



Keystone Town Council Work Session Agenda

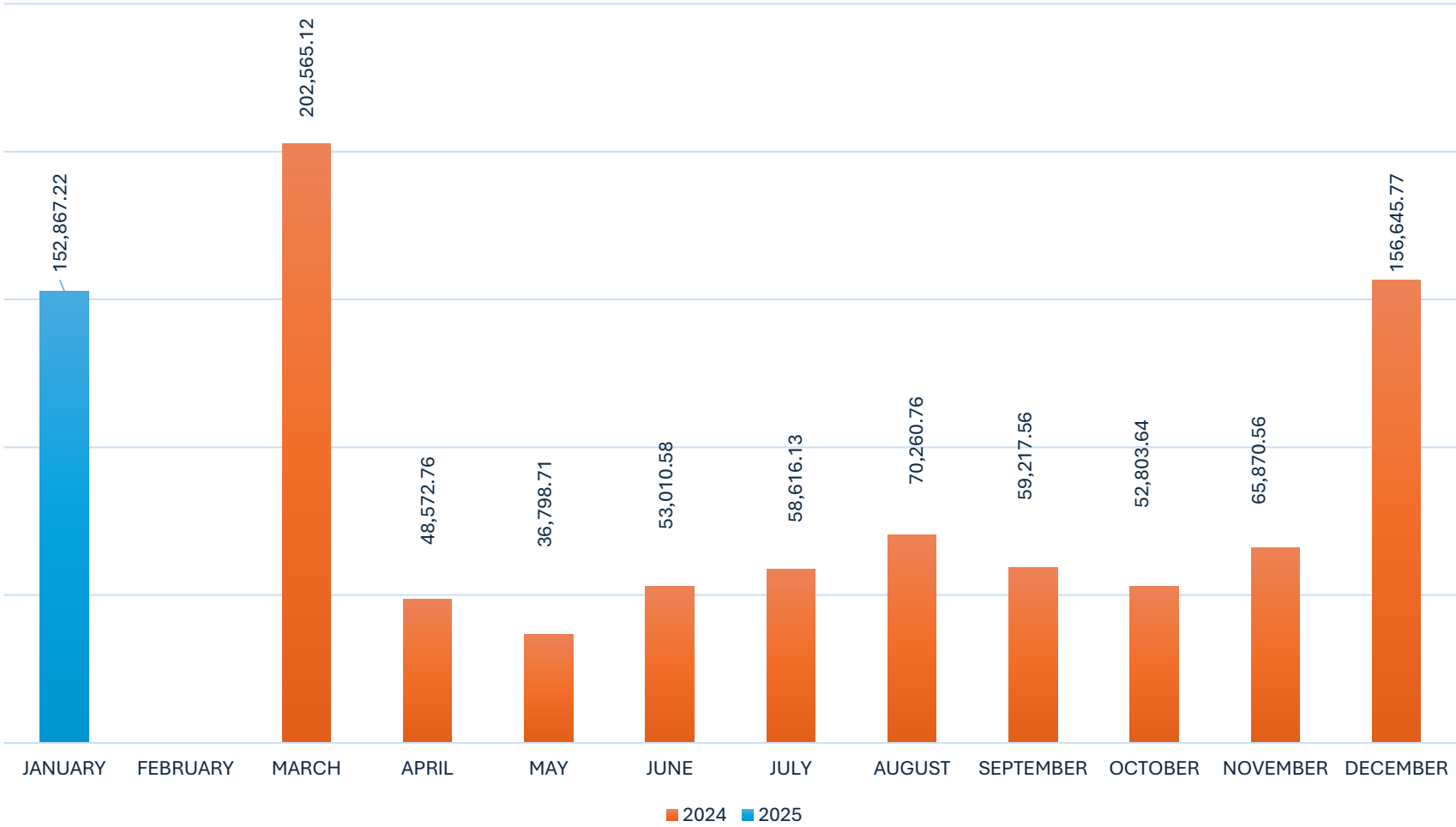
The Keystone Town Council will have a Work Session on March 25, 2025, at 4:00 p.m. at 1628 Sts. John Rd, Keystone, CO 80435.

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. [Join the live broadcast available by computer here.](#) 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 clerk@keystoneco.gov via e-mail, at least 72 hours in advance of the meeting.

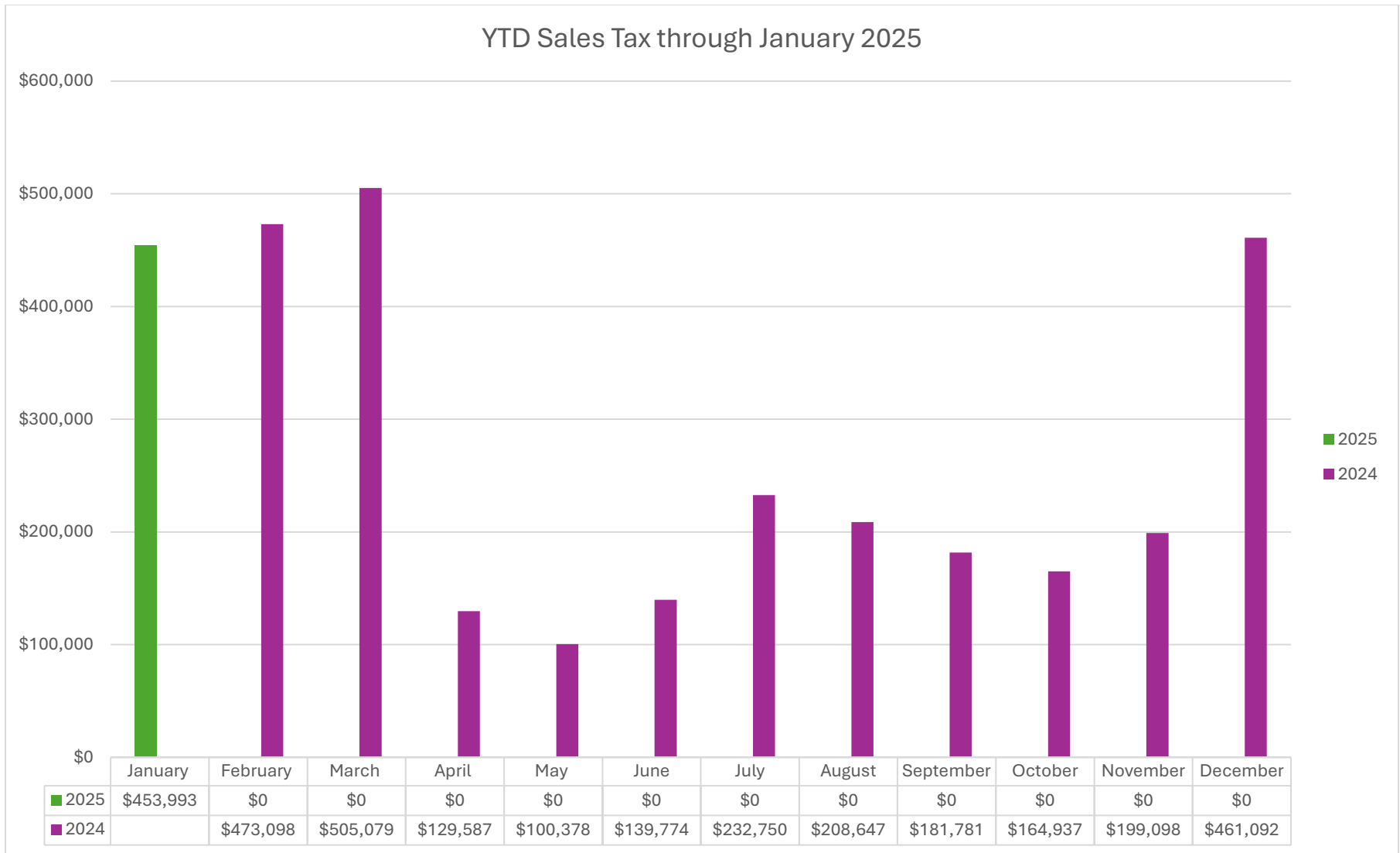
- I. CALL TO ORDER, ROLL CALL**
- II. PUBLIC COMMENT PERIOD**
- III. DISCUSSION WITH REPRESENTATIVES OF EXCEL ENERGY**
- IV. DISCUSSION OF TOWN FINANCIALS**
- V. COMPREHENSIVE PLAN UPDATE FROM SE GROUP**
- VI. DISCUSSION OF NOISE ORDINANCE**
- VII. DISCUSSION OF MUNICIPAL COURT IGA**
- VIII. LIQUOR CODE LEGISLATIVE UPDATE**
- IX. REFUSE CONTAINER GRANT UPDATE**
- X. DISCUSSION OF COUNCIL RETREAT**
- XI. DISCUSSION OF MANAGER/COUNCIL ISSUES**
- XII. ADJOURNMENT**

Town of Keystone tax revenue reports

Summit County Housing Authority



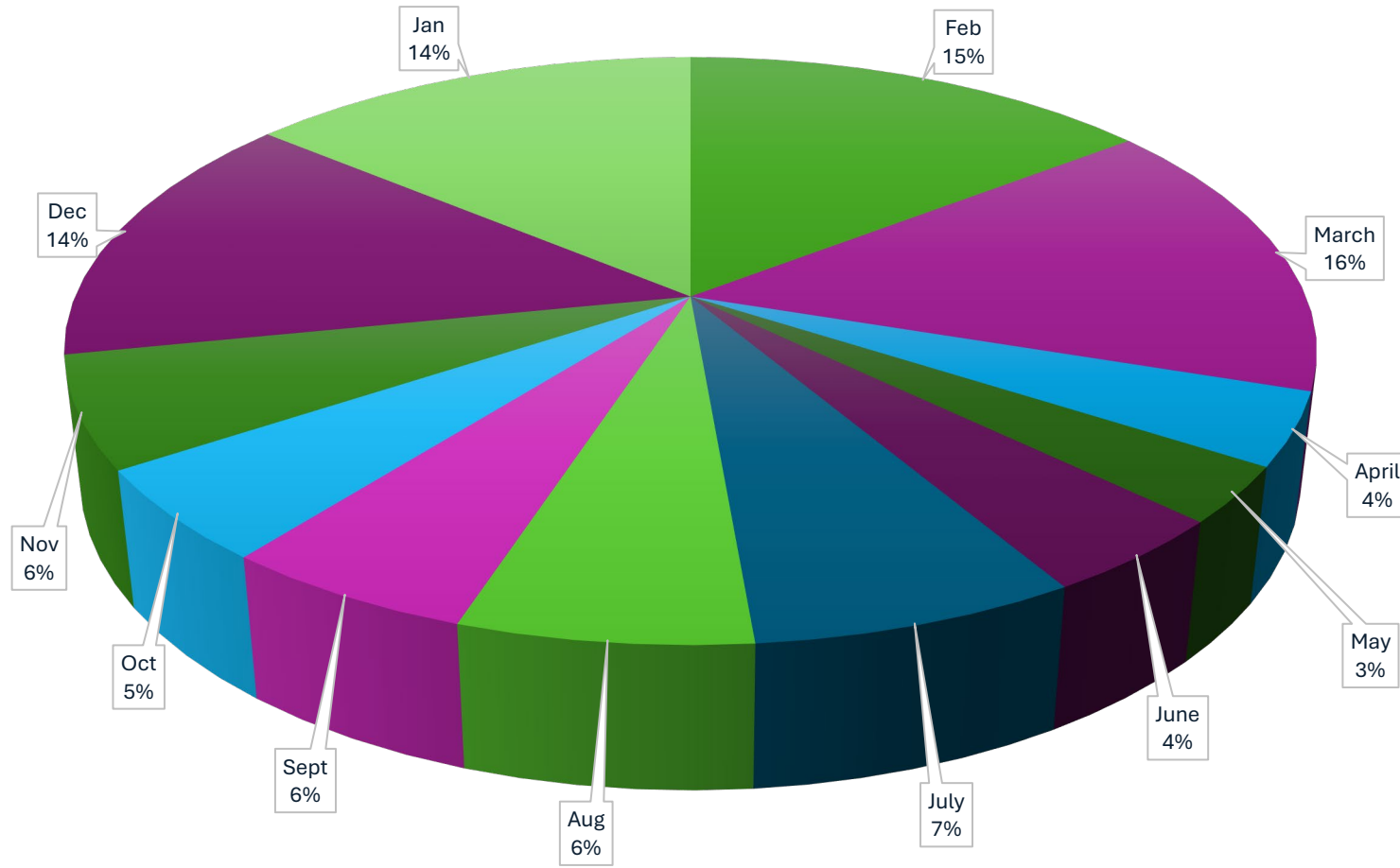
Town of Keystone tax revenue reports



For comparison purposes, we used actual sales tax revenue for February. Since Keystone's share was prorated, our portion of the revenue was lower.

