all times.

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COMPACTORS:

Trash compactors are compliant with this chapter when no refuse is exposed. Compactor doors must be kept closed at all times, except when loading or removing refuse and the area around the compactor must be kept clean of refuse and debris.

FEEDING OF WILDLIFE PROHIBITED:

Intentional Or Unintentional: No person shall intentionally or unintentionally feed or provide food in any manner for wildlife on public or private property within the town of Keystone. A person will be considered to be in violation of this chapter if they leave or store any garbage, refuse or attractant in a manner which would create or does create a lure or enticement for wildlife.

EXCEPTIONS:

A. The following entities or actions are exempt from the requirements of this chapter:

1. Any individual, company or corporation that is duly licensed by the state of Colorado or

is entitled under law to possess wildlife of any kind.

2. Any action that is officially sanctioned by the state of Colorado, federal agencies, or the town of Keystone that would require feeding, baiting, or luring of wildlife (i.e., capturing and

tagging wildlife for relocation or scientific projects and study).

3. Bird feeders are allowed provided that, between April 1 and December 1 of each year,

all bird feeders must be suspended on a cable or other device at a height above the ground or

structure so as to be inaccessible to bears.

ENFORCEMENT:

A. Compliance with this chapter notwithstanding, the town of Keystone may issue a "notice of violation" and order any resident to purchase and use a wildlife-proof refuse container for all storage of refuse that is attractive to or edible by wildlife if the town receives a documented,

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substantiated report that any animal, whether wild or domestic, has entered into or removed refuse from a refuse container located on the property or placed at the property curbside for pick up. Such order shall:

- 1. State that a wildlife-proof container shall be obtained for the property within seven (7) days.
- 2. Shall be served either personally or by means of posting on the premises upon which the nuisance exists. If notice is served by posting, a copy of the notice shall also be mailed by certified mail, return receipt requested, to the owner of record of the property given to any town of Keystone or Summit County government office. If the identity of the resident is not known, the entity responsible for payment of the garbage removal services for the subject location will be held responsible for complying with this chapter and for any penalties assessed pursuant to the same.

VIOLATIONS AND PENALTIES; PENALTY ASSESSMENT:

- A. Second Notice Of Violation: Offenders who continue to violate this chapter or continue to fail in achieving timely compliance as set forth in any previous notice of violation may be issued a second notice of violation, which shall be in the form of a citation or summons. Such summons shall be subject to a graduated fine schedule as set forth below.
- B. Penalties: Any person who or entity that is issued a citation or summons shall be punished as follows:
 - A fine not exceeding _____ for a first offense.
 A fine not exceeding _____ for a second offense.
- 3. A third violation shall constitute a misdemeanor and will require a mandatory appearance in municipal court.

VIOLATOR'S RESPONSIBILITY: In addition to the penalties outlined in this

Chapter, violators may be required to perform all necessary actions to remove or abate

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attractants of wildlife. This may include, but shall not be limited to: the removal of bird feeders or pet food, cleaning or appropriate storage of barbecue grills, additional storage requirements for refuse containers and/or the required use of Wildlife-proof Containers and/or Dumpster Enclosures. Violators are responsible for immediate clean-up of any trash dispersed by wildlife.

COMPLIANCE REQUIRED AND TIME PERIOD: Any container required by this

Chapter shall be brought into conformity with the provision of this Chapter by April 15, 2025.

Any enclosure required by this Chapter shall be brought into conformity with the provision of this Chapter by August 1, 2025. Upon application to the Town Manager, and showing hardship by an owner of an enclosure or container required hereunder, the Town Manager may grant an extension, for a reasonable period of time, with which to comply with the provision of this Chapter.

TOWN OF KEYSTONE, COLORADO STAFF REPORT

TO: Mayor & Town Councilmembers

FROM: John Crone, Town Manager

DATE: January 14, 2025 – Work Session

SUBJECT: Discussion of Employee Down Payment Assistance

Program

Executive Summary:

Staff is seeking guidance on whether the Town Council wants to institute a down payment assistance program for employees.

