

Town of Keystone  
Town Council Regular Meeting  
April 23, 2024 at 7:00 p.m.  
1628 Sts John Rd  
Keystone, CO 80435

REGULAR MEETING AGENDA

I. CALL TO ORDER, ROLL CALL

II. APPROVAL OF AGENDA

III. COMMUNICATIONS TO COUNCIL

*Public Comment (Pursuant to Resolution 2024-18, comment is limited to non-agenda items only; 3-minute time limit please)*

IV. CONSENT AGENDA

A. FIRST READING OF ORDINANCES – NONE

B. RESOLUTIONS -- NONE

C. MEETING MINUTES – April 9, 2024, regular meeting

D. EXCUSED ABSENCES –

1. Dan Sullivan – 4/23/2024 – Excused – Virtual Attendance
2. Sarah Keel – 4/23/2024 – Excused – Virtual Attendance
3. Dan Sullivan – 4/25/2024 – Excused
4. Sarah Keel – 4/25/2024 – Excused
5. Aaron Parmet – 05/14/2024 – Excused
6. Valerie Thisted – 6/14/2024 - Excused

V. DISCUSSION

A. CONSIDERATION OF ORDINANCES (SECOND READING/PUBLIC HEARING) –

1. Ordinance 2024-O-05, An Ordinance of Town Council of the Town of Keystone, Colorado, Adopting By Reference The Summit County Land Use And Development Code Published By Summit County, Colorado, As Such Code Existed On May 1, 2024, Subject To Requirements, Revisions, And Amendments As Provided By This Ordinance, Establishing a Penalty, And Declaring An Emergency

2. Ordinance 2024-O-06, An Ordinance of Town Council of the Town of Keystone, Colorado, Adopting the Zone District Map for the Town Of Keystone And Declaring An Emergency

B. RESOLUTIONS –

1. Resolution 2024-33, A Resolution of the Town Council of the Town of Keystone, Colorado, Setting the Fees for Various Town Services
2. Resolution 2024-34, A Resolution of Town Council of the Town of Keystone, Colorado, Approving Town Manager Employment Agreement with John Crone
3. Resolution 2024-35, A Resolution of Town Council of the Town of Keystone, Colorado, Approving an Amendment to Consultant Agreement with the Interim Town Manager
4. Resolution 2024-36, A Resolution of the Town Council of the Town of Keystone, Colorado, Requesting Participation with Summit County for the Sharing and Disbursement of Revenues Generated from a County-Wide Special Sales Tax Imposed Upon and Collected from Tobacco and Nicotine Product Retailers Within the Town

C. OTHER – NONE

VI. PLANNING MATTERS -- NONE

VII. REPORT OF TOWN MANAGER AND STAFF

VIII. REPORT OF MAYOR AND COUNCIL

IX. OTHER MATTERS (Town Manager/Mayor/Councilmember may bring up items on other matters that are not on the agenda)

X. SCHEDULED MEETINGS

XI. EXECUTIVE SESSION

Executive Session pursuant to C.R.S. Section 24-6-402(4)(b) and C.R.S. Section 24-6-402(4)(e)(I) to receive legal advice related to the IGA with Summit County on transition services as well as to determine positions and instruct negotiators accordingly.

XII. ADJOURNMENT

Town of Keystone  
Town Council Regular Meeting  
April 9, 2024 at 7:00 p.m.  
1628 Sts John Rd  
Keystone, CO 80435

**I. CALL TO ORDER, ROLL CALL**

Mayor Riley called the meeting to order at 7:01 p.m. The roll being called it was found there were present and participating at that time the following members: Councilmember Gretchen Davis, Councilmember Sarah Keel, Councilmember Carol Kerr, Councilmember Aaron Parmet, Councilmember Dan Sullivan, Councilmember Valerie Thisted, and Mayor Ken Riley.

**II. APPROVAL OF AGENDA**

The agenda was approved as presented.

**III. COMMUNICATIONS TO COUNCIL**

Mayor Riley opened the floor for public comment. Seeing no members of the public wishing to speak, Mayor Riley closed the public comment period.

**IV. CONSENT AGENDA**

**A. FIRST READING OF ORDINANCES –**

1. Ordinance 2024-O-06, An Ordinance of the Town Council of the Town of Keystone, Colorado, Adopting the Zone District Map for the Town of Keystone and Declaring an Emergency

**B. RESOLUTIONS -- NONE**

- C. **MEETING MINUTES** – March 26, 2024, regular meeting

**D. EXCUSED ABSENCES –**

1. Aaron Parmet – April 9, 2024

Councilmember Sullivan moved to approve the consent agenda as presented. Councilmember Thisted seconded. The motion passed unanimously, and the consent agenda was approved.

**V. DISCUSSION**

**A. LOCAL LIQUOR LICENSING AUTHORITY MATTERS**

Chair Riley convened the Keystone Local Liquor Licensing Authority. The roll being called it was found there were present and participating at that time the following members: Authority member Gretchen Davis, Authority member Sarah Keel, Authority member Carol Kerr, Authority member Aaron Parmet, Authority member Dan Sullivan, Authority member Valerie Thisted, and Chair Ken Riley.

**1. Liquor License Renewal for SPS Liquors Inc. Summit Liquors; Retail Liquor Store; Chris Forbes; located at 21801 HWY 6, Keystone, CO**

Chair Riley recognized Summit County Clerk and Recorder, Taryn Power, to introduce the item and answer any questions.

Authority member Sullivan moved to approve the liquor license renewal for Summit Liquors. Authority member Davis seconded. The motion passed unanimously, and the renewal application was approved.

**2. Liquor License Renewal for Keystone Coffee Company LLC dba Steep; Brew Pub; Justine Slezak; located 23110 US Highway 6, Units 13-15, Keystone, CO**

Chair Riley recognized Summit County Clerk and Recorder, Taryn Power, to introduce the item and answer any questions.

Authority member Davis moved to approve the liquor license renewal for Steep. Authority member Parmet seconded. The motion passed unanimously, and the renewal application was approved.

**3. Liquor License Renewal for Lakeside Pizza Pub LLC dba Lakeside Pizza & Pub; Tavern; Jeff Lawson; located at 22080 US Highway 6, Unit #L3, Keystone, CO**

Chair Riley recognized Summit County Clerk and Recorder, Taryn Power, to introduce the item and answer any questions.

Authority member Sullivan moved to approve the liquor license renewal for Lakeside Pizza. Authority member Davis seconded. The motion passed unanimously, and the renewal application was approved.

**4. Liquor License Renewal for Keystone Neighbourhood Company dba Keystone Neighbourhood Company; Optional Premises; Maja Russer; located at 140 Ida Belle Dr., Ste. F4, Keystone, CO**

Chair Riley recognized Summit County Clerk and Recorder, Taryn Power, to introduce the item and answer any questions.

Authority member Sullivan moved to approve the liquor license renewal for Keystone Neighbourhood Company. Authority member Davis seconded. The motion passed unanimously, and the renewal application was approved.

**5. Liquor License Change of Manager for Keystone Food & Beverage Company dba Keystone Lodge & Spa; Hotel & Restaurant; Brian Friedman; located at 22101 US Hwy 6, Keystone, CO**

Chair Riley recognized Summit County Clerk and Recorder, Taryn Power, to introduce the item and answer any questions. Town Attorney, Jennifer Madsen, clarified that no formal action was required on this item.

**6. Liquor License Change of Manager for Keystone Food & Beverage Company dba Ski Tip Lodge; Hotel & Restaurant; Michael Brett Bynum; located at 0764 Montezuma Rd., Keystone, CO**

Chair Riley recognized Summit County Clerk and Recorder, Taryn Power, to introduce the item and answer any questions. Town Attorney, Jennifer Madsen, clarified that no formal action was required on this item.

Seeing no further business for the Keystone Local Liquor Licensing Authority, Chair Riley adjourned the meeting and returned to the regular Town Council meeting at 7:22 p.m.

**B. CONSIDERATION OF ORDINANCES (SECOND READING/PUBLIC HEARING) –**

**1. Ordinance 2024-O-03, An Ordinance of Town Council of the Town of Keystone, Colorado, Regulating the Licensing of the Distribution and Sale of Alcoholic Beverages**

Mayor Riley recognized Town Clerk Maddy Sielu to introduce Ordinance 2024-O-03, An Ordinance of Town Council of the Town of Keystone, Colorado, Regulating the Licensing of the Distribution and Sale of Alcoholic Beverages.

Councilmember Davis moved to approve Ordinance 2024-O-03, Regulating the Licensing of the Distribution and Sale of Alcoholic Beverages. Councilmember Kerr seconded.

On roll call, the result was:

Ayes: Councilmember Davis, Councilmember Keel, Councilmember Kerr, Councilmember Parmet, Councilmember Sullivan, Councilmember Thisted, Mayor Riley (7)

Nays: None (0)

Absent: None (0)

Ordinance 2024-O-03 was adopted.

**2. Ordinance 2024-O-04, An Ordinance of Town Council of the Town of Keystone, Colorado, Regulating the Licensing of the Distribution and Sale of Tobacco Products**

Mayor Riley recognized Town Clerk Maddy Sielu to introduce Ordinance 2024-O-04, An Ordinance of Town Council of the Town of Keystone, Colorado, Regulating the Licensing of the Distribution and Sale of Tobacco Products.

Councilmember Thisted moved to approve Ordinance 2024-O-04, Regulating the Licensing of the Distribution and Sale of Tobacco Products. Councilmember Kerr seconded.

On roll call, the result was:

Ayes: Councilmember Davis, Councilmember Keel, Councilmember Kerr, Councilmember Parmet, Councilmember Sullivan, Councilmember Thisted, Mayor Riley (7)

Nays: None (0)  
Absent: None (0)

Ordinance 2024-O-04 was adopted.

### **C. RESOLUTIONS –**

#### **1. Resolution 2024-31, A Resolution of Town Council of the Town of Keystone, Colorado, Authorizing Execution of a Master Services Agreement, Statement of Work, and Proposed Quote with All Copy Products, Inc. dba Verticomm**

Mayor Riley recognized interim Town Manager Gary Martinez, Technology Advisory Group Member Rick Kerr, and representative of Verticomm Dillon Richards to present on Resolution 2024-31, A Resolution of Town Council of the Town of Keystone, Authorizing Execution of a Master Services Agreement, Statement of Work, and Proposed Quote with All Copy Products, Inc. dba Verticomm.