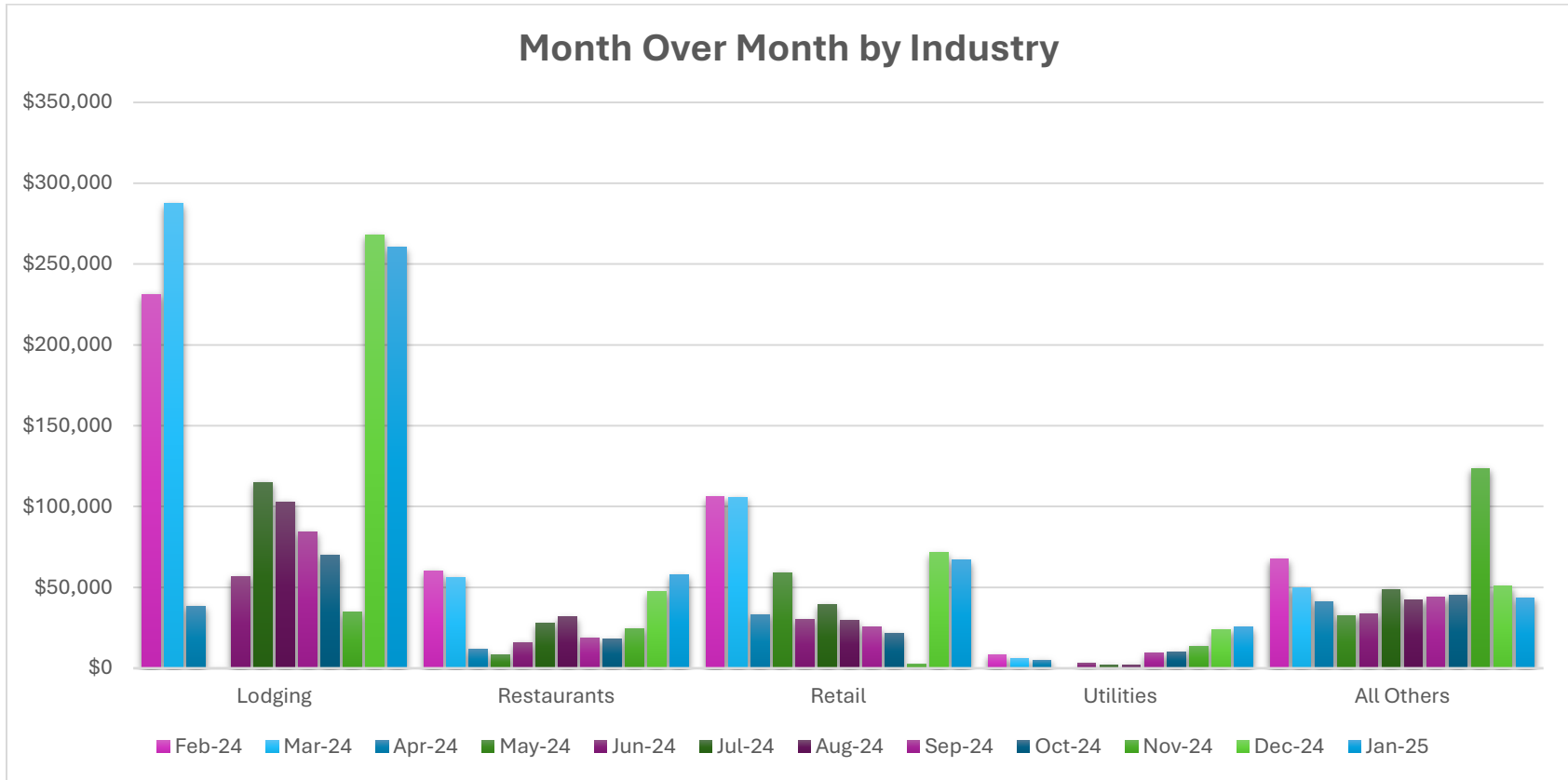
Town of Keystone tax revenue reports

YTD Sales Tax % Breakdown by Month



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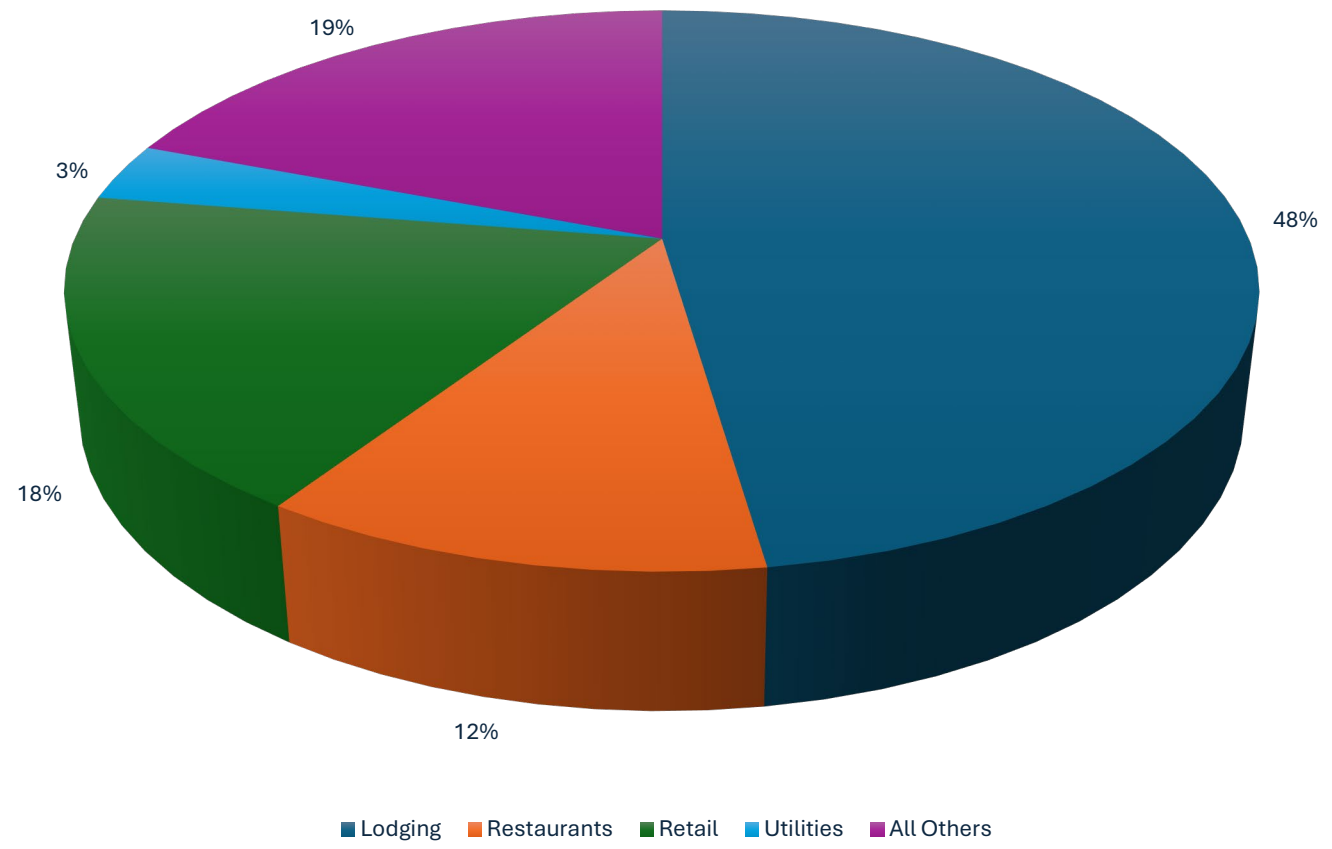
Town of Keystone tax revenue reports



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Town of Keystone tax revenue reports

Industry % Breakdown for 2024



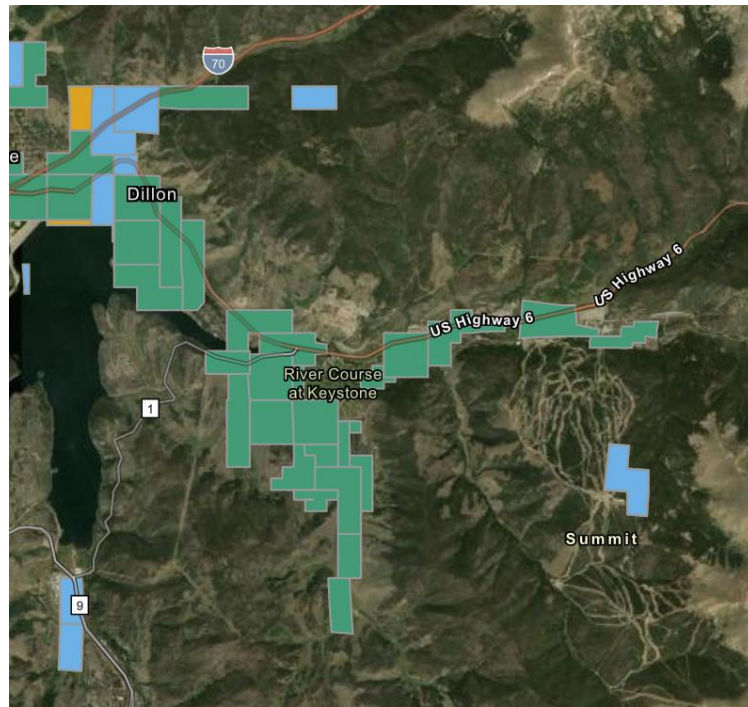
EXISTING CONDITIONS AND STAKEHOLDER ENGAGEMENT

INITIAL INSIGHTS

Photo credit: Gabby Abell

KEYSTONE'S PAST

- Ute inhabited lands → Gold rush and timber town → Ski resort
- Officially incorporated on Feb 8th, 2024