Background:

It is often hard to hire and retain skilled workers in Summit County because of the high real estate costs. Keystone, and other municipalities, have tried to address this problem through various means, including the construction of deed restricted housing and the creation of funding assistance programs.

One commonly used program is a down payment assistance program. SCHA runs a program called Housing Helps and many of the other municipalities have down payment assistance programs that provide low-cost loans to their employees.

These programs incentivize applicants to apply for Town jobs and also incentivize employees to remain with the Town after they've been employed.

Details of the Program

The program outlined in the attached document is very heavily based upon a similar program run by the Town of Breckenridge. The program would provide for Town of

Keystone loans to its employees of up to \$100,000 for the purchase of a residence in Summit County.

The funds can only be used for the purchase of a primary residence or the repayment of a similar debt incurred with a previous employer. The debts will be secured through a second lien on the employee's Summit County residence. The program is not available for employees who have more than one developed property and the funds must be used for the employee's primary residence.

The terms of the loan are for twenty years at 1% APR. If the employee leaves their position for any reason, there are acceleration clauses that call for the repayment of the funds or call for a significantly increased interest rate. If the employee sells their residence, the loan is immediately due.

With the limited number of employees who work for the Town of Keystone, it is not anticipated that this program will cause any serious impacts on the Towns finances.

Next Steps:

If the Council is interested in creating a DPAP, it should instruct staff to prepare the necessary ordinance and related legal documents for future Council consideration.



Town of Keystone Employee Down Payment Assistance Program

Scope:

The Employee Housing Down Payment Assistance Program (DPAP) applies to all Full-Time Year-Round (FTYR) Town of Keystone employees. This program allows for the Town of Keystone to provide housing down payment assistance to Town of Keystone employees in the form of a loan.

Purpose:

The purpose of the Down Payment Assistance Program is to assist qualified FTYR Town of Keystone employees with the purchase of a home within a reasonable commuting distance of their employment.

Statement of Policy:

The Town's DPAP loan is a 2nd mortgage on the property being purchased with a fixed interest rate of 1% amortized over 20 years.

Location:

The DPAP may only be used to purchase property located in Summit County, Colorado.

Maximum Loan:

The maximum loan available under this program is \$100,000.

Procedure:

- Eligible participants are Full-Time Year-Round (FTYR) Town of Keystone employees.
- There is no waiting period to access the DPAP loan.
- Employee must be in good standing, and free from final written warning disciplinary action for at least 2 years.
- Non-first time home buyers from outside the area are eligible if their existing home is being sold.
- Move-up buyers, who currently own a home in Summit County, are eligible as long as they are in the process of selling their current residence.
- The DPAP loan is for the employee's sole and primary residence and must be owner occupied.

- Employee may not own other developed property.
- There is no employee income limit to be eligible for the DPAP.
- Employee cash contributions: Amount specified by the primary lender or a minimum of 3% of purchase price. Closing costs do count as an employee's cash contribution.
- DPAP may be combined with Housing Helps, a buy down property, or other deed restricted housing.
- If two Town of Keystone employees are married or common-law, only one DPAP may be utilized.
- Employee must maintain FTYR employment status.
- DPAP applicants must be pre-qualified for a 1st mortgage before applying and before commitment of the Town's DPAP. Commitment is good for 6 months, and can be extended if closing date is set, or with extenuating circumstances.
- DPAP can be used for new construction however will only be released after the home is 100% complete and the construction loan is converted to permanent financing. Construction commitments are good for 9 months.
- If an employee has entered into a similar loan program with a previous Summit County, Colorado employer, DPAP can be used to pay off the existing debt incurred with the previous employer subject to all other material considerations listed in this policy.
- DPAP applications are submitted to the Finance Department.
- DPAP monthly payments are submitted to the Finance Department. Payroll deductions may be arranged with the Finance Department as a payment option.

Loan Terms:

- Prior to disbursement of funds to the borrower, an official loan document outlining the terms and monthly payment amount and repayment terms will be signed by the borrower. The 2nd mortgage is secured by a Subordinate Priority Deed of Trust encumbering the Property. All the terms and conditions of the Subordinate Priority Deed of Trust are made part of the Promissory Note.
- Interest accrues from date of settlement / Closing.
- Payment is due on the 1st of each month, or via payroll deductions if arranged with the Finance Department.