Councilmember Parmet moved to approve Resolution 2024-31, Authorizing Execution of a Master Services Agreement, Statement of Work, and Proposed Quote with All Copy Products, Inc. dba Verticomm. Councilmember Thisted seconded.

On roll call, the result was:

Ayes: Councilmember Davis, Councilmember Keel, Councilmember Kerr, Councilmember Parmet, Councilmember Sullivan, Councilmember Thisted, Mayor Riley (7)

Nays: None (0)  
Absent: None (0)

Resolution 2024-31 was adopted.

#### **2. Resolution 2024-32, A Resolution of Town Council of the Town of Keystone, Colorado, Approving Town Council Bylaws**

Mayor Riley recognized Town Attorney, Jennifer Madsen, to introduce Resolution 2024-32, A Resolution of Town Council of the Town of Keystone, Colorado Approving Town Council Bylaws.

Councilmember Davis moved to approve Resolution 2024-32 Approving Town Council Bylaws. Councilmember Kerr seconded.

The motion passed unanimously, and Resolution 2024-32 was adopted.

### **D. OTHER -- NONE**

## **VI. PLANNING MATTERS -- NONE**

## **VII. REPORT OF TOWN MANAGER AND STAFF**

Interim Town Manager, Gary Martinez, shared that he followed up with the Summit Combined Housing Authority on the Town of Keystone's request for membership. He expects to hear back from the SCHA on the request soon. He requested information from the Summit County Telecommunications Cooperative about membership and will report back to Town Council with more information at a future meeting. The Town manager also plans to begin work on the job descriptions for the Public Works Director and Assistant Planner.

## **VIII. REPORT OF MAYOR AND COUNCIL**

**IX. OTHER MATTERS (Town Manager/Mayor/Councilmember may bring up items on other matters that are not on the agenda)**

## **X. SCHEDULED MEETINGS**

## **XI. EXECUTIVE SESSION**

Councilmember Sullivan moved to enter Executive Session pursuant to C.R.S. Section 24-6-402(4)(b) and C.R.S. Section 24-6-402(4)(e)(I) to receive legal advice related to the IGA with Summit County on transition services as well as to determine positions and instruct negotiators accordingly. Councilmember Davis seconded.

The motion passed unanimously, and Town Council recessed to enter Executive Session at 8:32 p.m.

The Executive Session concluded at 9:51 p.m.

## **XII. ADJOURNMENT**

Seeing no further business, Mayor Riley adjourned the meeting at 9:52 p.m.

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers

THROUGH: Gary Martinez, Interim Town Manager  
Lindsay Hirsh, Community Development Director

FROM: Jennifer Madsen, Town Attorney

DATE: April 23, 2024

SUBJECT: [SECOND READING] Ordinance 2024-O-05, An Ordinance Of The Town Council Of The Town Of Keystone, Colorado, Adopting By Reference The Summit County Land Use And Development Code Published By Summit County, Colorado, As Such Code Existed On May 1, 2024, Subject To Requirements, Revisions, And Amendments As Provided By This Ordinance, Establishing a Penalty, And Declaring An Emergency

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### **Executive Summary:**

For purposes of conducting planning and zoning services, Ordinance 2024-O-05 adopts by reference the Summit County Land Use and Development Code. Adoption of the Summit County Land Use and Development Code is the most efficient manner to provide for land use and development regulations.

### **Recommendation:**

Staff recommend that the Council approve Ordinance 2024-O-05 on first reading.

### **Background:**

In order to provide land development services in the Town, Town Council needs to adopt a land use and development code. The most efficient way to adopt a land development code is through adoption by reference of the Summit County Land Use and Development Code.

With an adoption by reference, the Town adopts the Summit Code and may make amendments or deletions to the code. Ordinance 2024-O-05 is an adoption by reference with amendments and deletions.

Colorado law provides that for an ordinance to be adopted by reference, the ordinance must first be introduced at a Town Council meeting and then a public hearing is scheduled for approval of the ordinance. In between the introduction of the ordinance and the public hearing, notice of the hearing must be published in Summit Daily at least 15 days before



the hearing and at least 8 days before the hearing. With these deadlines, the ordinance needed to be introduced at the last meeting in March to be adopted by April.

Between the first and second readings, there are minor revisions and additions to the ordinance. Here are the revisions and additions:

- Chapter 12 – In Section 12005(A), language was added to clarify that the applicant shall pay the cost for consultant review time of applications. The County has most of its consultants on staff. Whereas, the Town’s consultants are not on staff and charge hourly rates for services. The applicants are required to pay this consultant review time.
- Chapter 14 – In Section 14300(A), language was added to provide for a penalty amount for violation. It is unlikely that this penalty language will be needed at any time soon. However, this general penalty would allow the Town to recover a penalty for the violation of any section of the Code. The Town has discretion as to whether to enforce the Code and as to whether to seek a penalty and the amount of the penalty requested. The Town would need to file a legal action to recover a penalty.
- Reference to Chapters 5, 11, and 13 were deleted because there are no specific amendments to those chapters.
- Section 3 was added to include an amendment to the Planning and Zoning Commission ordinance to provide that the Planning and Zoning Commission is responsible for review and decisions as required by the Town of Keystone Land Use Code.
- Section 5 was added to allow for minor revisions or amendments to the ordinance. This allows staff to fix typos, and other non-substantive changes, in an administrative manner.

**Alternatives:**

Town Council may provide alternative direction on the adoption of a land use code.

**Financial Considerations:**

There is no financial consideration.

**Previous Council Actions:**

Town Council discussed the adoption of the Summit County Land Use and Development Code at the work session on March 12, 2024, and the Ordinance was approved on the consent agenda on March 26, 2024.

**Next Steps:**

If approved, the ordinance will take effect on May 9, 2024.

**Suggested Motions:**

To APPROVE:

I move to APPROVE Ordinance 2024-O-05, an Ordinance Of The Town Council Of The Town Of Keystone, Colorado, Adopting By Reference The Summit County Land Use And

Development Code Published By Summit County, Colorado, As Such Code Existed On May 1, 2024, Subject To Requirements, Revisions, And Amendments As Provided By This Ordinance, Establishing a Penalty, And Declaring An Emergency

To DENY:

I move to DENY Ordinance 2024-O-05, an Ordinance Of The Town Council Of The Town Of Keystone, Colorado, Adopting By Reference The Summit County Land Use And Development Code Published By Summit County, Colorado, As Such Code Existed On May 1, 2024, Subject To Requirements, Revisions, And Amendments As Provided By This Ordinance, Establishing a Penalty, And Declaring An Emergency

**Attachments:**

- Ordinance 2024-O-05, An Ordinance Of The Town Council Of The Town Of Keystone, Colorado, Adopting By Reference The Summit County Land Use And Development Code Published By Summit County, Colorado, As Such Code Existed On May 1, 2024, Subject To Requirements, Revisions, And Amendments As Provided By This Ordinance And Declaring An Emergency.

**TOWN OF KEYSTONE  
ORDINANCE NO. 2024-O-05**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF  
KEYSTONE, COLORADO, ADOPTING BY REFERENCE THE SUMMIT  
COUNTY LAND USE AND DEVELOPMENT CODE PUBLISHED BY  
SUMMIT COUNTY, COLORADO, AS SUCH CODE EXISTED ON MAY  
1, 2024, SUBJECT TO REQUIREMENTS, REVISIONS, AND  
AMENDMENTS AS PROVIDED BY THIS ORDINANCE, ESTABLISHING  
A PENALTY, AND DECLARING AN EMERGENCY**

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

WHEREAS, Section 6.7 of the Keystone Home Rule Charter and Section 31-16-202, C.R.S., as amended, permits the adoption by reference of codes upon notice and hearing as provided in Section 31-16-203, C.R.S.; and

WHEREAS, the land that was eventually incorporated into the new Town of Keystone was located in and governed by Summit County, Colorado; and

WHEREAS, Summit County enacted and published the *Summit County Land Use and Development Code* which operated as the land development code for what would eventually become the Town of Keystone; and

WHEREAS, the Town Council for the Town of Keystone is obligated to adopt laws to plan for and regulate property within the Town and to provide for the orderly use of land and protection of the environment; and

WHEREAS, in order to best transition from the regulation of land development by Summit County to regulation by the Town of Keystone, the Town Council finds it is in the best interest of the Town to adopt by reference the *Summit County Land Use and Development Code*, subject to such amendments and revisions deemed necessary to properly and appropriately apply the adopted code to property within the Town of Keystone; and

WHEREAS, the Town Council held a public hearing, preceded by proper notice, to consider adoption by reference of the *Summit County Land Use and Development Code*; and

WHEREAS, the required copies of the *Summit County Land Use and Development Code* were made available during normal business hours at the Keystone Town Hall, 1628 Saints John Road, Keystone, Colorado, 80435, for review and inspection by the public upon request; and

WHEREAS, the Town Council determined, based on the evidence and testimony presented at the public hearing, that the *Summit County Land Use and Development Code*, as such code existed on May 1, 2024, and as amended by this Ordinance, will further the health, safety and welfare of the inhabitants of the Town and adoption as an emergency ordinance with regulations effective on May 9, 2024 is for the best interests of the immediate preservation of public peace, health and safety of the community and its citizens.

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

Section 1. The foregoing recitals are hereby affirmed and incorporated herein by this reference as findings of the Town Council.

Section 2. Adoption by Reference. The *Summit County Land Use and Development Code*, as such code existed on May 1, 2024, (the “County Code”) is hereby adopted by reference as the Town of Keystone Land Use Code, subject to the following requirements and amendments:

**GENERAL AMENDMENTS TO COUNTY CODE:**

- All references in the County Code to “Summit County” shall be amended to read “Town of Keystone.”
- All references to the “Board of County Commissioners” or “BOCC,” shall be amended to read “Town Council,” or “Council.”
- All references to “County Commission,” or “County Commissioners,” or other reference referring by the context as a reference to the Board of County Commissioners shall be amended to read in all instances as “Town Council,” “Town Councilmembers.”
- All references to the “Countywide Planning Commission” or “Basin Planning Commission” shall be amended to read “Planning Commission.”
- All references to the “Summit County Land Use and Development Code” or other description or title referring to such code shall be amended to refer to the “Town of Keystone Land Use and Development Code.”
- All references to the “Summit County Countywide Comprehensive Plan” shall be amended to read “Master Plan.”
- All references to Summit County’s “Planning Director” shall be amended to read and refer to the Town of Keystone’s “Community Development Director.”