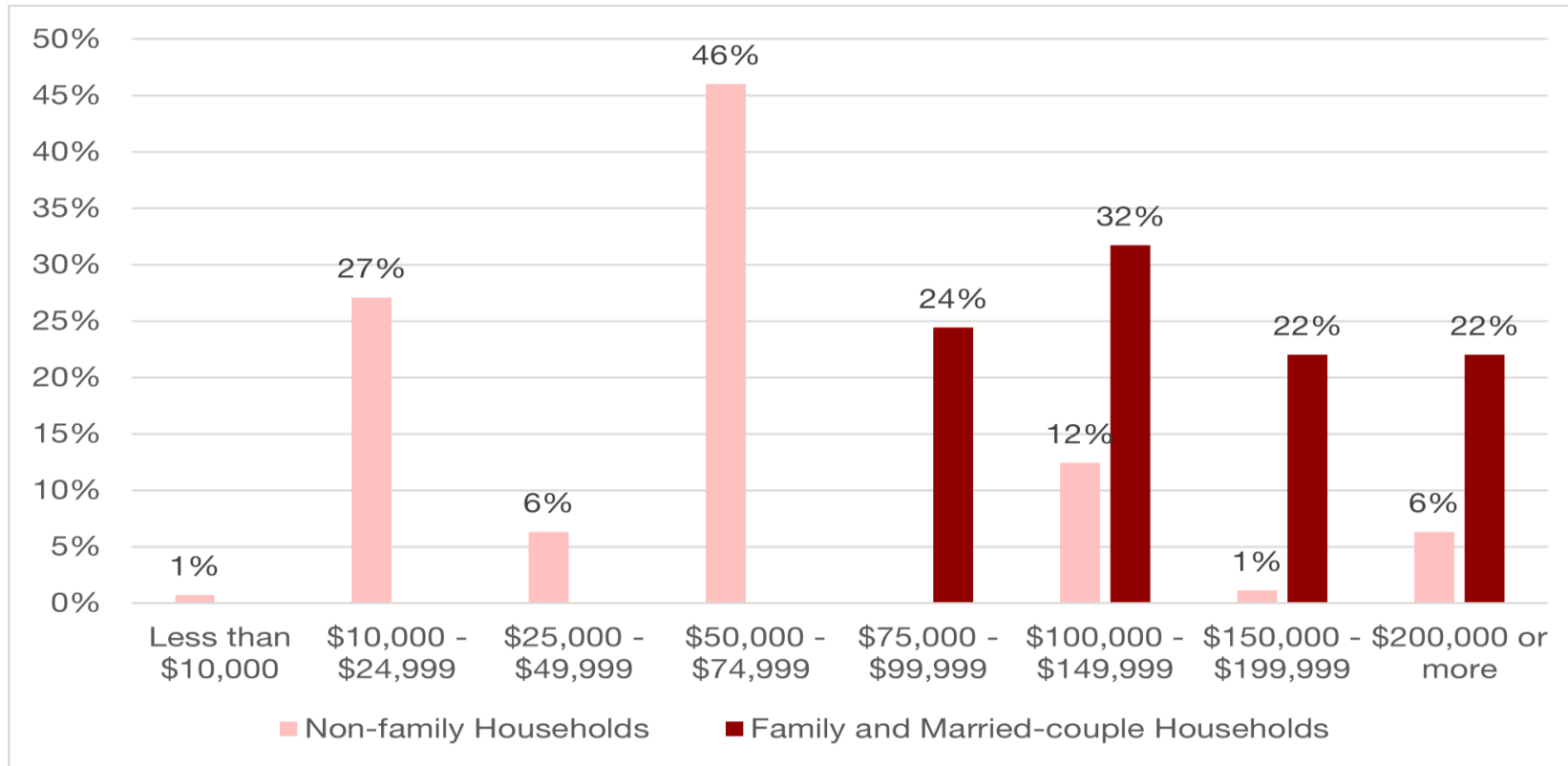
KEYSTONE'S PRESENT

- **Bimodal split** in resident population – more **permanent older residents and families** and **younger transient workers**.
- A slightly **larger share of residents in Keystone speak languages other than English** at home as compared to Summit County as a whole.
- A **smaller average household size** in Keystone compared to Summit County as a whole (1.4 compared to 2.46).



INCOME SPLIT

- **Nonfamily households:** one or more unrelated people living together. **Family households:** people living together related by lineage, or marriage.
- Younger workers making less than family households on average.

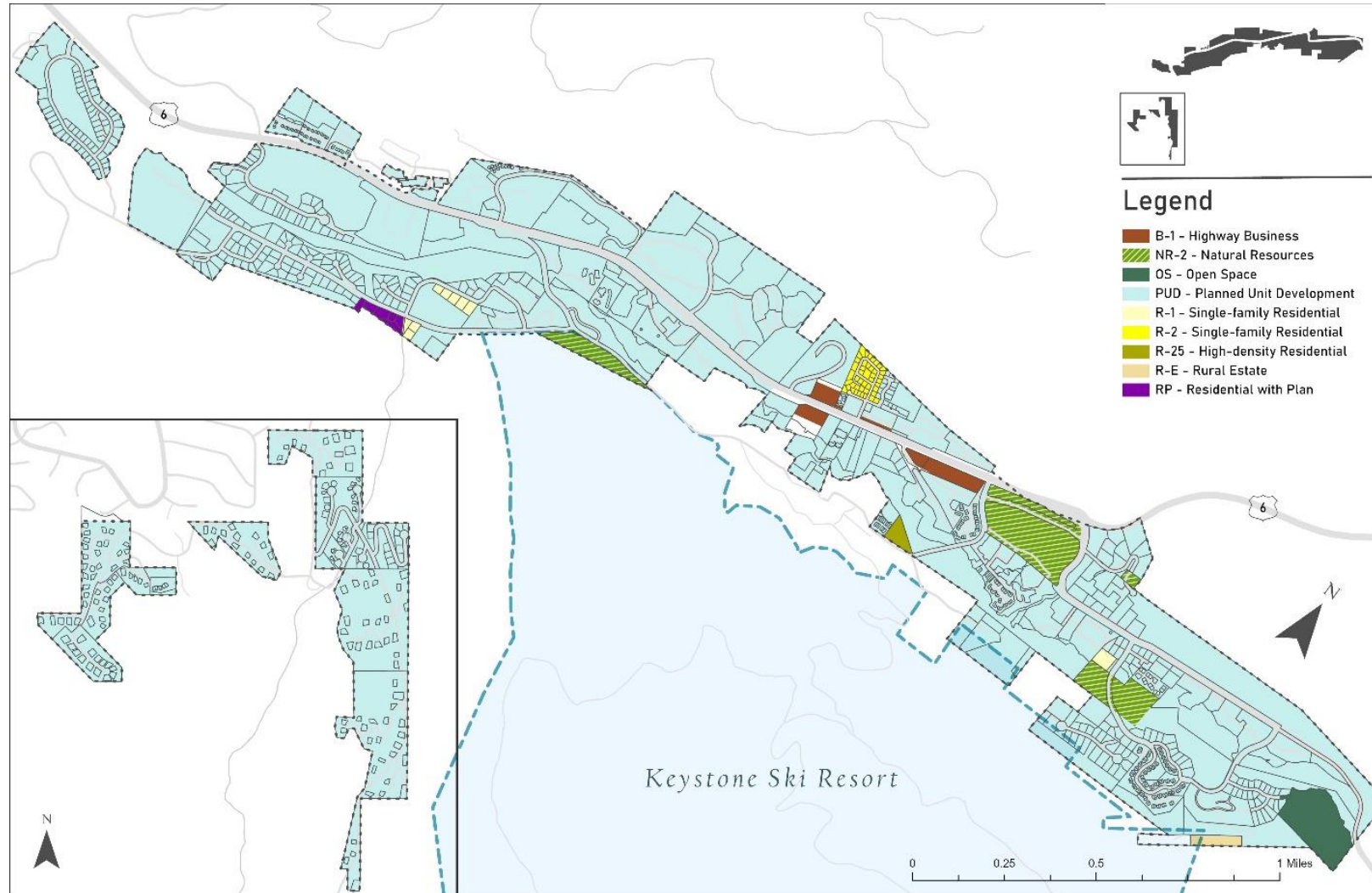


KEYSTONE'S STYLE

- **Mountain style** can best describe much of Keystone's architecture. Blending **rustic materials**, **alpine aesthetics**, and **modern luxury**.
- Natural materials include **timber framing** and heavy wood beams, **stonework**, and **metal accents**. It is common to see **steeply pitched roofs** designed to handle heavy snow loads and deep overhangs to protect from snow and intense alpine sun.



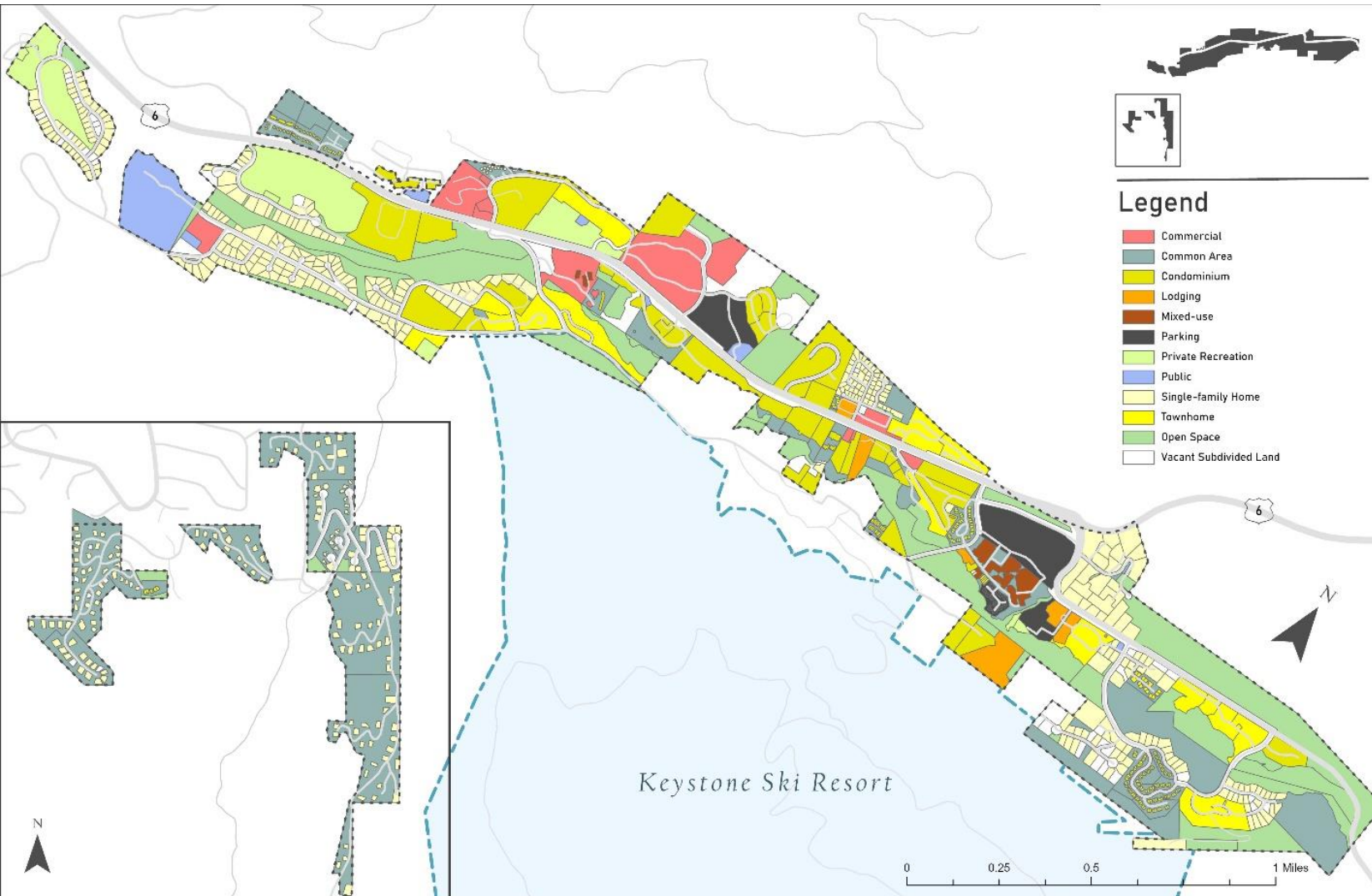
ZONING IN KEYSTONE



Mostly PUDs – presents interesting challenges from a municipal regulatory perspective...

...PUDs can be amended/updated, but most of the development outlined in the PUD has either been developed or approved by Summit County at the time of the PUD approval.