- If monthly payment is not received in Finance within 15 days from payment due date, 10% of the monthly payment will be charged to borrower as a late fee.
- Default interest rate of Prime + 3% is put into effect as the new fixed rate for current employees who default on payment. An employee defaults when there is a payment past due 90 days or greater.
- Loan is due upon death of the employee. Payment made as soon as reasonably practicable.
- Loan is due within 90 days upon separation or following termination of employment.
- Default interest rate is Prime + 8% for separated employees who do not pay loan in full 90 days from date of separation from employment.
- Loan is due within 90 days upon any change in FTYR employment status to another status that is not FTYR, which may include but is not limited to PTYR, Seasonal, Substitute, Temporary.
- Default interest rate is Prime + 8% for employees who do not maintain FTYR employment status with the Town of Keystone and who do not pay loan in full 90 days from change in FTYR employment status. The Town Manager may consider extenuating circumstances on a case-by-case basis.
- The loan is due upon sale or transfer of the home from the employee to another party.
- The loan is due upon refinance of the property.
- Town reserves the right to subordinate the lien for a refinance in cases where the refinance will lower the interest rate on the primary mortgage and the owner does not have enough equity in their home to refinance the DPAP into the primary mortgage. This will be reviewed on a case-by-case basis, and must be approved by the Town Manager.

Policy Violation

Any Town of Keystone employee who fails to abide by this policy may be subject to denial of request. Any violation of this policy may result in disciplinary action up to an including termination from employment

TOWN OF KEYSTONE, COLORADO STAFF REPORT

TO: Mayor & Town Councilmembers

THROUGH: John Crone, Town Manager

FROM: Jennifer Madsen, Town Attorney

DATE: January 14, 2025 – Work Session

SUBJECT: Discussion of draft ordinance on emergency and local

disaster authority

Executive Summary:

This staff report provides an overview of a draft ordinance, which establishes comprehensive regulations for emergency and local disaster authority in the Town of Keystone. The purpose of the ordinance is to enable the Town to act efficiently and decisively during emergencies, ensuring the health, safety, and welfare of residents and property. It also aligns the Town's policies with the Colorado Disaster Emergency Act.

Background:

In recent years, Colorado municipalities have faced various situations necessitating official declarations of emergencies. Notable instances include the COVID-19 pandemic, the Marshall Fire in December 2021, and flash flooding in Lyons in September 2013. To be better equipped to respond quickly to similar disasters and emergencies, municipalities have adopted emergency ordinances for the following reasons:

- Enhance Preparedness: Clearly define roles and authority to act during emergencies.
- Streamline Decision-Making: Provide one person with the flexibility to act decisively without procedural delays.
- Protect Public Interests: Ensure resources are allocated efficiently to mitigate

- harm and restore normalcy.
- Comply with Legal Frameworks: Align local emergency powers with state and federal laws while asserting home rule authority.
- Maintain Accountability: Include reporting and oversight provisions to balance authority with transparency.

The draft ordinance on emergency and local disaster authority is included with this staff report and the following is an overview of the ordinance:

- I. Legislative Intent and Interpretation. The ordinance provides that the purpose of the Article is to ensure efficient local government operations during emergencies; allocate authority for swift and effective use of Town resources to prepare for, respond to, and recover from emergencies; recognize the Town's home rule authority to supersede conflicting state laws where legally permissible; and complement the Town's Emergency Operation Plan [once a plan is adopted].
- II. Definitions. The draft ordinance defines the Town Manager as the decision-maker in emergencies. The Town Manager has the responsibility to manage the affairs of the Town on a day-to-day basis and will have access to the communication channels with emergency services. In the definition section, Town Manager is identified as the individual who can declare an emergency. The definition of Town Manager is broader to include a succession plan in the absence or incapacity of the Town Manager. It will be helpful to work through this definition. The definition of emergency is intended to be broad to include a range of unanticipated situations.