- All references to Summit County’s basin or subbasin master plans shall be amended to refer to the "Snake River Master Plan."
- All references to County Manager shall be amended to refer to the "Town Manager."
- All references to Colorado state law within the County Code shall be retained where such reference is applicable to Colorado home rule municipalities and, where the reference is limited in application to Colorado county government only, the reference is amended to reflect Colorado Constitutional or statutory law governing municipalities, to the extent such law exists.

## **CHAPTER 1. INTRODUCTORY PROCEDURES**

- Section 1000 titled “Title” is deleted in its entirety and replaced with the following:

1000: - Title.

These regulations may be referred to as the “Town of Keystone Land Use Code,” “Land Use Code,” or “LUC.” The Land Use Code shall be codified by reference as part of the Town of Keystone Municipal Code and may also be published as a stand-alone volume.

- Section 1050 titled “Authority” is deleted in its entirety and replaced with the following:

The authority supporting the laws, rules, regulations, and policies contained in the Town of Keystone Land Use and Development Code is provided by Article XX of the Colorado Constitution and by other provisions of the Colorado Revised Statutes which pertain to the subject matter of the laws, rules, regulations, and policies. Where a direct conflict exists between state law and any provision of this Land Use and Development Code concerning a matter of local interest or a matter of mixed state and local interest, this Land Use and Development Code shall govern to the extent permitted by law.

- Section 1151 titled “Lands” is deleted in its entirety and replaced with the following:

1151: - Applicability, Exemptions, and Limitations.

A. The Land Use Code is applicable to the following described property:

1. Property located within the legal boundaries of the Town of Keystone regardless of ownership;

2. Property proposed for annexation to the Town of Keystone except to the extent specifically provided by any annexation agreement enacted by ordinance; and
  3. Property located outside of the legal boundaries of the Town of Keystone and described in a Town-approved intergovernmental agreement that requires application of this Land Use Code.
- B. Pursuant to the Town's home rule authority conferred by Article XX of the Colorado Constitution, C.R.S §§ 31-23-226, 31-23-309, and other applicable law, and notwithstanding any other provision of this Land Use Code to the contrary, the provisions of Article 23 of Title 31, C.R.S., shall not apply when such provisions conflict with any provision of this Land Use Code, the Town Charter, ordinances, resolutions, or other policy of the Town of Keystone. Without limiting the foregoing, the following provisions of Article 23 of Title 31, C.R.S., shall apply as indicated below:
1. C.R.S. § 31-23-106. Either the Mayor or Mayor pro tem may acknowledge a plat.
  2. C.R.S. §§ 31-23-203, 31-23-204, and 31-23-205 shall not apply within the Town of Keystone. All matters pertaining to any Town planning commission (including, but not limited to size, membership, residency, alternate membership, authority, duties, terms, removal of members, vacancies, meetings, selection of leadership and officials, staffing, financing, and travel) shall be determined by the Town Council.
  3. C.R.S. §§ 31-23-206, 31-23-207, and 31-23-208 may be used as a guide for the Town, but shall not constitute law, concerning the preparation and processing of a master plan.
  4. C.R.S. § 31-23-209 shall not apply to the Town of Keystone. Any processes or procedures commonly known as "location and extent" or which exempt owners (including school districts, special and metropolitan districts, and other statutorily recognized governmental or quasi-governmental agencies) from the application of the Town's local land use regulation and processes are not applicable to property within

the Town of Keystone.

5. C.R.S. § 31-23-214, concerning subdivision and subdivision regulations, may be used as a guide for the Town, but shall not constitute law, in the processing of subdivision plats and plans.
6. C.R.S. § 31-23-215 shall not apply to the Town of Keystone, provided that the Town may at its election provide notice of major activities.
7. C.R.S. § 31-23-305, concerning changes in zoning and the right of protest shall not apply to the Town of Keystone.
8. C.R.S. §§ 31-23-307 concerning a board of adjustment shall not apply within the Town of Keystone. The Town Council shall determine the need, composition, authority, duties, procedures, appeals, voting requirements, and other matters associated with a board of adjustment.

C. Exemption for Town Property Authorized. The Land Use Code or a particular provision of the Land Use Code shall not apply to a specific use or specific proposal for use of Town-owned or Town-leased property if a majority of the entire Town Council<sup>1</sup> grants an exemption *by resolution* based upon a finding that the public interest is best served, the efficient expenditure of taxpayer funds is advanced, or an emergency condition exists for which the application of this Chapter will impede the Town's ability to serve the Town's residents. The Board's consideration and approval of an exemption shall be an administrative decision and shall not require notice or public hearing prior to approval of the resolution granting an exemption.

D. Limitations. The Land Use Code is not intended to modify, abrogate, amend or annul a vested property right lawfully established in accordance with federal or state law prior to the effective date of this Zoning Code subject to the terms and conditions of any agreement or approval pertaining to such vested right and subject to obligations to compensate owners as may be required by federal or state law.

- Section 1152 titled "Development" is deleted and replaced with the following:

<sup>1</sup> Required vote is a majority of all Board members in office at the time of the vote. For example, for a seven (7) member Board of Trustees, the required vote shall be four (4) votes. The required vote is not a majority of a quorum present as commonly applied to most actions of the Town Board.

#### 1152: - Development

All development, as defined in Chapter 15, in the Town of Keystone shall proceed in accordance with this Code unless exempted, omitted, or otherwise provided herein.

- Section 1201 titled “Relationship to other laws” is deleted in its entirety.
- Section 1202 titled “Relationship to Covenants” is deleted in its entirety and replaced with the following:

#### 1202: - Private Covenants.

The applicability and application of the Land Use Code shall not be affected or altered in any way by privately imposed covenants or private contracts to which the Town is not a party that seek to govern or control the use of property. Rights afforded to private parties by such private covenants and contracts shall remain private rights subject to enforcement by the parties to the covenants or contracts according to their terms. No private covenant or contract to which the Town is not a party may alter, amend, reduce, waive, or negate the application, applicability, and requirement of the Land Use Code and approvals of the Town except to the extent permitted by law.

Nevertheless, the Town may determine that a purpose, element, or an aspect of a private covenant will advance the interests of the Town. For example, a private covenant or an easement created by covenant which protects the floodplain and floodway may reasonably advance a Town goal or policy, may ensure that development meets the requirements of this Land Use Code, or may ensure that a development complies with a condition of development approval. For that reason, the Town may, through the provisions of the Land Use Code or through conditions of development approval, recognize, incorporate, or require compliance with one or more provisions of a covenant or easement.

- Section 1300 titled “Continuation and Repeals” is deleted in its entirety.
- Section 1350, 1351, and 1352, titled “Construction and Interpretation” are deleted and replaced with the following:



1350: - Interpretation.

In the interpretation and application of the provisions of the Land Use Code, the following rules shall govern in addition to any common rules of statutory construction recognized by Colorado courts:

- A. The interpretation and application of the provisions of this Land Use Code shall be regarded as minimum requirements for the protection of the health, safety, and welfare of the public.
- B. Whenever the requirements of the Land Use Code are at variance with the requirements of any other lawfully adopted rules, regulations, ordinances, or other legislative actions by the Town Council, the more restrictive, or which impose higher standards or requirements, shall govern.
- C. Whenever restrictions imposed by the Land Use Code are either more or less restrictive than regulations adopted by any state or federal agency, the rules or regulations which are more restrictive, or which impose higher standards or requirements, shall govern.
- D. When a provision includes a list of specific items, that list is intended to be exclusive; the provision applies only to the listed items and not to others. But if the list starts with a phrase such as "at a minimum," "including," "such as," or "not limited to," the list illustrates the types of things the provision applies to and is not intended to be an exclusive list.
- E. The use of "may" or "should" means permissive, recommended, or advised but is not mandatory; the use of "shall," "must," or "will" means compliance is mandatory and not voluntary or permissive.
- F. If a term or phrase is subject to more than one reasonable interpretation, the more stringent or restrictive interpretation is intended.
- G. If two or more provisions of the Land Use Code or other applicable law conflict, the more stringent or restrictive provision shall govern or control.
- H. Words in the present tense include the future unless the context clearly indicates the future tense.

- I. Words referencing a singular number include the plural and words referencing a plural number include the singular unless the context clearly indicates the contrary.
  - J. If any section, subsection, paragraph, clause, phrase, or provision of this Chapter shall be adjudged invalid or held to be unconstitutional by a court of competent jurisdiction, the validity of the remainder shall not be affected in whole or in part, other than the provision adjudged to be invalid or unconstitutional.
- Section 1400 titled “Enactment,” and subsection 1401 titled “Effective Date,” and subsection 1402 titled “Location of Certified Copy” are deleted in their entirety.
  - Section 1450 titled “Code Amendments” and subsections 1401 through and including 1456 are deleted.
  - Section 1500 titled “Status of Previous Approvals” is deleted in its entirety.

**CHAPTER 2. MASTER PLAN PROCEDURES**

- Chapter 2, entitled “Master Plan Procedures” is deleted in its entirety and such chapter reserved for future use.

**CHAPTER 3. ZONING REGULATIONS**

- Section 3100 titled “Applicability” is deleted in its entirety and replaced with the following:

3100: - APPLICABILITY

The Town of Keystone’s Zoning Regulations apply to the use of all public and private lands situated within the incorporated boundaries of the Town.

- Section 3202(B)(4) is deleted in its entirety.
- Section 3202.05 titled “Wildfire Hazard Areas” is deleted in its entirety.
- The following sections or subsections are deleted in their entirety and all references contained within the Land Use Code to the following zoning districts are deleted:

3301.02 titled “CG (General Commercial).”

3301.03 titled “CN (Neighborhood Commercial).”

3301.04 titled “I-1 (Industrial).”

3301.05 titled “M-1 (Mining).”

3301.06 titled “MHP (Manufactured Home Park).”