LAND USE IN KEYSTONE



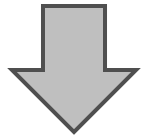
Largest representation by percent of area:

- Common area/open space
- Residential condos/town homes and single-family homes

KEYSTONE'S FUTURE

Reasons for incorporation:

- Increased negotiating power with entities like CDOT and Vail Resorts
- Increased influence over US6 traffic calming efforts
- Local control over revenue
- Local control over development and land use

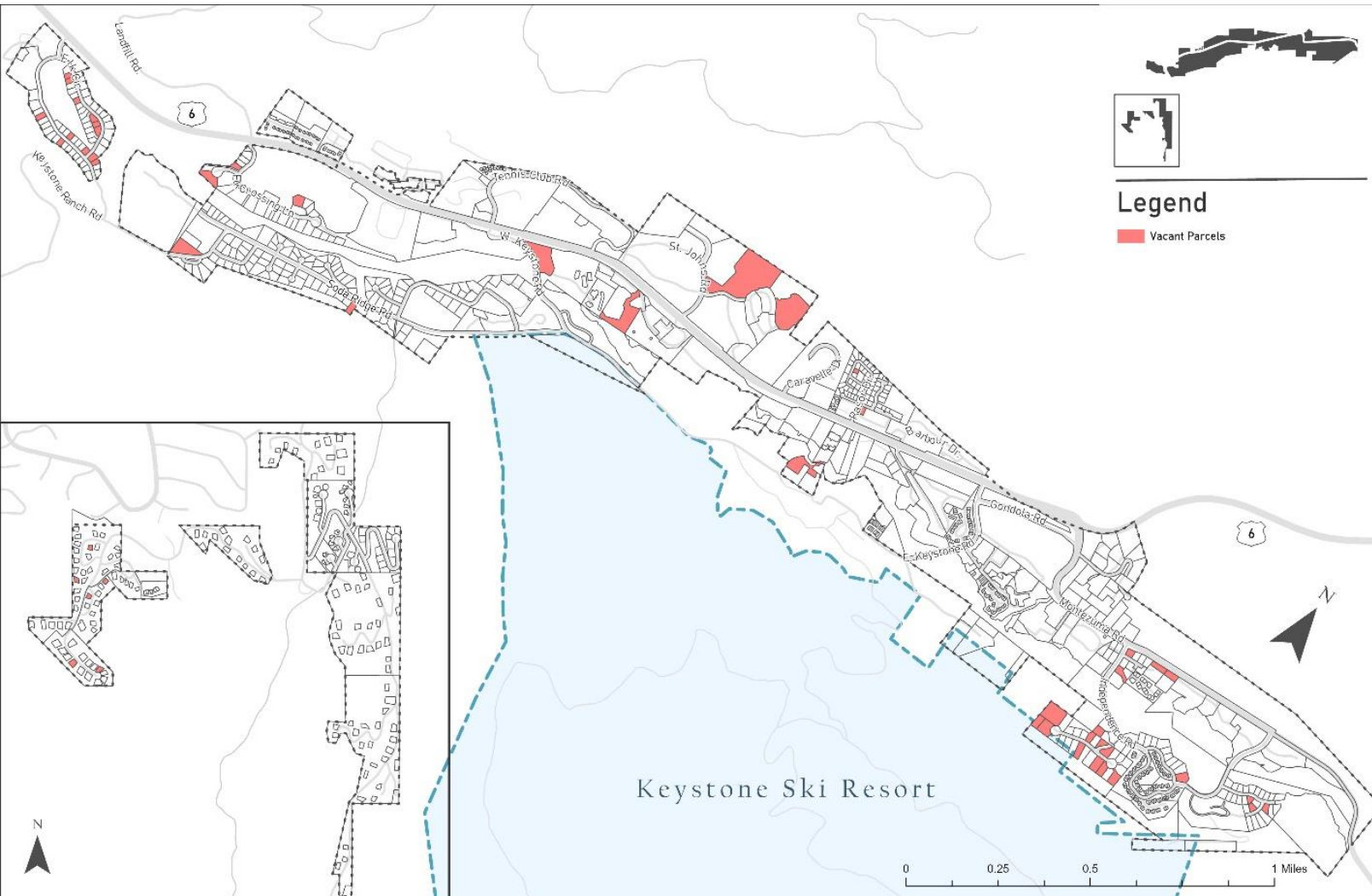


Emerging themes:

- US6 safety
- Town-wide pedestrian and bicycle connection improvement
- Locating and defining a distinct “town center” for Keystone
- Sorting town-level versus county-level services and responsibilities
- Economic revitalization of certain areas; diversification of offerings

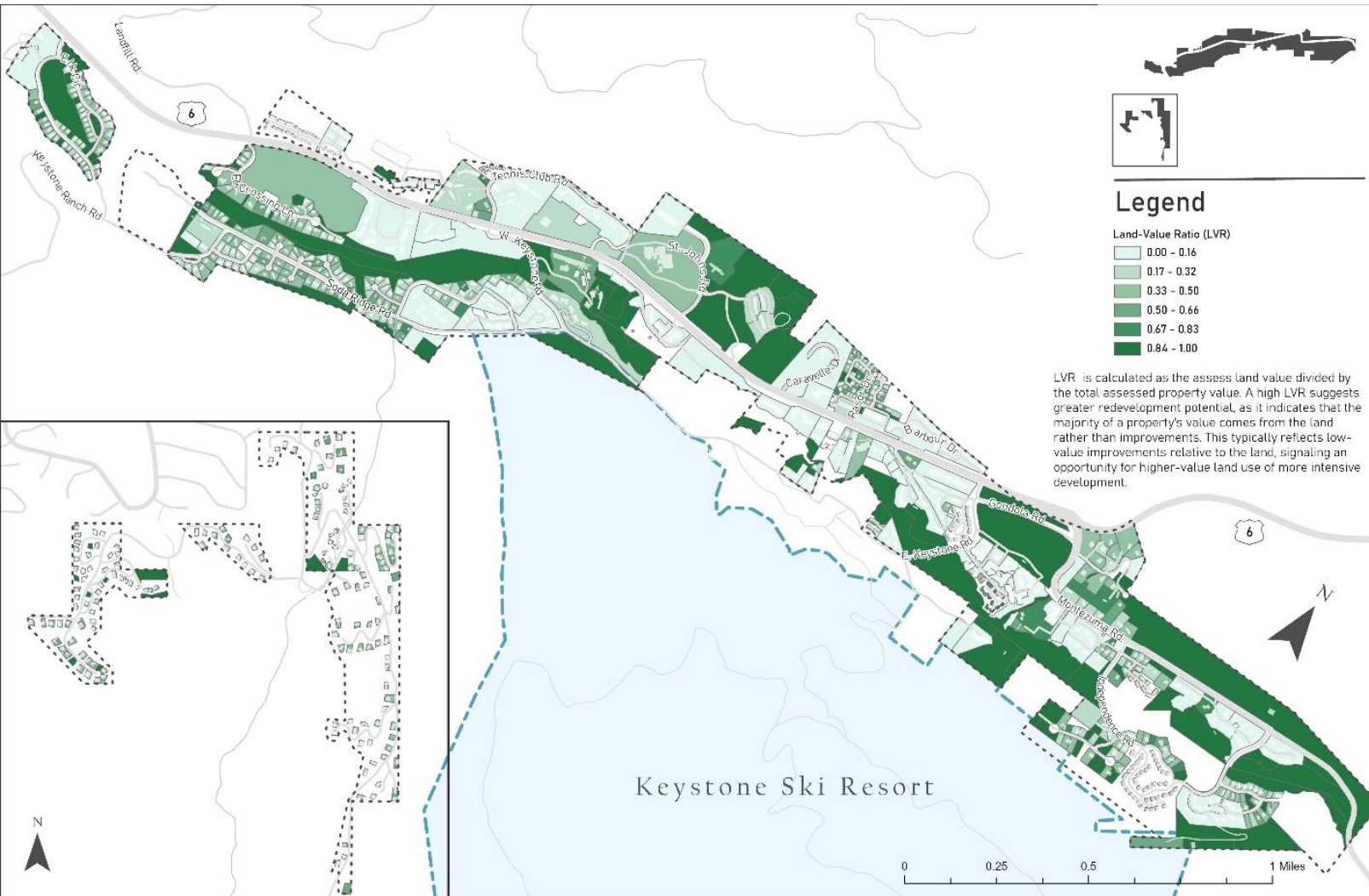


GROWTH AND DEVELOPMENT CONSIDERATIONS



- Inhibiting factors
 - USFS lands
 - Sensitive wetlands
 - Strategic alignment with water district needed
 - Infrastructure improvements
 - Water storage needs in Base 2 (center of town)

REDEVELOPMENT PRESSURE



- Land Value Ratio (LVR) = assessed land value/assessed total property value.
- **High LVR** suggests **greater redevelopment potential**.
- **Important to understand use of land**. An LVR of 1.0 is common for park lands.
- Conceptual in nature - **not** a reflection on where redevelopment will happen **but where the market may be signaling redevelopment potential**.

STITCHING KEYSTONE TOGETHER



- Recreational Paths
- Trails
- On-Street Facilities
- Study Area

Existing Bicycle and Pedestrian Network

Pedestrian and bicyclist opportunities identified:

- Recreational path condition improvement – impacts from plowing.
- Add pedestrian amenities such as trash cans, water stations, or benches.
- Clearer wayfinding for trail network
- Clearer visual difference between roadways and areas dedicated to cyclists or pedestrians.
- Expanded in-town sidewalks
- More crossings of US6
- Potential North side rec path?

ADDRESSING US6 SAFETY ISSUES



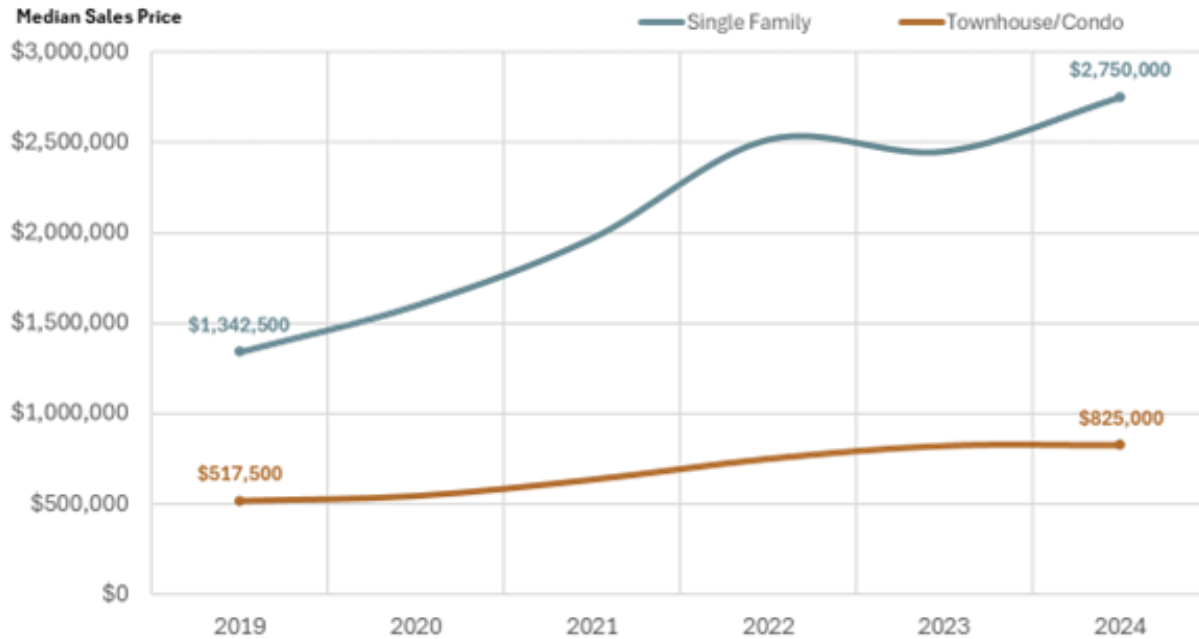
Crashes (2019-2023)

Safety improvement opportunities identified:

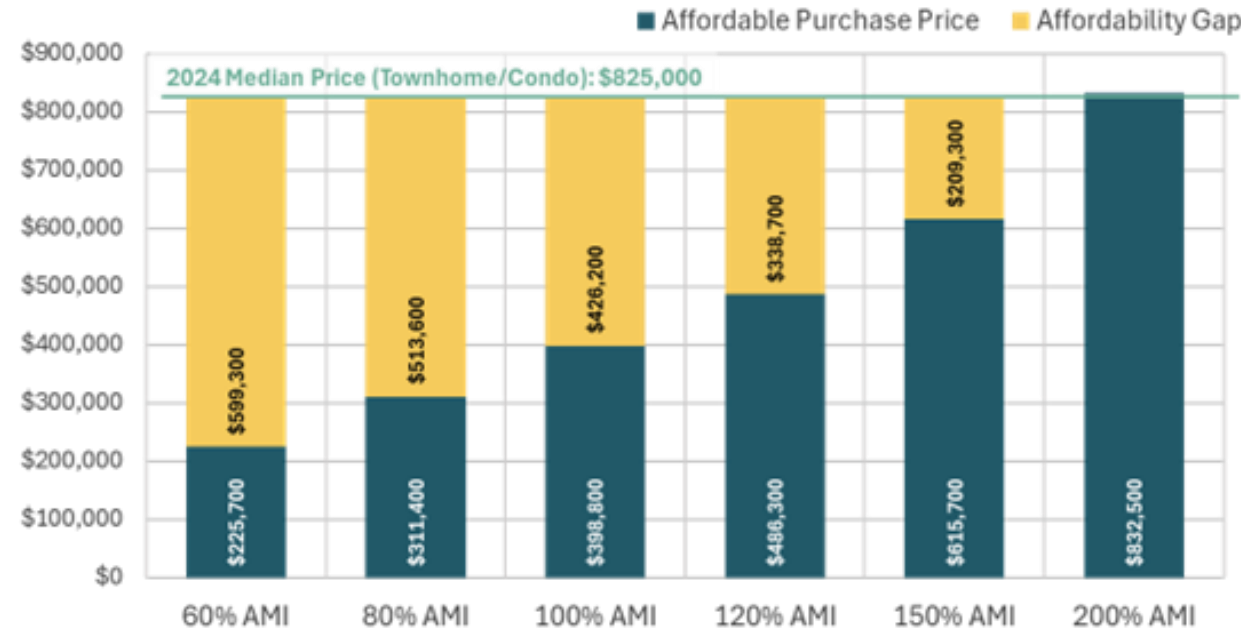
- Install safe pedestrian crossings of US6 in strategic locations.
- Traffic calming measures.