III. The Declaration of Emergency.

- Authority to Declare: The Town Manager can declare an emergency and exercise all emergency powers permitted by law.
- Notification: Requires prompt filing of the declaration with the Town Clerk, State
 Office of Emergency Management, and County Clerk. Public notification is also required.

 Duration: Declarations last seven days unless extended by Town Council consent.

IV. Powers of the Town Manager

- Authorizes actions to protect health, safety, and welfare, including:
 - Appropriating funds and executing contracts outside of the standard procurement processes.
 - Waiving or modifying municipal requirements to expedite emergency response.
 - Controlling public access, traffic, and evacuations.
 - Regulating the distribution of essential goods and services.
 - Acquiring volunteer or non-Town personnel resources as needed.
- Requires ongoing reporting to Town Council, which retains the authority to amend or reverse actions prospectively.
- V. Scope of Authority. This section clarifies that actions taken in accordance with the ordinance are within the Town Manager's authority and the Manager would not have liability for acting outside of the delegated authority.
- VI. Enforcement and Compliance. The draft ordinance empowers law enforcement officers to enforce emergency orders. The draft ordinance also establishes penalties for violating emergency orders, including fines and other enforcement actions.
- VII. Authority to Enter Private Property. This section authorizes entry onto private property during emergencies to alleviate or minimize danger to lives or property

Recommendation for Adoption:

Town staff recommends the adoption of Ordinance No. 2025-O-02 for the following reasons:

1. Improved Emergency Response: The ordinance equips the Town Manager with the necessary authority to act swiftly and effectively during emergencies.

- 2. Alignment with State Law: Ensures consistency with the Colorado Disaster Emergency Act while leveraging the Town's home rule authority for local adaptation.
- 3. Operational Efficiency: Reduces procedural delays and enables the Town to address emergencies proactively and comprehensively.
- 4. Public Safety and Welfare: Prioritizes the health, safety, and welfare of residents and property during times of crisis.

Attachment:

• Draft Ordinance on Emergencies and Local Disasters Article

TOWN OF KEYSTONE ORDINANCE NO. 2025-O-

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, ADOPTING REGULATIONS FOR EMERGENCY AND LOCAL DISASTER AUTHORITY

WHEREAS, the Town of Keystone ("Town") is a home rule municipal corporation created pursuant to Article XX of the Colorado Constitution; and

WHEREAS, pursuant to the Colorado Disaster Emergency Act, C.R.S. § 24-33.5-701 et seq., the principal executive officer of the Town, the Town Manager, is authorized to issue a declaration of local disaster emergency; and

WHEREAS, the Town presently lacks specific details related to authority during times of declared emergencies and additional clarification will aid the Town Manager in acting swiftly in future times of emergency to best address the needs of the citizenry and the community; and

WHEREAS, the Colorado Disaster Emergency Act, C.R.S. § 24-33.5-701 et seq. provides separate definitions for "disaster" and "emergency" and the intent is that this Ordinance will apply to all forms of disaster and emergency (collectively "emergency" as specifically defined herein); and

WHEREAS, the Town Council hereby delegates authority to the Town Manager to act in accordance with the general and specific powers set forth herein when the Town Manager reasonably believes such actions are required to protect the health, safety, and welfare of persons or property within the Town or to otherwise preserve the public peace or abate, clean up, or mitigate the effects of an emergency; and

WHEREAS, the Town Council has determined that the adoption of this Ordinance is legislative in nature and will further the public health, safety and welfare of the residents of the Town.

THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, ORDAINS:

- <u>Section 1</u>. The foregoing recitals are hereby affirmed and incorporated herein by this reference as findings of the Town Council.
 - <u>Section 2</u>. The Town Council adopts an Emergency or Local Disaster Article.