3301.09 titled “RU (Rural Residential).”

3301.13 titled “R-3 (Single Family Residential).”

3301.14 titled “R-4 (Single Family Residential).”

3301.15 titled “R-6 (Single Family Residential).”

3301.16 titled “RC-40000 (Rural Community).”

3301.17 titled “BC (Backcountry).”

3302.02 titled “Wildlife Habitat Overlay District.”

- Section 3501 (E) and (F) are deleted in their entirety.
- Section 3503 (D) and (J) are deleted in their entirety.
- Section 3504.02 is deleted in its entirety.
- Section 3505.08 is deleted in its entirety.
- Section 3505.12 is deleted in its entirety.
- Section 3507.02 titled “Wind Energy Systems” is deleted in its entirety.
- Section 3507.03 titled “Hydroelectric Energy Systems” is deleted in its entirety.
- Section 3509 titled “Public Use Areas” is deleted in its entirety.
- Section 3512.07 titled “Radioactivity” is deleted in its entirety.
- Section 3513 titled “Manufactured Home Park Development Standards” is deleted

in its entirety.

- Section 3514 titled “Backcountry Zoning District Standards” is deleted in its entirety.
- Section 3515 titled “B-3 Zoning District” is deleted in its entirety.
- Section 3516 titled “RME Residential Mountain Estates” is deleted in its entirety.
- Section 3519 titled “SU-1 Special Use” is deleted in its entirety.
- Section 3521 titled “RC-5000 Rural Communities” is deleted in its entirety.
- Table 3-2 titled “Allowed Plant Materials” is deleted in its entirety.
- Section 3803 titled “Bed and Breakfasts” is deleted in its entirety.
- Section 3804.02 (D)(1) is amended to change the reference of “50 feet of property” to “300 feet of property.”
- Section 3807 titled “Special Events” is deleted in its entirety.
- Section 3808 titled “Dude Ranches and Resorts” is deleted in its entirety.
- Section 3812 titled “Mining and Milling” is deleted in its entirety.
- Section 3815.05 titled “Outdoor Storage in M-1 Zoning District” is deleted in its entirety.
- Section 3818 titled “Sludge Disposal” is deleted in its entirety.
- Section 3819 titled “Recreational Vehicle Use in RC Zoning Districts” is deleted in its entirety.
- Section 3821.04 Delete all references to “Neighborhood Overlay Zone.”

#### **CHAPTER 4. ZONING REGULATIONS/OVERLAY DISTRICTS**

- Chapter 4, entitled “Zoning Regulations/Overlay Districts” is deleted in its entirety and such chapter reserved for future use.

## CHAPTER 6. GRADING AND EXCAVATION REGULATIONS

- Chapter 6, entitled “Grading and Excavation Regulations” is deleted in its entirety and replaced with the following:

### CHAPTER 6 - GRADING AND EXCAVATION REGULATIONS

#### 6001 – Grading and Excavation

A. Generally. The grading and excavation of land within the Town of Keystone is, by its nature, generally contrary to the goals and objective of the Town in preserving the health, safety, and welfare of the public and the natural environment. The Town recognizes that there is a reasonable need for grading and excavation associated with the development of land. However, the Town desires to balance and limit to the greatest degree practicable the extent of such grading and excavation to best preserve and protect the Town’s environmental quality and character.

B. Permit Required.

A grading and excavation permit must be obtained prior to any person commencing any earth-disturbing activity, including but not limited to grading, excavating, clearing of timber, vegetation, revegetation, or landscaping activity, if the area of the activity is:

- (a) More than four hundred (400) square feet of total surface area whether or not areas of disturbance are contiguous;
- (b) An excavation or placement of earth greater than three (3) feet in height or depth from original ground levels, including test holes for percolation tests for the design of septic systems or soils tests for foundation/ structure designs; or
- (b) Final vegetation or revegetation of the entire surface of a septic or leach field system approved by the Summit County Department of Environmental Health, whether or not four hundred (400) square feet in area.

No permit shall be required for emergency work, as shall be defined by the regulations, or for activity covered by a valid building permit. Work not requiring a permit shall nevertheless conform to the requirements of the regulations.

C. Permit Application.

1. Application for a grading and excavation permit shall be made in a form promulgated by the Planning Director and shall be accompanied by a plan and geotechnical report which reasonably details the extent and requirements for grading, excavation, reclamation, restoration, and revegetation. The Town Engineer may approve an application and issue a grading and excavation permit upon a finding that: (a) the application is complete; (b) all required financial guarantees are provided; (c) the plan, when completed, will reasonably restore the property described in the application in a manner that is compatible and consistent with the surrounding terrain and with adjacent properties, will reasonably prevent surface drainage to exceed historic surface flows (in terms of location, volume, quality, and duration), and will preserve the natural environment.
2. Plans and geotechnical reports shall be prepared by a Colorado licensed landscape architect and/or engineer unless the Town Engineer determines that such requirement is unreasonable given the nature and scope of the proposed disturbance. Applicants are encouraged to contact the Town Engineer in advance of application submittal to request a determination from the Town Engineer which items and requirements may be omitted from an application for a grading and excavation permit.

D. Financial Guarantee

1. Upon the Town Engineer's determination that unique site considerations exist, no permit application shall be approved unless the applicant shall have provided a financial guarantee of completion of grading and revegetation acceptable to the Town Engineer. Unique site considerations include: (a) hazardous conditions that are likely to occur as a result of incomplete or improper grading; (b) potential adverse effects on the surrounding environment, properties, or community as a result of incomplete or improper grading; (c) adverse geological or environmental impacts as a result of incomplete or improper grading; or (d) proximity (customarily 150 feet or

less) of the proposed site work to a lake, pond, river, stream, or permanent water body or historic drainageway.

2. The amount of the guarantee shall be calculated on the basis of one dollar and fifty cents (\$1.50) per square foot of disturbed area. Disturbed area means all adjacent and/or other associated areas of disturbance or uprooting of trees or vegetation resulting from the construction activity, including but not limited to new roads or parking areas; graded or run-over areas disturbed to provide materials, equipment or other storage needs; or any other, similar area determined by the Town Engineer to be disturbed.
3. In calculating the disturbed area, the Town Engineer shall exclude areas of completed construction, including but not limited to residences, garages, paved roads, sheds, patios, gazebos and decks. In the case of septic or leach field systems, the entire area of disturbance, including areas containing the installed system, shall be included.
4. The form of the financial guarantee shall be cash deposit or letter of credit issued by a bank licensed in the state of Colorado with an office in Summit County or the Denver metropolitan area. Letters of credit shall be in a form approved by the Town Attorney

E. Duration of Permit.

Any permit issued under this section 6001 shall expire twelve (12) months from the date of issue unless otherwise terminated by the Town. Permits may be extended for not greater than twelve (12) months upon a finding by the Town Engineer that the extension is warranted: (i) due to circumstances reasonably beyond the control of the permittee; and (ii) the permittee is diligently pursuing completion of all planned or required reclamation, final grading, and revegetation; and (iii) the financial guarantee required by this section shall remain effective and available to ensure completion of the plan.

## **CHAPTER 7. WATER QUALITY CONTROL REGULATIONS**

- Chapter 7, entitled “Water Quality Control Regulations” is deleted in its entirety and replaced with the following:

## **Chapter 7 - WATER QUALITY CONTROL REGULATIONS.**

### **7002 - Wetland Protection.**

- (a) The Town incorporates into the Land Use Code the delineation of wetlands recognized and established by state and federal law. Although the mapping which delineates state or federal protected wetlands is readily available to the public, the Town shall use its best efforts to make available to the public information to assist in identification of protected wetlands.
- (b) The area of any land which is located within a delineated wetland shall be prohibited from development or improvement unless the proposed development or improvement is expressly authorized and permitted by the state or federal regulatory agency with jurisdiction over such wetland area. The Town shall only accept as evidence of state or federal authorization or permission a written declaration issued by the appropriate federal or state agency which identifies both the specific development or improvement proposed by the Owner or Applicant and which demonstrates a clear understanding of the extent and nature of such development or improvement.
- (c) Owners and applicants seeking development approval from the Town are encouraged to consult with the Town prior to the planning of any development or improvement in order to identify the extent of protected wetlands.

### **7003 - Floodway and Floodplain Protection.**

- (a) The Town incorporates into the Land Use Code the delineation of floodway and floodplain recognized and established by state and federal law. Although the mapping which delineates state or federal protected floodway and floodplain is readily available to the public, the Town shall use its best efforts to make available to the public information to assist in identification of protected floodway and floodplain.
- (b) The area of any lot which is located within a delineated floodway or floodplain shall be prohibited from development or improvement unless the proposed development or improvement is expressly authorized and permitted by the



state or federal regulatory agency with jurisdiction over such area. The Town shall only accept as evidence of state or federal authorization or permission a written declaration issued by the appropriate federal or state agency which identifies both the specific development or improvement proposed by the Owner or Applicant and which demonstrates a clear understanding of the extent and nature of such development or improvement.

- (c) Owners and applicants seeking development approval from the Town are encouraged to consult with the Town prior to the planning of any development or improvement in order to identify the extent of protected floodway or floodplain.

## **CHAPTER 8. SUBDIVISION REGULATIONS**

- Section 8001.02 (G) is deleted in its entirety.
- Section 8002.01 (A)(1)(f) is deleted in its entirety.
- All references to “lot split on wells” shall be deleted.
- All references to “rural land use subdivisions” shall be deleted.
- Section 8101 (D) titled “Fuel Reduction/Forest Management Plans” is deleted in its entirety.
- Section 8109 titled “Subdivision Improvements Agreements” is deleted in its entirety.
- All references to Planning Director or Planning Department shall be “Review Authority.”
- Section 8401.03 titled “Lot Splits on Wells” is deleted in its entirety.
- Section 8402.01 (C) titled “Lot Splits on Wells” is deleted in its entirety.
- Section 8402.02 (A) titled “lot Splits on Wells Subdivision Exemption” is deleted in its entirety.
- Section 8420 through and including 8429.01 (pertaining to Rural Land Use) is deleted in its entirety.

- Table 8-1 titled “Required Certifications for Subdivision Plats” is deleted in its entirety.
- Section 8704 is deleted and replaced with the following:

**8704: - Required Plat Certification Language**

The following wording shall be used in plat certificates unless otherwise approved by the Planning Director.