HOUSING AFFORDABILITY

- Single-family home prices have soared.
- Families making less than 200% AMI are unlikely to be able to purchase a median priced townhome/condo.
- 7 properties with deed-restricted affordable housing
- 787 deed restricted units – 536 for Vail Resorts employees, 243 for locally employed full-time workers.



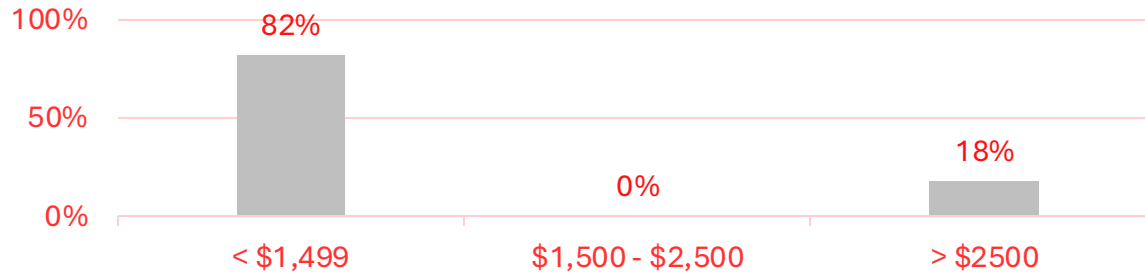
Source: SummitMLS; Economic & Planning Systems



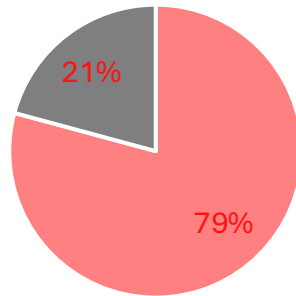
Source: MLS; CHFA 2024 Income Limits; Economic & Planning Systems

HOUSING IN KEYSTONE

Rents



Renter Vs. Owner Occupied Housing



■ Occupied by renters ■ Occupied by owners

Measure	Value
Median home price (town home/condo) (single-family)	\$1.26M (\$2.5M)
Median rent	\$861 / month
Vacancy rate (amount of housing units unoccupied year-round)	82.1%
STR permits belonging to the top 3 companies	1,100/1,900 total

KEYSTONE REVITALIZATION OPPORTUNITIES

- Increase the use of the conference center (could the town consider acquiring from Vail Resorts?)
- Revitalize Lakeside Village
- Consider repurposing the tennis facility as a town rec center or community hub

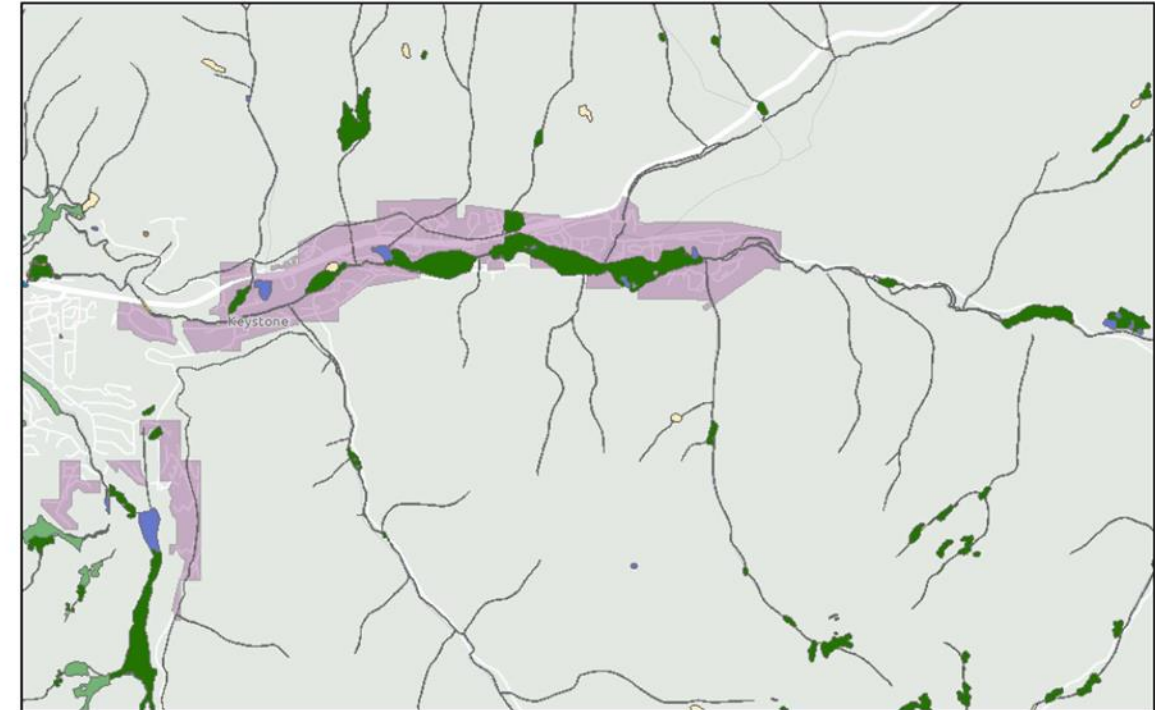


THE NATURAL ENVIRONMENT IN KEYSTONE

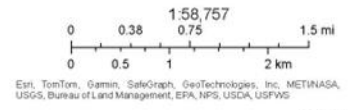
Major considerations

- The town is surrounded by USFS land. Considered “moderate to high risk” for wildfire based on summit county analysis. There is a high concentration of development and critical infrastructure within town.
- The Snake River is very contaminated. Historic efforts to improve water quality and improve habitat have stalled.
- High concentration of wetlands within the town boundaries, along the Snake River. These wetlands offer critical habitat for certain flora and fauna.

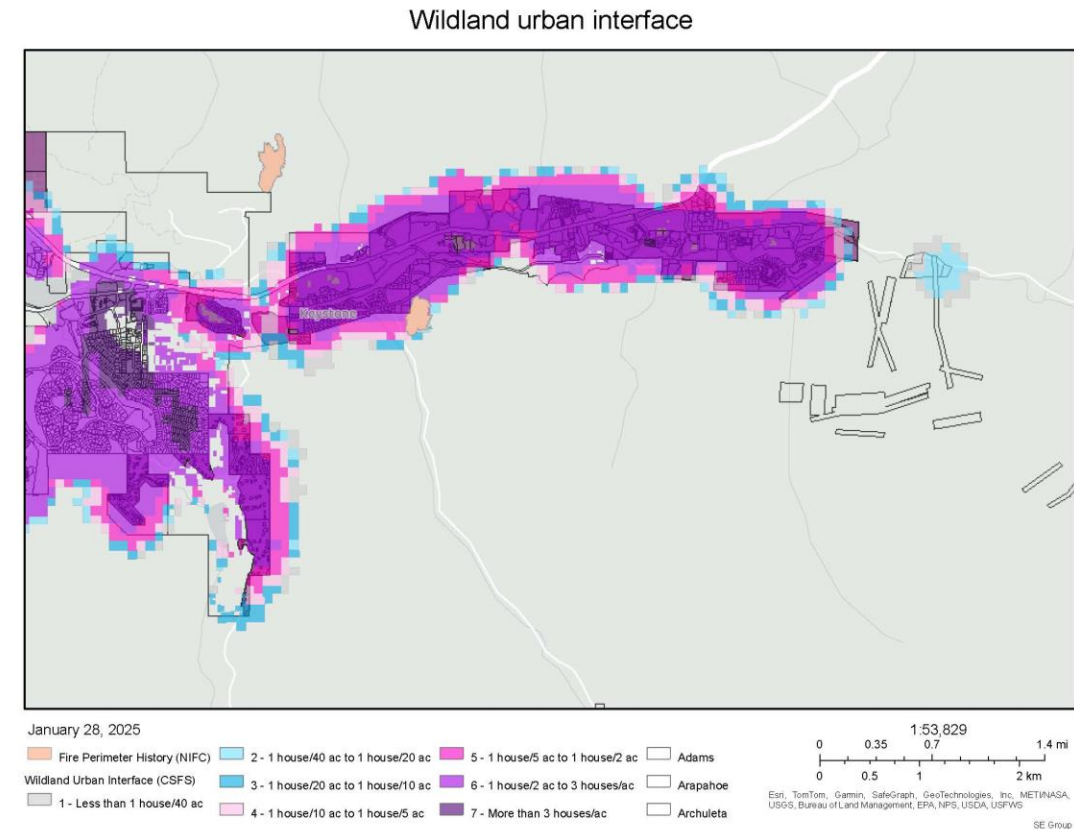
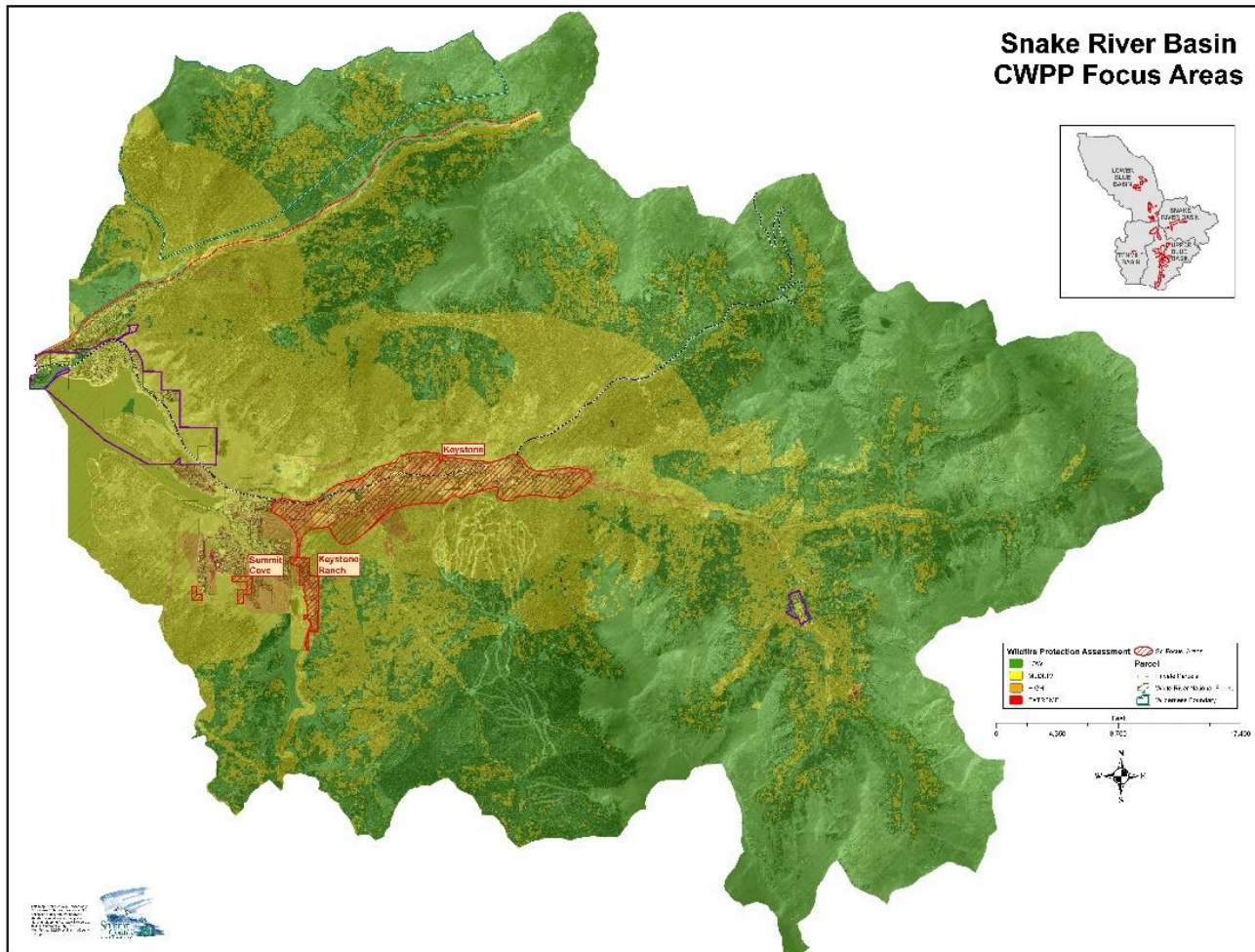
Wetlands



January 28, 2025



WILDFIRE RISK



RECREATION OPPORTUNITIES IN KEYSTONE

- An identified gap is the need for more family and community serving park space and recreation facilities.
- Demographics suggest a high presence of younger single workers. It will be important to consider how recreation opportunities/community services serve their needs.