EMERGENCY OR LOCAL DISASTER ARTICLE

I. Legislative intent and interpretation.

- (a) This Article is intended to:
- (1) provide for the efficient operation of local government in times of declared emergency;
- (2) provide for the allocation of the necessary powers and authority to enable a timely and effective use of all available Town resources to prepare for, respond to, and recover from emergencies that are likely to affect the health, security, safety or property of Town inhabitants;
- (3) enable the Town to avoid delay when addressing emergency circumstances and the impacts of emergencies;
- (4) recognize and accept all powers and authority granted or afforded to the Town of Keystone by state and federal laws during times of emergencies; and
- (5) implement, to the greatest extent possible, the constitutional home rule authority of the Town of Keystone.
- (b) To best effectuate the intent of this Article, this Article shall be interpreted whenever lawfully permitted to supersede conflicting state law and recognize, to the greatest extent possible, the Town's home rule authority. Although conformance with state law is always preferred, during times of emergency, the Town Council recognizes that the protection of the health, safety, and welfare of the citizens of the Town shall be of utmost importance.
- (c) This Article is intended to compliment the specific emergency response activities and strategies generally governed by the Town-adopted Emergency Operation Plan.

II. Definitions.

Town Manager means the appointed Town Manager for the Town of Keystone or, in the absence or incapacity of the Town Manager, the Deputy Town Manager. If either the Town Manager or Deputy Town Manager is unavailable, the Town shall follow the line of succession established by administrative policy as may be amended or repealed and replaced.

Declaration means a written document executed by the Town Manager which declares an emergency.

Emergency means any occurrence or threat of circumstances of widespread or severe damage, injury, or loss of life or property, whether of natural or human origin and whether actual or potential, including, but not limited to wildfire, wind, blizzard, flood, drought, building or structural collapse or failure, explosion, utility emergency, sudden and severe

energy shortages, hazardous substance spills, biological material release, pandemic, civil disturbance, in which the safety and welfare of the inhabitants of the Town or their property are jeopardized or placed at extreme peril and in which timely action to avert or minimize damage is essential.

III. Declaration of Emergency.

- (a) The Town Manager shall be authorized to declare that an emergency exists. The issuance of a declaration of emergency shall automatically empower the Town Manager to exercise all emergency powers permitted by federal, state, and local law, including, but not limited to, the specific authority as set forth in this Article. Any declaration of emergency issued by the Town Manager shall be promptly filed with the Town Clerk, the State Office of Emergency Management and the County Clerk. Whenever practicable, prior to filing a declaration of emergency, the Town Manager shall notify the Town Council of the intent to issue a declaration of emergency. The Town Manager shall also notify the Town Council of the actual issuance of a declaration of emergency as soon as possible thereafter. The general public shall also be notified of a declaration of emergency through general dissemination of the declaration to the news media, posting of the declaration on the Town website, or by other means of communication deemed appropriate by the Town Manager for informing the general public.
- (b) The Town Manager's declaration of emergency shall be in effect for a period not to exceed seven (7) days, which period shall be extended only by consent of the Town Council. Individual members of the Town Council may provide their consent to the extension of the Town Manager's declared period of emergency through written letter, electronic mail, or verbal response delivered to the Town Manager. The Town Manager's receipt of consent from a majority of all members of the Town Council shall constitute the required Town Council consent for extension. Any extension of the emergency declaration shall be later memorialized by the approval of a resolution or motion of the Town Council ratifying such extension at the next practicable Council meeting. Following extension of the term of a declaration of emergency, such declaration shall remain in effect until repealed by the Town Council.

IV. Powers of the Town Manager.

(a) Findings Required. Upon the issuance of a declaration of an emergency, the Town Manager shall issue such orders or take such action as may be required to protect the health, safety, and welfare of persons or property within the Town or to otherwise preserve the public peace or abate, clean up, resolve, mitigate, or address the effects of an emergency. Actions or orders taken by the Town Manager pursuant to a declared emergency must be taken following the Town Manager's determination that the order or action is: (1) directly needed to address the emergency or alleviate burdens resulting from the emergency; and (2) absent such order or action, detriment, harm, expense, or difficulty will likely be experienced by the general public, Town staff, or other persons who rely upon the Town and its services. Such orders or actions may be

amended from time to time during the period of a declared emergency at the discretion of the Town Manager.