**A. Dedication**

"Know all persons by these presents: That (printed name of owner), being the owner(s) of the land described as follows: (insert legal description of land being subdivided and include area in acres to two (2) decimal places) in the Town of Keystone, Colorado, under the name and style of (complete name of subdivision in capital letters) have laid out, platted, and subdivided same as shown on this plat, and by these presents does (do) hereby dedicate to the Town of Keystone, State of Colorado, the streets, roads, and other public areas as shown hereon, including but not limited to trails and open space, for use as such and hereby dedicate those portions of land labeled as utility easements to the Town of Keystone for use by the Town and by utility companies or other providers of utilities in the installation and maintenance of utility lines and facilities. It is understood that dedication of public rights-of-way for streets and roads does not necessarily result in acceptance of roads constructed therein for maintenance by the Town of Keystone.

In witness whereof, the said owner (printed name of owner) had caused his or her name to hereunto be subscribed this \_\_\_ day of \_\_\_\_\_, 20\_\_."

**B. Form of Notarial Certificate**

“State of Colorado  
County of Summit

The foregoing owner's certificate was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 20\_\_, by (name as follows):

- a. if by natural persons - insert name
- b. if by person acting in a representative official capacity, then insert the name of said person and said capacity
- c. if by officers of a corporation, then insert names of said officers, title of offices, and name of corporation

Witness my hand and official seal:

(Signature) (seal)  
(printed name of notary)  
Notary Public

My commission expires \_\_\_\_\_, 20\_\_ (insert date of expiration)"

**C. Surveyor's Certificate**

"I (printed name of land surveyor), being a licensed land surveyor in the State of Colorado, do hereby certify that this plat and survey of (name of subdivision in capital letters) was made by me and under my supervision and that both are accurate to the best of my knowledge.

Dated this \_\_\_ day of \_\_\_\_\_, 20\_\_.  
Signature \_\_\_\_\_ (Seal)  
Colorado Registration # \_\_\_\_\_ "

**D. Recorder's Acceptance**

"This plat was accepted for filing in the office of the Summit County Clerk and Recorder on this \_\_\_ day of \_\_\_\_\_, 20\_\_ and filed for record at \_\_\_\_\_ under reception number \_\_\_\_\_.

Signature \_\_\_\_\_ (Seal)  
Summit County Clerk and Recorder"

**E. Title Company Certificate**

"\_\_\_\_\_ Title Company does hereby certify that it has examined the title to all lands as shown hereon and title to such lands is in the dedicator free and clear of all liens, taxes, and encumbrances, except as follows:

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Agent"

**F. Keystone Town Council Approval for Plats Approved at a Town Council Meeting**

"The Town Council of the Town of Keystone, Colorado, does hereby approve this [plat, condominium map, townhouse plat, subdivision exemption plat] at a meeting held on this \_\_\_ day of \_\_\_, 20\_\_, and hereby accepts dedication of public rights-of-way, utility easements, and other public areas as shown hereon. Acceptance of public rights-of-way for streets or roads does not constitute acceptance for maintenance of roads constructed therein. The procedure for acceptance of roads for maintenance purposes shall be as stated in the Road & Bridge Design and Construction Standards or such regulations as shall be adopted in lieu of the Road & Bridge Design and Construction Standards.

\_\_\_\_\_  
Mayor or Mayor pro tem "

**G. Keystone Town Council Approval for Plats Approved via the Class 2 Administrative Review Process**

"The Town Council of the Town of Keystone, Colorado, does hereby approve this [plat, condominium map, townhouse plat, duplex plat] and hereby accepts dedication of public rights-of-way, utility easements, and other public areas as shown hereon. Acceptance of public rights-of-way for streets or roads does not constitute acceptance from maintenance of roads constructed therein. The procedure for acceptance of roads for maintenance purposes shall be as stated in the Road & Bridge Design and Construction Standards or such regulations as shall be adopted in lieu of the Road & Bridge Design and construction Standards.

\_\_\_\_\_  
Mayor or Mayor pro tem

\_\_\_\_\_  
Date"

**H. Treasurer's Certificate**

"I the undersigned do hereby certify that the entire amount of taxes and assessments due and payable as of \_\_\_\_\_, \_\_\_ upon all parcels of real estate described on this plat are paid in full.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Treasurer"

**CHAPTER 9. SIGN REGULATIONS**

- Section 9006 (B) and (D) are deleted.
- Delete reference in 9101 (A): "except for signage in the B-3 Zoning District, which has the sign regulations contained within the text of the B-3 Zoning District"

**CHAPTER 10. AREAS AND ACTIVITIES OF STATE INTEREST**

- Chapter 10, entitled "Areas and Activities of State Interest" is deleted in its entirety and reserved for the Town's future use for local regulation of areas and activities of state interest (a/k/a 1041 Regulations).

**CHAPTER 12. DEVELOPMENT REVIEW PROCEDURES**

- Section 12005(A) is deleted in its entirety and replaced with the following:
  - A. The Town Council shall adopt by resolution a "Fee Schedule" for review of development applications and issuance of development permits. The Fee Schedule resolution shall address the standard fees for the processing of all

common types of Land Use Development applications under this Code. In addition to application fees, an applicant shall pay one hundred percent (100%) of the costs of review incurred by the Town's consultants that are directly related to the review, inspection, drafting of documents, and consideration of the application. Consultants retained by the Town may include engineering, legal, water, environmental, and other land use professionals. The Town Council may, but is not required to, identify the hourly rates for the consultant reviews on the Fee Schedule.

Procedure for Payment of Consultant Review Fees. At the time an application is first submitted to the Town, and prior to any review by the Town staff, the Applicant shall pay to the Town both the application fee required by subsection (a) of this section and an initial deposit ("Initial Deposit") to be applied to the Town's consultant review fees in an amount set by the Planning Department based on the Planning Department's estimate of the consultant resources likely required for review of the application. As consultant review fees are incurred and billed to the Town, the Town shall draw upon the Initial Deposit for payments to the appropriate consultants. At such time that the fees charged against the Initial Deposit exceed seventy-five (75) percent or more of the Initial Deposit, and within ten (10) days of the Applicant's receipt of notice by the Town, the Applicant shall supplement the Initial Deposit by making an additional deposit with the Town of an amount equal to at least fifty (50) percent of the amount of the Initial Deposit.

#### **CHAPTER 14. ADMINISTRATION AND ENFORCEMENT**

- Section 14003 titled "Board of Adjustment" is deleted in its entirety.
- Section 14004.02 titled "Planning Commission Bylaws" is deleted in its entirety.
- Section 14101.02(F), (G), related to "merger" are deleted in their entirety.
- Section 14103.06 titled "Exceptions for Structures in the Backcountry Zoning District" is deleted in its entirety.
- Section 14300(A) is deleted in its entirety and replaced with the following:

**A. Violation of Code:** It is unlawful to erect, construct, reconstruct, alter, maintain or use any building or structure or to use any land in violation of the regulations contained in this Code. If any building or structure is or is proposed to be erected, constructed, reconstructed, altered, maintained or used or any land is proposed to be used in violation of the regulations contained in this Code, the Town may, in addition to other remedies provided by law, institute an injunction, mandamus, abatement or other appropriate legal remedy so as to prevent, enjoin,

abate or remove such unlawful erection, construction, reconstruction, alteration, maintenance or use. Any violation of this Code is subject to a civil penalty of not more than two thousand six hundred fifty dollars (\$2,650.00), plus costs. Each calendar day of a violation shall be counted as a separate violation of this Code.

## **CHAPTER 15. DEFINITIONS**

- Acronyms and Abbreviations, delete all references to:

B1	Business
BOCC	Board of County Commissioners
CG	General Commercial
CN	Neighborhood Commercial
I1	Industrial
M1	Mining
R-4	Single Family Residential
R-6	Single Family/Duplex Residential
RME	Residential Mountain Estates
RU	Rural Residential
  
- Table of Contents and Definitions, delete all references to:
  - Adult Arcade
  - Adult Bookstore, Adult Novelty Store or Adult Video Store
  - Adult Cabaret
  - Adult Motel
  - Adult Motion Picture Theater
  - Agricultural Operations
  - Agriculture
  - Air Contaminant
  - Airport
  - Amusement Facilities
  - Animal Feedlot
  - Animal Salesyard
  - Asphalt Plant
  - Automobile Body Work, Painting or Restoration
  - B-3
  - Barn
  - Basin Planning Commission
  - BOCC
  - Board of County Commissioners
  - Boarding/Rooming House
  - Breeding Farm
  - Bunkhouse or Hired Hand Quarters

Cattle  
Cemetery  
CG  
CN  
Concrete Batch Plant  
Crematorium  
Dredge Spoils  
Dude Ranch  
Extraction, Gravel, and Sand  
Extraction, Mineral  
Fairgrounds  
Farm  
Fraternal or Service Club  
Fur Farm  
Goat  
Heap Leaching  
Hired Hand Quarters  
Hydroelectric Energy System  
I1  
Industry or Industrial  
Lumberyard  
M1  
Manufactured Home Park  
Middle School  
Milling  
Nordic Ski Hut  
Nude Entertainment Establishments  
Nudity  
Packing and Outfitting  
Penal Facilities  
Power Plant  
R4  
R6  
RME  
RP  
Regional Planning Commission  
Retail Marijuana Cultivation Facility  
Retail Marijuana Product Facility  
Rooming house  
RPC  
RU  
SU  
Sanitary Landfill/Solid Waste Disposal

Sewage Treatment Plant  
Sheep  
Shooting Range  
Silviculture  
Sludge  
Sludge Storage, Temporary  
Specified Anatomical Areas  
Specified Sexual Activities  
Swine  
Timber Harvest  
Vat Leaching  
Wild Game Ranch

## **CHAPTER 16**

- Chapter 16, entitled “Bylaws” shall be deleted in its entirety and reserved for the Town’s future use.

Section 3. Amendment to Ordinance 2024-O-01 Prescribing the membership of the Planning and Zoning Commission. Section 2(C)(1) titled Powers is repealed and replaced to read as follows: 1. Review and Decisions as required by the Town of Keystone Land Use Code.