Recreational amenities within 5 miles of Keystone

Trail Type	Seasonality	Mileage
Non-Motorized Trails	Summer	65.8
Non-Motorized Trails (Bike Only)	Summer	5.53
Motorized Trails (OHM)	Summer	10
Motorized Trails (OHV)	Summer	2.2
USFS Roads	Varies	3.4
Other Roads	Varies	1.9

SITE VISIT + STAKEHOLDER CONVERSATIONS

People that have been engaged so far...

- Heike Fawkes, Town Finance Director
- Mark Mathews, KNC
- Scott Price, SNRWD
- Grant Anderson and Karen Berdoulay, CDOT
- Melissa Sherburne, Vail Resorts



KEY TAKEAWAYS FROM STAKEHOLDER DISCUSSIONS

- Potential opportunity to explore lift ticket tax similar to Town of Breckenridge.
- Needs for more affordable housing for middle income households.
- Improving circulation between development would benefit residents.
- Keystone is very seasonal, would be great to expend the primary business options to attract more year-round employment and or attract remote workers.
- SRWD has long term infrastructure replacement needs that could be coordinated with other town capital projects, such as rec path or bridge improvements.
- CDOT maintains curb to curb on Hwy. 6 – any improvements in the right-of-way (sidewalks, bikes lanes, etc.) fall to town. CDOT supportive of pedestrian improvements.

KEY TAKEAWAYS CONTINUED...

- Town of Dillon planning roundabouts on 9/6 – CDOT curious if roundabouts would be of interest to Keystone.
- CDOT aware of traffic back-up concerns leading into River Run. If the problem persists, CDOT could encourage Vail Resorts to update access permit and circulation management.
- Would the town be interested in opportunities to encourage more regional transit on Hwy 6. – Bustang/Snowstang stops in town?
- Vail Resorts holds the perspective that their resorts thrive when the communities that they operate within are thriving.
- Vail Resorts signaling that they are open to collaboration but seem interested in understanding community priorities before committing to too much. Could find initial small opportunities to collaborate to build trust and establish relationships.

TRANSPORTATION - INITIAL PRIORITIES AND RECOMMENDATIONS

- High-level safety recommendations and next steps for developing a safety action plan
- Could improve landscaping along 6 to encourage slower vehicle speeds.
- Improvements to pedestrian and bicycle connectivity within the Town
- Additional pedestrian and bicycle crossings across Highway 6
- Transportation demand management (TDM) strategies to reduce congestion and parking demand
- Parking management strategies to make Keystone a park-once community
- Roadway design guidance to reference for future development
- Wayfinding and signage guidance

LAND USE - INITIAL PRIORITIES AND RECOMMENDATIONS

- Develop a simple approach to land use that cleans up the tangle of PUDs and aligns with Keystone's vision for the future.
- Open lines of communication between the planning and development department and water providers.
- Incorporate resiliency into land use regulations with provisions for resiliency such as proper setbacks, floodplain regulations, defensible space, etc.
- Commission a capital asset inventory to understand maintenance liabilities, and maintenance requirements for newly inherited public infrastructure such as roads, sidewalks, trails, parks space, and any utility lines.

PARKS, RECREATION, TRAILS, AND OPEN SPACE – INITIAL PRIORITIES AND RECOMMENDATIONS

- Develop an inventory of Trails, Parks & Open Spaces with Ownership Information, condition, mileage, etc. (condition, ownership, future needs, etc.)
- Review existing sidewalk and multi-use path system to understand and develop connections between recreation hubs/trailheads to restaurants, downtown amenities, etc.
- Better understand barriers to recreation access by coordinating with Summit County on recreational resources that are planned at the county level.
- Develop Town recreation maps that include connections to Resort, County, and USFS recreation amenities. Develop Recreation Resources page on Town Website
- Create dedicated funding source for recreation amenity maintenance
- Develop survey for community to identify recreation amenity priorities (develop new, maintain, close sidewalk gaps, missing amenities, etc.)

ENVIRONMENT – INITIAL PRIORITIES AND RECOMMENDATIONS

- Codify home hardening and defensible space requirements for all new development and redevelopment in land use and/or building codes.
- Work with USFS Dillon Ranger District on forest health and thinning projects.
- Consider reviving water quality enhancements and habitat improvement work with Snake River Watershed Task Force
- Consider conversations with Summit County on a Transfer of Development Rights program.

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
THROUGH:
FROM: John Crone, Town Manager
DATE: March 25, 2025
SUBJECT: Nuisance ordinance – Noise Ordinance

Executive Summary:

The purpose of this work session item is to review a draft noise ordinance.

Background:

Town Council is in the process of reviewing sections for a proposed nuisance ordinance. This section contains the noise ordinance. The sections are largely based on the ordinance that has been adopted by Summit County and are currently enforceable in the Town of Keystone.

As with most ordinances, this ordinance will not prohibit an HOA from imposing its own, stricter noise requirements.

Since the last Town Council meeting, the following sections were changed:

Section 4 – section for weekend limits was added, evening hours were changed from 10:00 pm to 11:00 pm, the language separating Sunday levels was removed.

Section 6 – the language addressing the sale of snowmobiles was removed.

Section 7 – language was added clarifying that the section applied to vehicles with internal combustion engines

Section 8 – the exemption for animal noise was removed and the reference to “man-made snow” was changed to just refer to “snow.”

Additionally, since the last Council meeting, staff conducted several noise readings around the community. These were very unscientific readings without concern for ambient noise or wind levels. The loudest area was by the gondola. There were large crowds and two different music amplifiers. Readings were recorded at just over 72 db(A) (but generally just above 70). Near the exhaust vent at Pizza on the Run, the levels approached 65 db(A). Readings in residential areas ranged from the upper 40s to approximately 55 db(A). The ambient noise in Town Hall is around 45 db(A).

Below are the various levels allowed by the other municipalities in the County. All of the Towns only differentiate between residential and commercial. The county is the only entity that has industrial and light industrial designations. Silverthorne does not have db(A) limitations, it simply prohibits unnecessary noise. Dillon does not have general daytime limitations. All of the Town’s with limits used 11:00 pm as the start of evening limits (Frisco set 10:00 pm in residential districts). Summit County has a 10:00 pm start for evening hours.

Entity	Zone	Day	Night
County	Res.	55	50
	Com.	60	55
Dillon	Res.		55
	Com.		65
Frisco	Res.	55	50
	Com.	70	65
Breckenridge	Res.	55	50
	Com.	70	65

Draft Ordinance

Section 1. - Title.

This ordinance shall be known as the *NOISE ORDINANCE*.

Section 2. - Purpose.

The purpose of this Ordinance is to regulate excessive noise in the Town of Keystone in order to protect the property, health, welfare, peace or safety of its citizens, inhabitants and visitors.

Section 3. – Definitions

As used in this Ordinance, unless the context otherwise requires, the following words shall mean:

- A. "Ambient Noise Level" means the lowest sound level which repeats itself during a six-minute period as measured with a sound level meter and can be heard and measured from the point a noise reading is made. The minimum sound level shall be determined with the noise source at issue silent, and in the same location as the measurement of the noise level of the source at issue.
- B. "Commercial zone" means:
 - 1. An area where offices, clinics, and other facilities needed to serve them are located;
 - 2. An area with local shopping and service establishments located within walking distances of the residents served;
 - 3. A tourist-oriented area where hotels, motels, and gasoline stations are located;
 - 4. A large integrated regional shopping center;

5. A business strip along a main street containing offices, retail businesses, and commercial enterprises;
6. A central business district; or
7. A commercially dominated area with multiple-unit dwellings.

C. "db(A)" means sound levels in decibels measured on the "A" scale of a standard sound level meter having characteristics defined by the American national standards institute, publication S1.4 -- 1971.

D. "Decibel" is a unit used to express the magnitude of a change in sound level. The difference in decibels between two sound pressure levels is twenty times the common logarithm of their ratio. In sound pressure measurements sound levels are defined as twenty times the common logarithm of the ratio of that sound pressure level to a reference level of 2×10^{-5} N/m² (Newton's/meter squared). As an example of the effect of the formula, a three-decibel change is a one hundred percent increase or decrease in the sound level, and a ten-decibel change is a one thousand percent increase or decrease in the sound level.

E. "Industrial zone" means an area in which noise restrictions on industry are necessary to protect the value of adjacent properties for other economic activity but shall not include agricultural, horticultural, or floricultural operations.

F. "Light industrial and commercial zone" means:

1. An area containing clean and quiet research laboratories;
2. An area containing light industrial activities which are clean and quiet;
3. An area containing warehousing; or

4. An area in which other activities are conducted where the general environment is free from concentrated industrial activity.

G. "Motorcycle" means a self-propelled vehicle with not more than three wheels in contact with the ground that is designed primarily for use on the public highways.

H. "Motor vehicle" means a self-propelled vehicle with at least four wheels in contact with the ground that is designed primarily for use on the public highways.

I. "Muffler" means a device consisting of a series of chamber or baffle plates or other mechanical design for the purpose of receiving exhaust gas from an internal combustion engine and effective in reducing noise.

J. "Off-highway vehicle" means a self-propelled vehicle with wheels or tracks in contact with the ground that is designed primarily for use off the public highways.

K. "Off-highway vehicle" shall not include the following:

1. Military vehicles;
2. Golf carts;
3. Snowmobiles;
4. Vehicles designed and used to carry persons with disabilities; and
5. Vehicles designed and used specifically for agricultural, logging, firefighting, or mining purposes.

L. "Residential zone" means an area of single-family or multifamily dwellings where businesses may or may not be conducted in such dwellings. The zone may include areas where multiple-unit dwellings, high-rise apartment districts, and redevelopment districts are located. A residential zone may include areas containing accommodations for transients such as motels and hotels and residential areas with limited office development, but it may not include retail shopping facilities. "Residential zone" includes hospitals, nursing homes, and similar institutional facilities.

M. "SAE J1287" means the J1287 stationary sound test or any successor test published by SAE international or any successor organization.

N. "SAE 12567" means the 12567 stationary sound test or any successor test published by SAE international or any successor organization.

O. "Snowmobile" means a self-propelled vehicle primarily designed or altered for travel on snow or ice when supported in part by skis, belts, or cleats and designed primarily for use off the public highways. "Snowmobile" shall not include machinery used strictly for the grooming of snowmobile trails or ski slopes.

Section 4. - Maximum Permissible Noise Levels

A. Every activity to which this Ordinance is applicable shall be conducted in a manner so that any noise produced is not objectionable due to intermittent, beat frequency, or shrillness. Sound levels of noise radiating from a property line at a distance of twenty-five (25) feet or more therefrom in excess of the db(A)

established for the following time periods and zones shall constitute prima facie evidence that such noise is a public nuisance:

<i>Zone</i>	<i>Sun.-Thur. 7:00 a.m. to next 11:00 p.m.</i>	<i>11:00 p.m. to next 7:00 a.m.</i>
Residential	55 db(A)	50 db(A)
Commercial	60 db(A)	55 db(A)
Light industrial	70 db(A)	65 db(A)
Industrial	80 db(A)	75 db(A)
<i>Zone</i>	<i>Fri.-Sat. 7:00 a.m. to next 11:00 p.m.</i>	<i>11:00 p.m. to next 7:00 a.m.</i>
Residential	55 db(A)	50 db(A)
Commercial	60 db(A)	55 db(A)
Light industrial	70 db(A)	65 db(A)
Industrial	80 db(A)	75 db(A)

B. In the hours between 7:00 a.m. and the next 11:00 p.m., the noise levels permitted in subsection (A) of this section may be increased by ten db(A) for a period of not to exceed six minutes in any one-hour period.