- (b) Powers. Notwithstanding the provisions below in this subsection (b), Town Council shall retain the authority to amend, cease or reverse any action taken by the Town Manager in accordance with subsection (c). The Town Manager, pursuant to a declared emergency, and in accordance with subsection (a), may issue orders or take other actions as the Town Manager reasonably believes is required to protect the health, safety, welfare of persons or property within the Town or to otherwise preserve the public peace or abate, clean up, or mitigate the effects of any emergency, including, but not limited to, the following:
 - (1) Unless otherwise restricted by a resolution or ordinance of the Town Council adopted or enacted during the period of a declared emergency, incur financial obligations and execute contracts and agreements on behalf of the Town for expenditures that shall not exceed the Town's total restricted and unassigned funds that are not otherwise committed to another purpose by law or contract.
 - (2) Appropriate and expend funds, execute contracts, authorize purchases of property, equipment, services, supplies, and materials without strict compliance with Town procurement procedures, policies, rules, or regulations.
 - (3) To the extent consistent with the United States and Colorado constitutions, waive, alter, or reschedule any time requirement, deadline, procedure, scheduled hearing, or other event in the Municipal Court in consultation with the court staff and Presiding Municipal Judge.
 - (4) Suspend or temporarily modify requirements of Town ordinances, the Municipal Code, and any Town policies, directives, or procedures if compliance would prevent, hinder, or delay action that is necessary to cope with or best address an emergency, for a maximum period as necessary only to address and redress the emergency. Examples of actions that may be taken pursuant to this authority include, but are not limited to:
 - a. Authorize, on a temporary basis, a land use not otherwise permitted in a zone district where such land use is necessary for the immediate health, safety and welfare such as storage of heavy equipment or placement of a temporary structure.
 - b. Postpone or delay any public hearing timing or other procedural requirement for a development application under the Land Use Code if the Town Manager finds the action necessary to protect the public health, safety, and welfare and ensure due process. When altering any such requirement, the Town Manager shall consider the ability of all interested

- parties to have adequate opportunity to participate in the public hearing.
- c. Waive or modify any procedures and formalities, including method of public notices, deemed by the Town Manager (1) to be inordinately time-consuming or impossible to satisfy, or (2) which prevent the delivery of goods and/or services, or (3) which impair the efficient conduct of meetings and hearings.
- d. Authorize, with or without application, the renewal or extension of existing permits or authorizations when such renewal or extension would allow the permit holder(s) to provide or deliver needed goods, services, or benefits to the general public.
- e. Waive fees, charges, costs, and expenses imposed by the Town when such waiver will provide economic relief to businesses or citizens or otherwise make goods, services or benefits more readily available to the public.
- f. Waive fees and modify Building Services processes for review and issuance of building permits to allow for expeditious rebuilding following a disaster.
- g. Permit and expand allowances for the use of electronic signatures for Town documents when legally permissible and when such allowances, in the determination of the Town Manager, assist the Town to operate more efficiently.
- h. Forgo, postpone, or delay enforcement of any municipal and civil law or requirement where such forbearance, postponement, or delay would directly enable the Town to devote its resources to addressing other needs.
- i. Direct and compel the evacuation of all or a part of the population from any stricken or threatened areas or property within the Town if the Town Manager deems this action is necessary for the preservation of life or property and preclude reentry into an evacuated area until appropriate.
- j. Prescribe routes, modes of transportation, access points, and destinations in connection with an evacuation.
- Impose traffic restrictions to allow emergency response, or otherwise control traffic, including the imposition of a prohibition of all traffic except for vehicles operated by

individuals deemed essential to assist in the emergency operations, and prohibit any person from stopping, standing, parking, or abandoning a vehicle in a right of way that obstructs emergency operations.