Section 4. Severability. 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.

Section 5. Minor Revision or Correction Authorized. The Town Manager, in consultation with the Town Attorney, is authorized to make minor revisions or corrections to the codified version of the provisions of this Ordinance provided that such revisions or corrections are grammatical, typographical, numerical, or non-substantive and do not alter or change the meaning and intent of this Ordinance.

Section 6. Codification. This ordinance may be codified and numbered for purposes of codification without the need for further approval by the Town Council.

Section 7. Emergency Declared; Effective Date. The Town Council hereby legislatively declares that the passage of this Ordinance is necessary for the immediate preservation of the public peace, health or safety. Absent passage of this Ordinance as an Emergency Ordinance, the Town risks the submission of applications for land use matters and other regulations without a land development code in place and there is no mechanism to process any land use applications without a land development code in place. Upon passage by a supermajority of Town Council members in office, as required by Section 6.6



of the Keystone Home Rule Charter ( $\frac{3}{4}$  of all members in office), this Ordinance shall take effect immediately and be enforced on May 9, 2024.

INTRODUCED, READ AND PASSED AS AN ORDINANCE, ON FIRST READING, AND SCHEDULED FOR PUBLIC HEARING ON APRIL 23, 2024, 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

APPROVED AS TO FORM:

\_\_\_\_\_  
Town Attorney

I hereby certify that the above Ordinance was introduced to the Town Council of the Town of Keystone at its meeting of \_\_\_\_\_, 2024 and ordered published two times by title only in The Summit Daily newspaper on \_\_\_\_\_, 2024, and on \_\_\_\_\_, 2024, and in full on the Town web site.

ATTEST:

SEAL

By: Town Clerk or Deputy Town Clerk

READ, PASSED AND ADOPTED AS AN ORDINANCE 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

APPROVED AS TO FORM:

\_\_\_\_\_  
Town Attorney

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers

THROUGH: Gary Martinez, Interim Town Manager  
Lindsay Hirsh, Community Development Director

FROM: Jennifer Madsen, Town Attorney

DATE: April 23, 2024

SUBJECT: [SECOND READING] Ordinance 2024-O-06, An Ordinance Of The Town Council Of The Town Of Keystone, Colorado, Adopting The Zone District Map For The Town Of Keystone And Declaring An Emergency

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### **Executive Summary:**

For purposes of conducting planning and zoning services, Ordinance 2024-O-06 adopts the zone district map for the Town of Keystone.

### **Recommendation:**

Staff recommend that the Council approve Ordinance 2024-O-06 on first reading.

### **Background:**

In order to provide land development services in the Town, Town Council needs to adopt a land use and development code and needs to zone the property in the Town of Keystone. The land use and development code was adopted on first reading on March 26. This ordinance 2024-O-06 is for the adoption of the zoning map.

The Town Council has the authority to divide the town into zone districts. The zoning map included with this ordinance provides for the application of the zone districts to the properties within the Keystone boundaries. It is important to note that the zone districts are identical to the zoning that was applicable to the property before the incorporation.

### **Alternatives:**

Town Council may provide alternative direction on the adoption of a land use code.

### **Financial Considerations:**

There is no financial consideration.

### **Previous Council Actions:**

Town Council discussed the adoption of a zoning map at the work session on March 12, 2024, and Town Council approved the ordinance on first reading on the consent agenda on April 9, 2024.

**Next Steps:**

If approved, the Community Development Director will use the zoning map for purposes of processing land use applications.

**Suggested Motions:**

To APPROVE:

I move to APPROVE Ordinance 2024-O-06, An Ordinance Of The Town Council Of The Town Of Keystone, Colorado, Adopting The Zone District Map For The Town Of Keystone And Declaring An Emergency

To DENY:

I move to DENY Ordinance 2024-O-06, An Ordinance Of The Town Council Of The Town Of Keystone, Colorado, Adopting The Zone District Map For The Town Of Keystone And Declaring An Emergency

**Attachments:**

- Ordinance 2024-O-06, Ordinance 2024-O-06, An Ordinance Of The Town Council Of The Town Of Keystone, Colorado, Adopting The Zone District Map For The Town Of Keystone And Declaring An Emergency.
- Exhibit A Zone District Map
- Zoning abbreviations

**TOWN OF KEYSTONE  
ORDINANCE NO. 2024-O-06**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF  
KEYSTONE, COLORADO, ADOPTING THE ZONE DISTRICT MAP FOR  
THE TOWN OF KEYSTONE AND DECLARING AN EMERGENCY**

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

WHEREAS, the land that was eventually incorporated into the new Town of Keystone was located in and governed by Summit County, Colorado; and

WHEREAS, the Town Council for the Town of Keystone is obligated to adopt laws to plan for and regulate property within the Town and to provide for the orderly use of land and protection of the environment; and

WHEREAS, pursuant to § 31-23-301, C.R.S., the Town Council has authority over zoning matters within the Town of Keystone; and

WHEREAS, pursuant to § 31-23-302, C.R.S., the Town Council has the authority to divide the Town into zone districts; and

WHEREAS, the Town Council wishes to designate the zone districts for the Town of Keystone; and

WHEREAS, the zone districts identified on the Zoning Map, attached as Exhibit A for the Town of Keystone are identical to the zone districts that were applicable to the property before the incorporation of the Town of Keystone; and

WHEREAS, the Town Council determined, based on the evidence and testimony presented at the public hearing, that the Zoning Map will further the health, safety and welfare of the inhabitants of the Town and adoption as an emergency ordinance with the Zoning Map effective on May 9, 2024, is for the best interests of the immediate preservation of public peace, health and safety of the community and its citizens.

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

Section 1. The foregoing recitals are hereby affirmed and incorporated herein by this reference as findings of the Town Council.

Section 2. The Town Council hereby zones all property located within the boundaries of the Town of Keystone as set forth in the Town of Keystone Zoning Map, attached as Exhibit A.

Section 3. Severability. 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.

Section 4. Codification. This ordinance may be codified and numbered for purposes of codification without the need for further approval by the Town Council.

Section 5. Emergency Declared; Effective Date. The Town Council hereby legislatively declares that the passage of this Ordinance is necessary for the immediate preservation of the public peace, health or safety. Absent passage of this Ordinance as an Emergency Ordinance, the Town risks the submission of applications for land use matters and other regulations without zone districts in place and there is no mechanism to process any land use applications without the zone districts in place. Upon passage by a supermajority of Town Council members in office, as required by Section 6.6 of the Keystone Home Rule Charter ( $\frac{3}{4}$  of all members in office), this Ordinance shall take effect immediately and be enforced on May 9, 2024.

INTRODUCED, READ AND PASSED AS AN ORDINANCE, ON FIRST READING, AND SCHEDULED FOR PUBLIC HEARING ON APRIL 23, 2024, 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

APPROVED AS TO FORM:

\_\_\_\_\_  
Town Attorney

READ, PASSED AND ADOPTED WITH A ROLL CALL VOTE OF \_\_\_ IN FAVOR AND \_\_\_ OPPOSED AS AN EMERGENCY ORDINANCE 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:

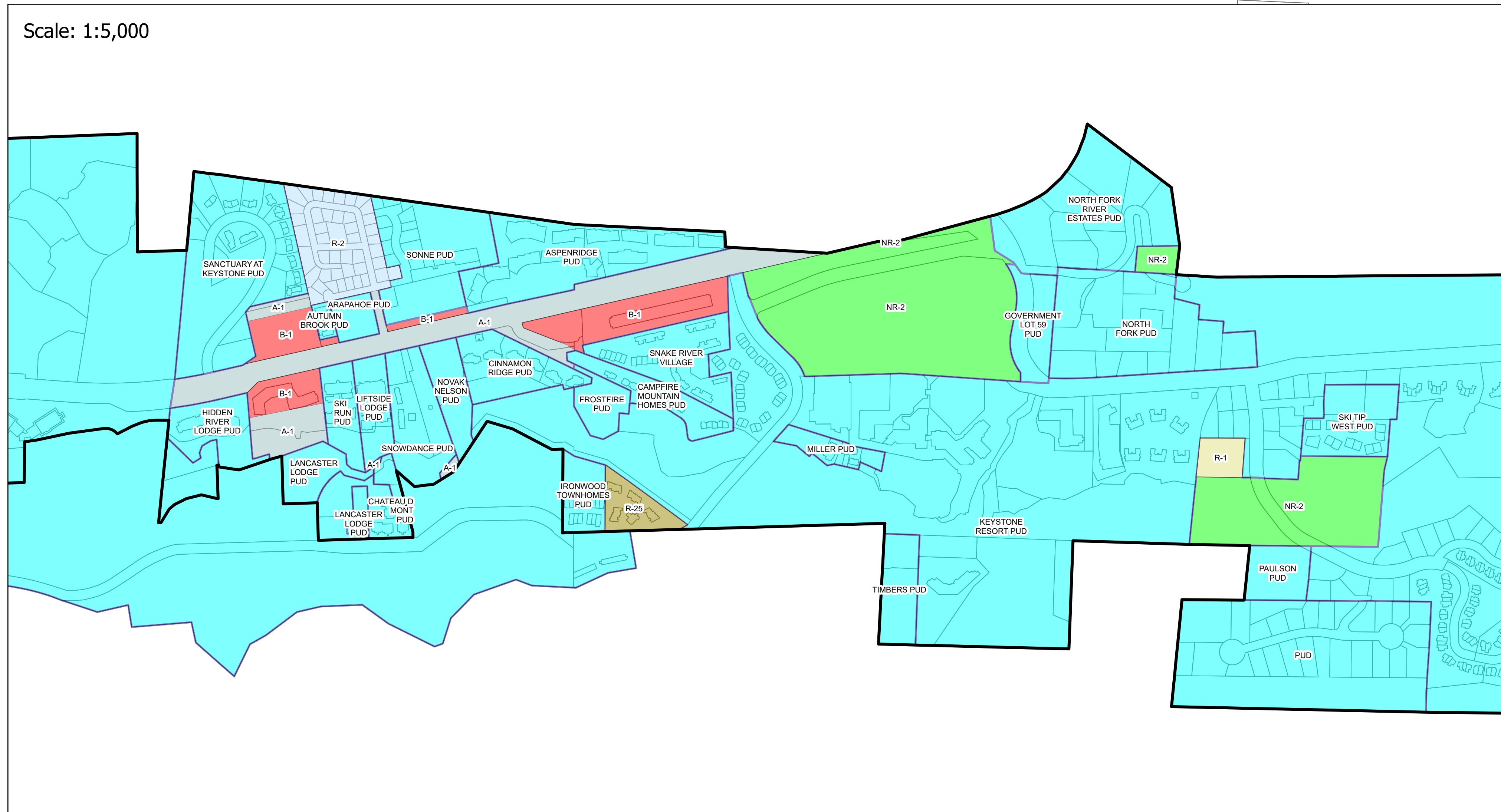
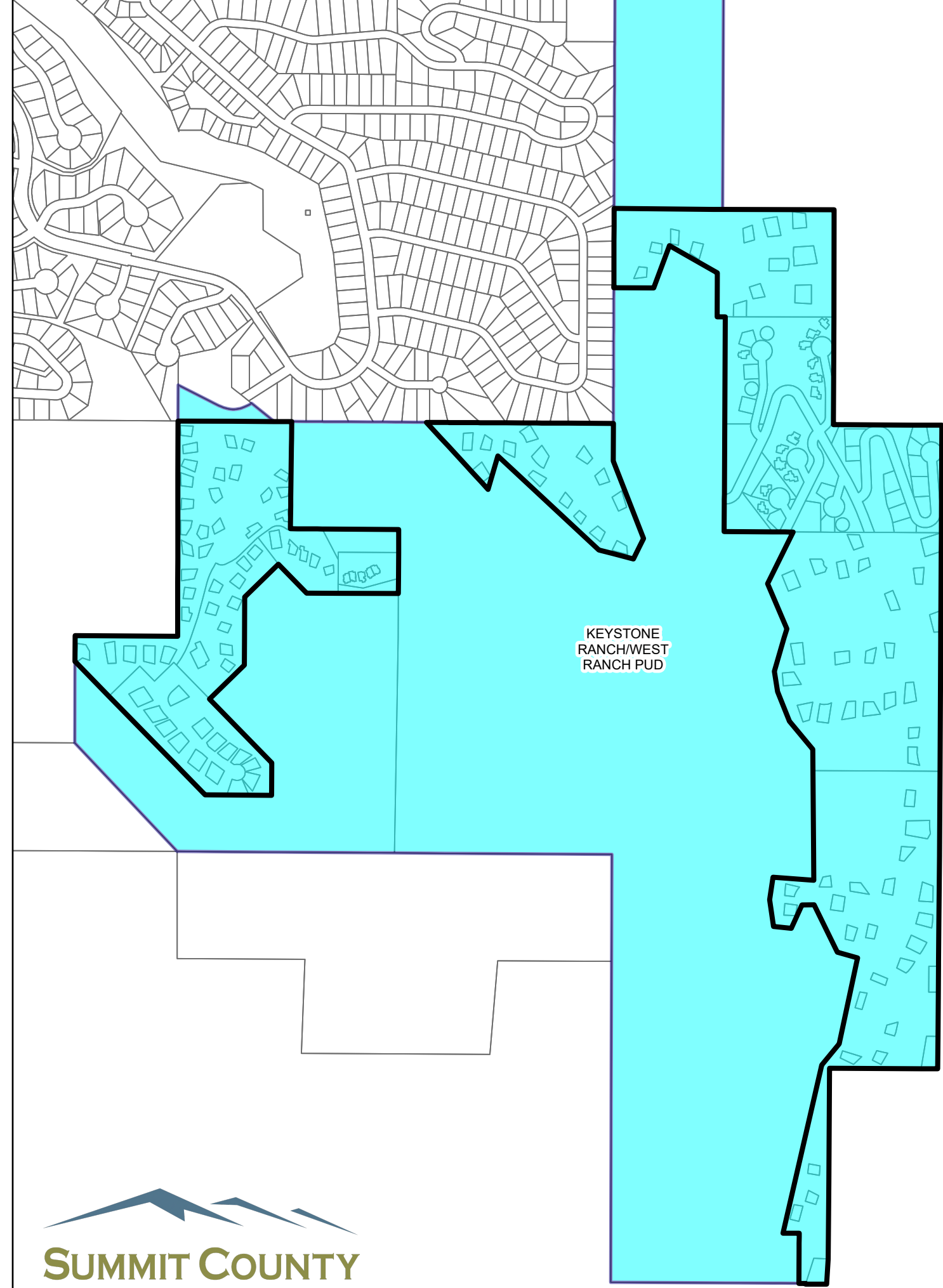
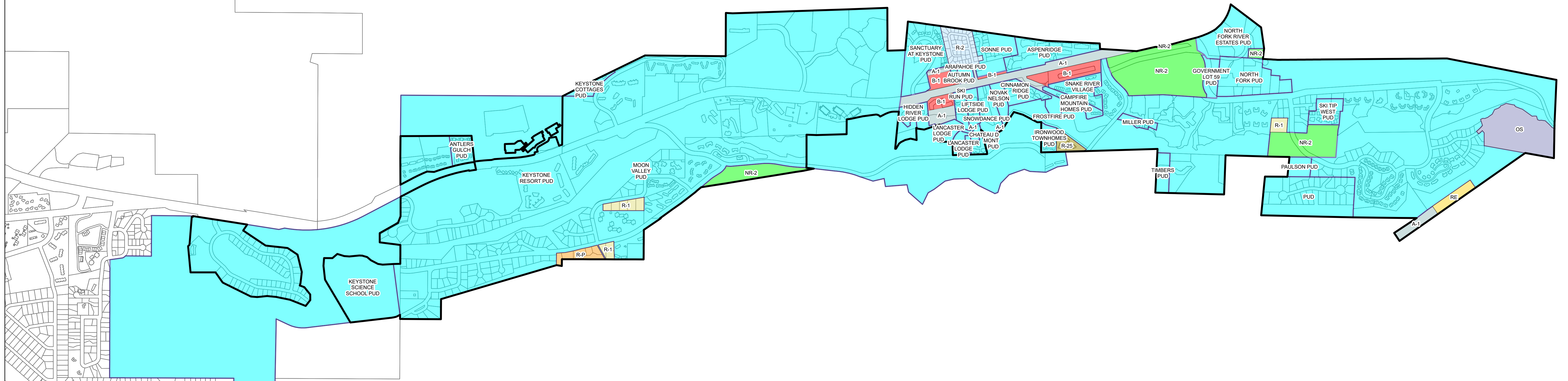
\_\_\_\_\_  
Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Town Attorney



# Town of Keystone - Summit County Designated Zoning



**Legend**

- Town of Keystone
- Parcels
- Zoning**
- A-1
- B-1
- NR-2
- PUD
- R-E
- R-P
- R-1
- R-2
- R-25
- OSZD



Scale: 1:9,000



## **Zoning Abbreviations**

**A-1** Agricultural

**B-1** Highway Business

**NR-2** Natural Resources

**PUD** Planned Unit Development

**R-E** Rural Estate

**R-P** Residential with Plan

**R-1** Single Family Residential

**R-2** Single Family Residential

**R-25** Zoning District

**OSZD** Open Space

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers

FROM: Gary Martinez, Interim Town Manager  
Lindsay Hirsh, Community Development Director  
Madeleine Sielu, Town Clerk

DATE: April 23, 2024

SUBJECT: **Resolution 2024-33, A Resolution of the Town Council of the Town of Keystone, Colorado, Setting the Fees for Various Town Services**

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### **Executive Summary:**

At the conclusion of the initial intergovernmental agreement with Summit County for continued services, the Town of Keystone plans to take on the functions of planning, liquor licensing, and tobacco licensing. Staff has identified proposed fee schedules for these functions to account for the costs incurred in providing these services.

### **Recommendation:**

Staff recommends that the Town Council approve the proposed fee schedules.

### **Background:**

Development Review Fee Schedule: Staff researched fee schedules used by local municipalities and Summit County in the development review process. Summit County recently performed a study and updated their fee schedule to reflect this study. Staff identified the relevant items in these fee schedules to create a proposed fee schedule for the Town of Keystone. Following this fee schedule provides consistency with constituents' current experience of development review with Summit County. Staff will monitor and track the process of development review over the course of implementation to determine if further changes need to be made to the fee schedule.

Liquor Licensing Fee Schedule: C.R.S § 44-3-505 speaks to local liquor license fees. Statute clearly identifies the local license fees for each individual license type. The current license fees can be viewed in the attached Department of Revenue Form 8500 (DR 8500). The fee schedule references C.R.S § 44-3-505 for these items, so that the fee schedule can accurately reflect statutory requirements, as they are updated. Additionally, statute allows local licensing authorities to set application fees and change of location fees. Local fees for these items are given limits that they cannot exceed. After talking to other local municipalities, staff recommend setting these at the maximum listed amounts and has

reflected this in the proposed Town of Keystone fee schedule. Staff will monitor and track the process of liquor licensing over the course of implementation to determine if changes need to be made to the fee schedule.

Tobacco Licensing Fee Schedule: Staff recommend following Summit County's current fee schedule for tobacco licensing of \$600 for a new license and \$200 for renewal. These fees are consistent with license fees for other local municipalities. Staff will monitor and track the process of tobacco licensing over the course of implementation to determine if further changes need to be made to the fee schedule.

Colorado Open Records Act Fee Schedule: At the February 13, 2024, meeting, Town Council approved a Colorado Open Records Act Policy. The policy outlined the fees that would be charged for research and retrieval time. C.R.S. § 24-72-705 (6) (b) requires the Director of Research of the Legislative Council Staff to adjust the maximum hourly fee for the research and retrieval of documents for inflation. Effective, July 1, 2019, the maximum hourly fee for CORA requests was set at \$33.58.

#### **Alternatives:**

Town Council could reject the proposed fee schedules and approve an alternate fee schedule.

#### **Financial Considerations:**

Taking on the responsibilities of development review, liquor licensing, and tobacco licensing will cost staff time and resources. The proposed fee schedules take this into account to cover these costs.