C. Periodic, impulsive, or shrill noises shall be considered a public nuisance when such noises are at a sound level of five db(A) less than those listed in subsection (A) of this section.

D. Construction projects: noise from construction operations is prohibited from 7:00 p.m. to 6:59 a.m. except as provided in a Town approved temporary or conditional use permit or in Town approved PUD designations, or when construction work is required to make emergency repairs. Construction noise

shall not exceed the maximum permissible noise levels specified for industrial zones.

F. Measurements with sound level meters shall be made when the wind velocity at the time and place of such measurement is not more than five (5) miles per hour.

H In all sound level measurements, consideration shall be given to the effect of the ambient noise level created by the encompassing noise of the environment from all sources at the time and place of such sound level measurement.

Section 5. – Motor Vehicle Noise

A. No person shall drive, operate, or knowingly permit to be driven or moved, a motor vehicle on a public road or highway that produces noise in excess of the sound levels in decibels, measured on the "A" scale on a standard sound level meter having characteristics established by the American national standards institute, publication S1.4--1971, and measured at a distance of fifty feet from the center of the lane of travel and within the speed limits specified below:

<i>Type of Vehicle</i>	<i>Speed limit of 35 mph or less</i>	<i>Speed limit of more than 35 mph</i>
Any motor vehicle with a manufacturer's gross vehicle weight rating of six thousand pounds or more, any combination of vehicles towed by such motor vehicle, and any motorcycle other than a low-power scooter:		
- Before January 1, 1973	88 db(A)	90 db(A)
- On or after January 1, 1973	86 db(A)	90 db(A)

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

C. This section applies to the total noise from a vehicle or combination of vehicles.

D. For the purpose of this section, a truck, truck tractor, or bus that is not equipped with an identification plate or marking bearing the manufacturer's name and manufacturer's gross vehicle weight rating shall be considered as having a manufacturer's gross vehicle weight rating of six thousand pounds or more if the unladen weight is more than five thousand pounds.

Section 6. – Off-Highway Vehicles

A. An off-highway vehicle operated within the Town of Keystone shall not emit more than the following level of sound when measured using SAE 11287:

1. If manufactured before January 1, 1998 ----- 99 db(A)
2. If manufactured on or after January 1, 1998 ---- 96 db(A)

B. A snowmobile shall not emit more than the following level of sound when measured using SAE 12567:

1. If manufactured on or after July 1, 1972, and
before July 2, 1975 ----- 90 db(A)
2. If manufactured on or after July 2, 1975 ----- 88 db(A)

C. This section shall not apply to the following:

1. A vehicle designed or modified for and used in closed-circuit, off-highway vehicle competition facilities;
2. An off-highway vehicle used in an emergency to search for or rescue a person; and
3. An off-highway vehicle while in use for agricultural purposes.

D. The following shall be an affirmative defense to a violation under this section if the off-highway vehicle or snowmobile:

1. Was manufactured before January 1, 2005;
2. Complied with federal and state law when purchased;
3. Has not been modified from the manufacturer's original equipment specifications or to exceed the sound limits imposed by subsection (a) or (b) of this section; and
4. Does not have a malfunctioning exhaust system

Section 7. – Vehicle Muffler Required

A. No person shall operate any vehicle with an internal combustion engine within the Town of Keystone that is not equipped with a muffler in constant operation and is not properly maintained to prevent an increase in the noise emitted by the vehicle above the noise emitted when the muffler was originally installed.

B. No person shall operate any vehicle in the Town of Keystone having a muffler that has been equipped or modified with a cutoff and bypass or any similar device or modification.

Section 8. – Exemptions

This ordinance shall not apply to:

- A. The operation of aircraft or to other activities which are subject to federal law with respect to noise control.

- B. Property used for: Manufacturing, industrial, or commercial business purposes; public utilities regulated pursuant to title 40, C.R.S.; and oil and gas production subject to the provisions of article 60 of title 34, C.R.S.

- C. The use of property for purposes of conducting speed or endurance events involving motor or other vehicles, but such exception is effective only during the specific period of time within which such use of the property is authorized by the Town of Keystone or other governmental agency having lawful jurisdiction to authorize such use.

- D. The use of property for the purpose of manufacturing, maintaining, or grooming snow.

- E. The use of property by the State of Colorado, any political subdivision of this state, or any other entity not organized for profit, including but not limited to, nonprofit corporations, or any of their lessees, licensees, or permittees, for the purpose of promoting, producing, or holding cultural, entertainment, athletic, or patriotic events, including, but not limited to, concerts, music festivals, parades, and firework displays.

- F. Any authorized emergency vehicle, when responding to an emergency call or acting in time of emergency.

G. The sound made by the sounding of the horn of any vehicle as a danger warning signal or by the sounding of any warning device as required by law.

H. Public utilities regulated pursuant to Title 40, C.R.S.

I. Oil and gas production subject to the provisions of Article 60 of Title 34, C.R.S.

J. The sound made within the terms of a fireworks display permit.

K. Activities conducted pursuant to a special use permit issued or otherwise authorized by the Town in which noise is addressed.

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
THROUGH: John Crone, Town Manager
FROM: Jennifer Madsen, Town Attorney
DATE: March 25, 2025
SUBJECT: Discussion of draft Intergovernmental Agreement with the
Town of Silverthorne and Town of Dillon for a Combined
Silverthorne-Dillon-Keystone Municipal Court

Executive Summary:

Pursuant to Section 8.1 of the Home Rule Charter and Colorado law, the Town is required to establish a municipal court of record that has jurisdiction to hear and determine all cases arising under the Charter and the Ordinances. The Town Council is to provide a suitable place and proper supplies and functioning.

This staff report provides a detailed summary of the draft Intergovernmental Agreement (IGA) between the Towns of Keystone, Silverthorne, and Dillon for a combined municipal court. The combined municipal court is for the purposes of efficiency in conducting and operating a municipal court. Currently, Silverthorne and Dillon are parties to an IGA for a combined court and Keystone would join that IGA.

As a note, this IGA is in a draft form. The draft is based on the 2013 IGA between Silverthorne and Dillon and is revised to include Keystone as a party. Currently, the draft is being reviewed by Silverthorne. It will next be shared with Dillon.

Background:

Prior to 2004, Silverthorne and Dillon operated independent municipal court. In 2004,

Silverthorne and Dillon entered into an intergovernmental agreement for the operation of a joint municipal court of record under Article 10 of Title 13, C.R.S. (“2004 Municipal Court IGA”). By agreement of Silverthorne and Dillon, the 2004 Municipal Court IGA was superseded and replaced by a 2013 intergovernmental agreement for the joint operation of the municipal court (“2013 Municipal Court IGA”).

On February 8, 2024, the Town of Keystone incorporated as a home rule municipality. On February 1, 2025, Keystone and Dillon entered into an intergovernmental agreement for a single law enforcement agency. Keystone has a need to establish a municipal court of record. Pursuant to C.R.S. § 13-10-110(3), the Parties may cooperate or contract to provide joint court facilities and supplies and such joint facilities may be located outside of any or all of the contracting governments.

Overview of the Municipal Court IGA:

1. Establishment of the Combined Municipal Court

- The agreement replaces the 2013 Court IGA and forms the Combined Silverthorne-Dillon-Keystone Municipal Court.
- A single municipal judge will preside over cases for all three towns. Town Council will need to appoint the municipal judge pursuant to Home Rule Charter Section 8.1 by resolution or ordinance. Ordinance 2025-O-01 also addresses appointment of the municipal court judge.
- A municipal court clerk, hired by Silverthorne, will oversee court operations pursuant to Colorado law.

2. Court Operations

- Citations and Summonses
 - Dillon-Keystone Police Department issues citations under Dillon and Keystone’s respective municipal codes and submits the citations to the combined municipal court.
 - All cases will be heard at Silverthorne Town Hall.
- Prosecution
 - A single prosecutor, under Silverthorne’s Town Attorney, will handle cases.

- Court Appearances
 - Dillon-Keystone police officers must appear in court when required.
- Fines and Penalties
 - Revenue from fines and penalties returns to the town where the violation occurred.

3. Financial Arrangements

- Fixed Costs
 - Include judge salary, prosecutor fees, and court supplies.
 - Dillon will pay 52% of the total fixed costs based on historical case volume.
 - Keystone is exempt from fixed costs for 2025-2026 until historical case volume can be determined.
- Per-Ticket Costs
 - Dillon and Keystone each pay \$95.39 per ticket processed.
 - Adjustments to per-ticket costs will be made annually based on actual expenses.
- Additional Costs
 - The Towns must cover any unique expenses related to its cases, such as jail fees.

4. Term and Termination

- Initial term: May 1, 2025 – December 31, 2025.
- Automatic renewal for one-year periods unless a party provides 60-day notice to withdraw.
- Immediate termination if a party removes or appoints a different municipal judge.

5. Legal and Administrative Provisions

- Each town retains ownership of its court records but must coordinate storage with Silverthorne.
- Annual budget appropriations govern financial commitments (no multi-year debt obligation).
- Indemnification and Insurance
 - Each town must indemnify and defend the others for any legal claims

related to their performance.

- Required to maintain sufficient insurance coverage.
- Applicable Law
 - Governed by Colorado law, with disputes settled in Summit County District Court.

This agreement streamlines municipal court services for all three towns while ensuring equitable cost-sharing, efficient administration, and compliance with Colorado law.

Recommendation for Adoption:

Staff recommends moving forward with the approval of this IGA with the Towns of Silverthorne and Dillon, as it offers a strategic and cost-effective approach to operation of the municipal court. When Silverthorne and Dillon approve the agreement, the IGA will be placed on a regular meeting agenda for approval.

Attachment:

- Draft IGA Combined Silverthorne-Dillon-Keystone Municipal Court

SECOND AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT FOR MUNICIPAL COURT SERVICES

This Second Amended Intergovernmental Agreement for Municipal Court Services ("Second Amended Court IGA"), is entered into as of the day of May 1, 2025, by and between the Town of Silverthorne, Colorado ("Silverthorne"), the Town of Dillon, Colorado ("Dillon"), and the Town of Keystone, Colorado ("Keystone") together referred to herein as the Parties. Each municipality may also be referred to as "Town."

RECITALS

A. The Parties have the authority to enter into this intergovernmental agreement pursuant to Article XIV Section 18 of the Colorado Constitution and Section 29-1-201, et seq., C.R.S.

B. Prior to 2004, Silverthorne and Dillon operated independent municipal court.

C. In 2004, Silverthorne and Dillon entered into an intergovernmental agreement for the operation of a joint municipal court of record under Article 10 of Title 13, C.R.S. ("2004 Municipal Court IGA").

D. By agreement of Silverthorne and Dillon, the 2004 Municipal Court IGA was superseded and replaced by a 2013 intergovernmental agreement for the joint operation of the municipal court ("2013 Municipal Court IGA").

E. On February 8, 2024, the Town of Keystone incorporated as a home rule municipality.

F. On February 1, 2025, Keystone and Dillon entered into an intergovernmental agreement for a single law enforcement agency.

G. Keystone has a need to establish a municipal court of record.

H. Pursuant to C.R.S. § 13-10-110(3), the Parties may cooperate or contract to provide joint court facilities and supplies and such joint facilities may be located outside of any or all of the contracting governments.

I. The Town Council of the Town of Keystone desires to join the intergovernmental agreement for the joint operation of the municipal court with Dillon and Silverthorne.

J. Silverthorne and Dillon agree that it is in their best interest to operate a single municipal court with Keystone.

NOW THEREFORE in consideration of the premises, the mutual promises,

covenants and considerations contained herein, the sufficiency of which are acknowledged and confessed, the Parties agree as follows:

1. The 2013 Municipal Court IGA Superseded.

The 2013 Municipal Court IGA is hereby superseded and replaced in its entirety by this Second Amended Court IGA.