- I. Control, open, or close streets, alleys, sidewalks, public parks, public ways, or other public places, or eliminate access to buildings, streets, alleys, sidewalks, or other public or private places.
- m. Delegate duties specifically assigned or limited to the Town Manager to other Town employees or contractors and transfer the direction, personnel, or functions of Town departments and agencies.
- n. Acquire the services of non-Town personnel as may be available, including citizen volunteers, if regular Town employee resources are determined to be inadequate, with the understanding that all duly authorized persons rendering emergency services pursuant to this provision shall be entitled to the privileges and immunities provided by state law.
- o. Apply for and accept on behalf of the Town and its Town Council, any form or type of private, non-profit, governmental, or quasi-governmental gifts, grants, loans, equipment, services, goods, supplies, materials and assistance.
- p. Make provisions for the harboring, leashing, containment, quarantine, health, and safety of animals.
- q. Terminate or suspend any process, operation, machine, device, or event when, in the absence of such termination or suspension, there is imminent danger that the life, health, safety, and/or welfare of persons or the physical security of property within the Town will be seriously compromised.
- r. Control, restrict, allocate, or regulate the use, sale, production, or distribution of food, water, clothing, and other commodities, materials, goods, services, and resources.
- s. Require the closing of or restrictions upon operations of businesses when deemed nonessential by the Town Manager or when, in the absence of such action, there would be an imminent danger that the life, health, safety, and/or welfare of persons or the physical security of property within the Town might be seriously compromised.

- t. To the extent permitted by law, prohibit the sale or distribution within the Town of any products which could be employed in a manner that would constitute a danger to public health or safety.
- u. Use or traverse any private property if such action is necessary to address an actual and imminent threat to life, health, or property that is caused by an emergency condition, subject, however, to applicable legal requirements for permission, authorization, and/or compensation.
- (c) Notice to Town Council; Town Council retains authority to amend or reverse.
 - (1) Whenever the Town Manager issues a substantive order or takes substantive action in accordance with this Section, the Town Manager shall provide an ongoing and updated report to the Town Council outlining each such substantive action or order that would otherwise not be within the Town Manager's scope of authority absent the declaration of an emergency. The Town Manager shall promptly provide such report to the Town Council as time permits during the management of the emergency. Such notification may be made by electronic mail, telephone call, or report at the next ensuing Town Council meeting.
 - (2) The Town Council may, by a majority of those present and voting, determine to amend, cease or reverse the effectiveness of any action of the Town Manager taken pursuant to this Section to the extent such amendment, reversal or cessation does not impair any contract legally entered into by authority of the Town Manager under this Section. Such amendment, reversal or cessation shall be prospective in nature only.

V. Scope of Authority.

The Town Manager's actions in conformance with this Article are within the Town Manager's scope of authority. The Town Council agrees to immunize and hold harmless the Town Manager for performing activities in conformance with this Section.

VI. Enforcement.

- (a) Law enforcement shall be authorized to enforce the orders, rules, and regulations made or issued by the Town Manager or the Town Council pursuant to a declared emergency.
- (b) All members of the public shall be deemed to have been given notice of the restrictions, prohibitions and requirements contained within a declaration of emergency upon its dissemination to the news media or publication on the Town website or by use

of other means of publicity.

- (c) During the period of a declared emergency, a person shall not:
 - (1) Enter or remain upon the premises of any establishment closed for business to the general public, unless such person is the owner or authorized agent of the establishment, if existing orders allow the owner or authorized agent to so enter or remain;
 - (2) Violate or fail to comply with any of the orders duly issued by the Town Manager pursuant to such declaration; or
 - (3) Willfully obstruct, hinder, or delay any duly authorized Town officer, employee, or volunteer in carrying out any of the orders duly issued by the Town Manager pursuant to such declaration, in enforcing or exercising the provisions of this Article, or in undertaking any activity pursuant to this Article.

VII. Authority to enter property.

During the period of a declared emergency, a Town employee or authorized agent may enter onto or upon private property if the employee or authorized agent has reasonable grounds to believe that there is a true emergency and an immediate need for assistance for the protection of life or property, and that entering onto the private property will allow the person to take such steps to alleviate or minimize the emergency or to prevent or minimize danger to lives or property due to the declared emergency

- <u>Section 3</u>. <u>Severability</u>. Should any one or more sections or provisions of this Ordinance be judicially determined invalid or unenforceable, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance, the intention being that the various sections and provisions are severable.
- <u>Section 4</u>. <u>Codification</u>. This ordinance may be codified and numbered for purposes of codification without the need for further approval by the Town Council.
- <u>Section 5</u>. <u>Effective Date</u>. The Ordinance shall be effective thirty days after publication.

INTRODUCED, READ AND PASSED AS AN SCHEDULED FOR PUBLIC HEARING ON THE TOWN COUNCIL OF THE TOWN OF KI	, AT A REGULAR MEETING OF
	, DAY OF, 2025.
ATTEST:	Kenneth D. Riley, Mayor
Town Clerk	
APPROVED AS TO FORM:	
Town Attorney	
READ, PASSED AND ADOPTED WITH A RO OPPOSED ON SECOND READING, AT COUNCIL OF THE TOWN OF KEYSTONE, , 2025.	A REGULAR MEETING OF THE TOWN
ATTEST:	Kenneth D. Riley, Mayor
Town Clerk	
APPROVED AS TO FORM:	
Town Attorney	

TOWN OF KEYSTONE, COLORADO STAFF REPORT

TO: Mayor & Town Councilmembers

FROM: John Crone, Town Manager

DATE: January 14, 2025 – Work Session

SUBJECT: Discussion of Business Licensing

Executive Summary:

Staff is seeking guidance on whether the Town Council wants to institute a business licensing program.

Background:

Many municipalities require businesses that either have a physical location in the Town or conduct non-incidental business in the Town to acquire a Town issued business license. Keystone is the only municipality in Summit County that does not currently require business licensing.

Business licenses are usually required for anyone who sells goods or services or operates a commercial enterprise within the Town limits. Most Towns only charge a nominal administrative fee for business licenses.

Reasons for Business Licensing

There are several reasons that Towns require business licensing. Not all situations will apply to all businesses.

<u>Administrative Compliance</u> – Requiring a license will help Town staff efficiently determine whether a business is complying with local requirements and regulations. This includes being able to quickly determine whether a business is paying all required

taxes and fees, and ensuring that the Town has a valid contact for anyone doing business here.

Zoning and Code Compliance – The land-use code has many restrictions on use depending upon where a property is located. Requiring a business license will enable staff to review a business' plans and make sure that they are in line with neighborhood requirements before the business opens.

<u>Consumer Protection</u> – It is important that the Town take steps to protect its citizens from unscrupulous business scams. A business license requirement will not provide absolute protection; but it is another step that will help identify those individuals who don't take all of the steps necessary to run a legal business before those individuals can take advantage of our citizens.

<u>Public Health and Welfare</u> – Many towns require business license applicants to submit a fire and life safety inspection before the license is issued. This is an important step to protect the health and welfare of the people visiting the business.

Types of Licenses

Most Towns offer several different types of licenses depending on the types of goods or services that they offer, where the businesses are located, and the amount of business that is conducted in the Town. There are also many types of businesses that are required to obtain additional licenses from either the state or from the Town. These include regulated professions such as doctors or massage therapists and regulated businesses such as liquor sellers or marijuana facilities. State regulations also limit the ability of Towns to require licenses for non-incidental businesses (think of delivery services or on-line vacation rental sites. In general, Towns tend to provide for at least two types of licenses:

Regular License – This is the standard license required for anyone who regularly conducts business within the Town limits. Many towns separate these licenses into two types of businesses:

- <u>Fixed Premise</u> Fixed premise licenses are for those businesses that occupy a brick and mortar building within the Town limits.
- Remote Location Some Towns offer a second type of license for those businesses that are located in a different jurisdiction but provide goods or services to people within the Town limits. Building contractors are often required to obtain remote location licenses.

<u>Short-term or Vendor Licenses</u> – Vendor licenses are issued to businesses that only operate in the town for a very short time. These types of licenses are often issued to businesses that come into town for festivals or fairs. They are very important for ensuring that the town receives correct sales tax payments.

Next Steps:

If the Council is interested in creating a business licensing program, it should instruct staff to prepare the necessary ordinance for future Council consideration.