2. Combined Silverthorne-Dillon-Keystone Municipal Court Established.

- a. Combined Silverthorne-Dillon-Keystone Municipal Court: This Second Amended Court IGA establishes the Combined Silverthorne-Dillon-Keystone Municipal Court.
- b. Municipal Judge: The Parties agree that a single municipal court judge shall serve the Combined Silverthorne-Dillon-Keystone Municipal Court. The Parties further acknowledge that their respective governing bodies may be required, pursuant to their home rule charters or ordinances, to appoint the municipal court judge. In the event that any Party removes the judge or appoints a different judge, this Second Amended Court IGA shall terminate with respect to that Party. The Parties may collaborate and appoint a single relief judge.
- c. Dillon Municipal Ordinance Offenses: Officers of the Dillon-Keystone police department shall write citations and summonses for violations of the Dillon Town Code, including its model traffic code, on forms provided by Dillon for this purpose. Such forms may continue to refer to the Dillon municipal court, but the court address and appearance time shall be modified to reflect the fact that the offenses will be heard at the location of the Silverthorne municipal court in the Silverthorne Town Hall.
- d. Keystone Municipal Ordinance Offenses. Officers of the Dillon-Keystone police department shall write citations and summonses for violations of the Town of Keystone ordinances and the Keystone Town Code, including its model traffic code. The citation forms will refer to the Combined Silverthorne-Dillon-Keystone Municipal Court. Keystone code enforcement may also write citations for violations of the Town of Keystone ordinances and the Keystone Town Code into the Combined Silverthorne-Dillon-Keystone Municipal Court.
- e. Municipal Court Clerk. The Parties agree that Silverthorne shall have the responsibility for appointment of a Municipal Court Clerk, who shall serve as the Municipal Court Clerk for the Combined Silverthorne, Dillon, and Keystone Municipal Court. The Court Clerk shall oversee all personnel and matters pertaining to the processing

of citations and summons issued by the respective police departments and which are subject to this Second Amended Court IGA. The Municipal Court Clerk shall be responsible for compliance with applicable Colorado law.

- f. Date, Time, and Location of Court Hearings. Citations and summonses issued by the Parties shall be scheduled for hearing at the date, time, and location determined by the Municipal Court Clerk. Unless otherwise specified, all hearings shall be held in the Town Council Chambers at Silverthorne Town Hall, located at 601 Center Circle, Silverthorne, Colorado.
- g. Prosecution of Cases. A single municipal court prosecutor, acting under the supervision of the Silverthorne Town Attorney, shall be responsible for prosecuting all summonses and citations filed in the Combined Silverthorne-Dillon-Keystone Municipal Court. The prosecutor shall have full discretion and authority to prosecute, amend, dismiss, or enter into agreements for deferred prosecution or judgment in all such cases.
- h. Processing of Penalty Assessments. Each Party shall retain full responsibility for accepting payments and processing penalty assessments made prior to the defendant's scheduled court appearance. The administration of these penalty assessments is expressly excluded from the scope of this Second Amended Court IGA.
- i. Court Appearances. Dillon-Keystone police officers shall appear in court as required or when subpoenaed and shall cooperate with the municipal court prosecutor regarding incidents, arrests, and other summonses issued that impact the operations of the court in relation to Dillon or Keystone citations and summonses.
- j. Fines and Costs. All fines, costs, and other charges imposed by the municipal court judge shall be remitted to the town from which the citation or summons originated.
- k. Administration. The Town of Silverthorne shall be responsible for the administration of the combined municipal court. The Parties agree to cooperate through their respective administrative staffs to establish procedures necessary to coordinate their separate activities and effectively implement this Second Amended Court IGA.

3. Financial Arrangements.

Dillon shall pay Silverthorne on a monthly basis, in advances, for the costs of operating the Dillon municipal court, as follows:

- a. Fixed Costs. The Parties agree that fixed costs for operation of the combined municipal court include: Municipal Court judge salary, prosecutor fees and related supplies and services. Dillon shall pay to Silverthorne on a monthly basis that percentage of the Fixed Costs which equal the percentage of Dillon court cases compared to total court cases during the previous three years, adjusted annually commencing on January 1, 2026. Currently that percentage is agreed to be 52%. As an example, for 2022-2024, Dillon's number of docket items averaged 52% of total cases. Therefore, if the fixed cost is estimated to be \$69,000 in 2025, then Dillon would have paid a fixed monthly amount in 2025 of \$2,999.45/month or \$35,880 ($\$69,000 \times 0.52$) for 2025. Keystone is not required to participate in fixed costs for 2025 and 2026.
- b. Per Ticket Costs: The Parties acknowledge that the per-ticket processing cost includes all expenses incurred by Silverthorne in processing, administering, collecting, and remitting payments related to each ticket or citation. These costs encompass court staff time and associated administrative expenses required to process fines collected. Currently, the municipal court processes approximately 1,073 tickets per year, with an estimated per-ticket cost of \$95.39. Dillon and Keystone shall remit to Silverthorne the amount of \$95.39 for each ticket processed in the Combined Silverthorne-Dillon-Keystone Municipal Court. On or before February 1, 2026, and annually thereafter, Silverthorne shall review and adjust the per-ticket cost based on actual expenditures and the number of tickets allocated to each jurisdiction to reflect the true cost of processing for the preceding budget year. Silverthorne shall provide written notice of the revised per-ticket cost to Dillon and Keystone.
- c. On or before February 1 of each calendar year, Silverthorne shall perform the calculation required to determine the new rate for Fixed costs and Per ticket costs, as set out in subsections a and b above and shall inform Dillon and Keystone of the new rates for that year. Attached hereto as **Exhibit 1** is an example calculation.
- d. Unrelated Direct Costs. Dillon should also be responsible to pay for any direct related costs that were required for any Dillon tickets/citations. As an example, jail fees, cost for cases handled outside of the regular scheduled monthly court date.
- e. Receipts. All fines, penalties, and other charges levied or imposed upon defendants by the Municipal Court Judge shall be remitted to the Party from which the citation or summons was issued. The Municipal Court Clerk shall be responsible for ensuring that all monies received for Dillon and Keystone municipal offenses are

remitted to each respective jurisdiction on a monthly basis. All state mandated surcharges for brain injury trust or law enforcement training, as outlined by each Town's respective ordinances, shall be retained by Silverthorne to be remitted to the appropriate state court or agency and used for the designated purposes.

4. Term.

This Second Amended Court IGA shall take effect on May 1, 2025 and shall remain in effect until December 31, 2025. This Second Amended Court IGA shall automatically renew for additional one-year periods, without limitation, unless: (1) either Party notifies the other, in writing, of its decision not to renew the Second Amended Court IGA for the ensuing year, by written notification at least 60 days prior to the annual expiration date, or (2) upon termination by either party as permitted in paragraph 5.

5. Termination.

Any Party may terminate this Second Amended Court IGA, with or without cause, by providing sixty (60) days' prior written notice to the other Parties. If one Party removes or fails to appoint the same individual as the municipal court judge, this Second Amended Court IGA shall terminate immediately without notice. Upon termination, all Municipal Court equipment and materials shall remain the property of Silverthorne, except for materials specifically prepared for Dillon or Keystone.

6. Subject to Annual Appropriation.

The Parties acknowledge that their obligations under this Agreement are subject to annual appropriation by the governing body of each respective 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 or a mandatory charge or requirement against either party in any ensuing fiscal year beyond the current fiscal year

7. Records.

The records related to each Party's court proceedings shall remain the sole property of the respective Party. While such records may be stored at Silverthorne's facilities during the term of this Agreement, Dillon and Keystone shall have the right to access and review their respective records upon providing reasonable notice to Silverthorne. Upon termination of this Agreement, all records belonging to Dillon and Keystone shall be transferred to them in a legally compliant manner. The Parties agree to cooperate in identifying and implementing long-term storage solutions for court records, if necessary.

8. Notices.

Except as otherwise provided herein, all notices permitted or required under this Second Amended Court IGA shall be in writing, signed by the Party giving notice, and shall be deemed properly given when: (a) deposited in the United States mail, first-class postage prepaid; (b) personally delivered to the other Party at its then-current Town Hall address; or (c) sent via email to an official email address designated by the receiving Party. Each Party may update its mailing or email address for notices by providing written notice to the other Party.

9. Applicable Law and Venue.

This Second Amended Court IGA shall be interpreted in all respects in accordance with the laws of the State of Colorado. Venue for any court proceedings related to this Second Amended Court IGA shall be proper and exclusive in the District Court for Summit County, Colorado.

10. Entire Agreement.

This Second Amended Court IGA constitutes the entire agreement and understanding between the Parties with respect to the subject matter herein and supersedes all prior agreements, representations, and understandings, whether written or oral. No modification or amendment of this Second Amended Court IGA shall be effective unless set forth in a written instrument duly authorized and executed by both Parties.

11. Approval; Binding Effect.

Pursuant to C.R.S. § 29-1-203(1), this Second Amended Court IGA shall not take effect unless and until it has been duly approved by the governing bodies of both Silverthorne and Dillon. Upon such approval, this Second Amended Court IGA shall be binding upon and shall inure to the benefit of the Parties, as well as their respective successor governing bodies.

12. No Joint Venture; No Agency.

This Second Amended Court IGA is solely for the provision of services and does not create a joint venture, partnership, or other legal association between the Parties. Nothing herein shall be construed to designate either Party as an agent, representative, or legal affiliate of the other for any purpose.

13. Indemnification and Insurance.

To the extent permitted by the Colorado Constitution and applicable statutes, each Party shall indemnify, defend, and hold harmless the other Party from and against any and all claims, causes of action, damages, liabilities, costs, and expenses, including reasonable attorneys' fees, arising out of or related to that Party's performance of its obligations under this Second Amended Court IGA. Nothing in this Second Amended Court IGA shall be construed as a waiver of any protections, immunities, or limitations of

liability afforded to either Party under the Colorado Governmental Immunity Act, § 24-10-101, et seq., C.R.S., or any other applicable statutory or common law immunity.

Each party shall obtain and maintain the types, forms, and coverage(s) of insurance deemed to be sufficient to meet or exceed its minimum statutory and legal obligations arising under this Second Amended Court IGA. Either party's failure to obtain and continuously maintain policies of insurance shall not limit, prevent, preclude, excuse or modify any liability, claims, demands or other obligations of such Party arising from performance or non-performance of this Second Amended Court IGA.

14. Authority.

The individuals executing this Second Amended Court IGA represent that they are expressly authorized to enter into this Second Amended Court IGA on behalf of the relevant Party and bind their respective entities.

SIGNATURES ON THE FOLLOWING PAGES

TOWN OF SILVERTHORNE, COLORADO

By: _____
Mayor

ATTEST:

APPROVED AS TO FORM:

By: _____
Town Clerk

By: _____
For Town Attorney's Office

TOWN OF DILLON, COLORADO

By: _____
Mayor

ATTEST:

APPROVED AS TO FORM:

By: _____
Town Clerk

By: _____
For Town Attorney's Office

TOWN OF KEYSTONE, COLORADO

By: _____
Mayor

ATTEST:

APPROVED AS TO FORM:

By: _____
Town Clerk

By: _____
For Town Attorney's Office

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
THROUGH: John Crone, Town Manager
Maddy Sielu, Town Clerk
FROM: Jennifer Madsen, Town Attorney
DATE: March 25, 2025
SUBJECT: Discussion of state law amendment to Liquor Code

Executive Summary and Background:

In 2025, the Town Council adopted Ordinance 2024-O-03, regulating the licensing of the distribution and sale of alcoholic beverages. After its adoption, the General Assembly passed SB 24-231 which allows for discretion in holding a public hearing on issuance of new liquor licenses. Under the new state law, a public hearing for new liquor licenses is no longer mandatory, and a liquor license may instead be administratively approved by the Town Clerk.

Currently, under Ordinance 2024-O-03 requires that all new liquor license applications be scheduled for a public hearing before the Liquor License Authority (Town Council). The purpose of the work session item is to inform Town Council of the change in the state liquor law and to determine whether Council would like to consider amending the ordinance to allow for administrative approval of new liquor licenses.