#### **Previous Council Actions:**

Town Council approved Ordinance 2024-O-03 Regulating the Distribution and Sale of Alcoholic Beverages and Ordinance 2024-O-04 Regulating the Distribution and Sale of Tobacco Products at the April 9, 2024, meeting. Town Council approved Resolution 2024-24, Approving a Colorado Open Records Act Policy. At the February 13, 2024, meeting.

#### **Next Steps:**

Staff will monitor the implementation of these services and determine if the fee schedules accurately reflect the costs incurred in providing these services. If changes need to be made, staff will bring those recommendations to Town Council.

#### **Suggested Motions:**

I move to APPROVE Resolution 2024-33 Setting the Fees for Various Town Services

I move to DENY Resolution 2024-33 Setting the Fees for Various Town Services

**Attachments:**

Resolution 2024-33 A Resolution of the Town Council of the Town of Keystone, Colorado,  
Setting the Fees for Various Town Services

Proposed Town of Keystone Fee Schedule

DR 8500

**TOWN OF KEYSTONE  
Summit County, Colorado**

**RESOLUTION 2024-33**

**A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO  
SETTING THE FEES FOR VARIOUS TOWN SERVICES**

WHEREAS, the Town of Keystone (“Town”) is a home rule municipality governed by the Keystone Home Rule Charter; and

WHEREAS, the Town of Keystone is authorized to adopted procedures to govern the conduct of meetings and the conduct of public business; and

WHEREAS, the Town Council of the Town of Keystone has the authority pursuant to § 31-15-501, C.R.S., to license and regulate any lawful business and to fix the amount, terms, and manner of issuing and revoking licenses issued therefore and to set fees; and

WHEREAS, pursuant to the Town of Keystone Land Use Code, Ordinance No. 2024-O-05, section 2, Town Council is required to adopt by resolution a fee schedule for review of development applications and issuance of development permits; and

WHEREAS, pursuant to Colorado law, including § 44-3-505, C.R.S., Town’s liquor license fees must be consistent with state law requirements; and

WHEREAS, the Town Council finds that it is in the best interest of the Town to set and adopt fees for various Town services.

**Now, Therefore, be it Resolved by the Town Council of the Town of Keystone, Colorado, that:**

Section 1. Adoption of Fee Schedule. The Town of Keystone 2024 Fee Schedule, attached as Exhibit A, is hereby adopted.

Section 2. Effective Date. This Resolution shall take effect upon its approval by the Town Council.

**ADOPTED** by a vote of \_\_ in favor and \_\_ against, this \_\_\_\_\_ day of \_\_\_\_\_,  
2024.

By: \_\_\_\_\_  
Kenneth D. Riley, Mayor

ATTEST:

Approved as to Form:

By: \_\_\_\_\_  
Town Clerk

By: \_\_\_\_\_  
Town Attorney

<b>Development Review Fee Schedule</b>	
<b>Work Sessions:</b>	
Planning Commission Only	\$2305
Planning Commission & Town Council	\$7790
<b>Zoning:</b>	
Preliminary	\$5,240 plus \$235 per unit/lodge room
Final	\$3,440 plus \$235 per unit or lodge room
<b>PUD Amendments</b>	
Major	\$5,240 plus \$235 per unit/lodge room
Minor	\$1,760 plus \$235 per unit or lodge room
<b>Site Plans</b>	
Multifamily	\$5240 plus \$235 per unit or lodge room
Commercial	\$5,240 plus \$875 per 1,000 sq ft for the first 30,000 sq ft, and \$170 per 1,000 sq ft thereafter
Other Site Plan Reviews	Hourly rate
<b>Variances</b>	
All Types	\$2,305
Renewals	\$1,125
<b>Conditional Use Permits (CUPs)</b>	
All Types	Hourly rate
<b>Temporary Use Permits (TUPs)</b>	
All Types	Hourly rate
<b>Non-Conforming Parcel Plan Review</b>	
Un-platted Parcels	\$2,305
Renewals	\$1,125
<b>Subdivisions</b>	
Preliminary	\$5,240 plus \$235 per lot
Final	\$2,380 plus \$235 per lot
General Subdivision Exemptions	All \$2,530 plus \$235 per lot
<b>Marijuana</b>	

Medical	\$3,890 plus hourly rate after initial 10 hours of review time
Retail	\$3,890 plus hourly rate after initial 10 hours of review time
<b>Home Occupations</b>	
Low Impact	\$205
Moderate	\$3,255
<b>Code Amendments</b>	
All	\$2,305 plus hourly rate after initial 10 hours of review time
<b>Development Agreements</b>	
All	\$2,305 plus hourly rate after initial 10 hours of review time
<b>Signs</b>	
Sign Programs	\$1,855 plus hourly rate after initial 10 hours of review time
Sign Program Amendments	\$1,125 plus hourly rate after initial 10 hours of review time
Sign Permit	\$205
<b>All Other Applications</b>	
All	Hourly Rate
<b>Hourly Rate</b>	
Planning	\$205.00/hour
Engineering	\$210.00/hour
Other consultants (including attorney review)	As provided by agreement

<b>Colorado Open Records Act Request Fee Schedule</b>	
<b>Research &amp; Retrieval Fees</b>	
First hour	Free
Each additional hour	\$33.58 per hour, pro-rated by the quarter of an hour
<b>Photocopy fees</b>	
Copies of a public record	\$0.25/page



<b>Liquor Licensing Fee Schedule</b>	
<b>Application Fees</b>	
Application Fee	\$1,000
Application Fee with Concurrent Review	\$1,000
Application Fee Transfer of Ownership	\$750
Application Fee Additional Liquor-Licensed Drugstore	\$1,000
Application Fee Additional Liquor-Licensed Drugstore	\$1,000
Application Late Renewal Fee (Not more than 90-days of license expiration date)	\$500
Application Reissue Fee (More than 90-days but less than 180-days of license expiration date)	\$500
Application Reissue Fine (More than 90-days but less than 180 days of license expiration date)	\$25.00 per day beyond 90-day expiration date
Annual Renewal Application Fee	\$100
Annual Art Gallery Fee	\$100
<b>Retail License Fees</b>	
Local license fees will be assessed in accordance with the license fees outlined in C.R.S § 44-3-505.	
<b>Additional Fees</b>	
Change of Location	\$750
Corporate/LLC Change (Per Person)	\$100
Manager Registration (Hotel & Restaurant; Tavern; Lodging & Entertainment; Campus Liquor Complex)	\$30

<b>Tobacco Licensing Fee Schedule</b>	
Application Fee	\$600
Renewal Fee	\$200

# Liquor Enforcement Division Fee Schedule

## Application Fees

	Local Fee	State Fee
Application Fee	up to \$1,000.00	\$1,100.00
Application Fee with Concurrent Review	up to \$1,000.00	\$1,200.00
Application Fee Transfer of Ownership	\$750.00	\$1,100.00
Application Fee Additional Liquor-Licensed Drugstore	up to \$1,000.00	\$1,100.00
Application Fee Additional Liquor-Licensed Drugstore with Concurrent Review	up to \$1,000.00	\$1,200.00
Application Fee Manager Permit	N/A	\$100.00
Application Late Renewal Fee (Not more than 90-days of license expiration date; may be assessed during state review)	\$500.00	\$500.00
Application Reissue Fee ( More than 90-days but less than 180-days of license expiration date)	\$500.00	\$500.00
Application Reissue Fine (More than 90-days but less than 180-days of license expiration date)	\$25.00 a day beyond 90-day expiration date	\$25.00 a day beyond 90-day expiration date
Annual Renewal Application Fee (Effective July 1, 2023 - June 30, 2024)	\$100.00	\$125.00
Annual Renewal Application Fee (Effective July 1, 2024)	\$100.00	\$250.00
Annual Art Gallery Fee	\$100.00	\$0.00

## Retail License Fees

	Local Fee City	State Fee City	Local Fee County	State Fee County
Art	\$41.25	\$308.75	\$41.25	\$308.75
Beer & Wine	\$48.75	\$351.25	\$63.75	\$436.25
Brew Pub	\$75.00	\$750.00	\$75.00	\$750.00
Club	\$41.25	\$308.75	\$41.25	\$308.75
Distillery Pub	\$75.00	\$750.00	\$75.00	\$750.00
Hotel & Restaurant	\$75.00	\$500.00	\$75.00	\$500.00
Hotel Restaurant with one Optional Premises	\$75.00	\$600.00	\$75.00	\$600.00
Each Additional OP License		\$100.00		\$100.00
Resort Complex	\$75.00	\$500.00	\$75.00	\$500.00
Campus Liquor Complex	\$75.00	\$500.00	\$75.00	\$500.00
Related Facility – Resort Complex	\$15.00	\$160.00	\$15.00	\$160.00
Related Facility – Campus Liquor Complex	\$15.00	\$160.00	\$15.00	\$160.00
Liquor-Licensed Drugstore	\$22.50	\$227.50	\$37.50	\$312.50
Lodging & Entertainment	\$75.00	\$500.00	\$75.00	\$500.00
Optional Premises	\$75.00	\$500.00	\$75.00	\$500.00
Racetrack	\$75.00	\$500.00	\$75.00	\$500.00
Retail Gaming Tavern	\$75.00	\$500.00	\$75.00	\$500.00
Retail Liquor Store	\$22.50	\$227.50	\$37.50	\$312.50
Tavern	\$75.00	\$500.00	\$75.00	\$500.00
Vintner's Restaurant	\$75.00	\$750.00	\$75.00	\$750.00
Fermented Malt Beverage On Premises	\$3.75	\$96.25	\$7.50	\$117.50
Fermented Malt Beverage and Wine	\$3.75	\$96.25	\$7.50	\$117.50
Fermented Malt Beverage On/Off Premises	\$3.75	\$96.25	\$7.50	\$117.50

## Local and State Issued Permit Fees

	Local Fee City	Local Fee County	State Fee
Retail Establishment Permit (Art Gallery)	\$3.75	\$3.75	\$93.25
Bed & Breakfast Permit	\$3.75	\$3.75	\$71.25
Each Resort-Complex-Related Facility Permit	\$15.00	\$15.00	\$160.00
Special Event Permit			
Malt, Vinous and Spirituous Liquor	\$100.00	\$100.00	\$25.00 Per Day
Fermented Malt Beverage (3.2% Beer)	\$100.00	\$100.00	\$10.00 Per Day
Mini Bar Permit with Hotel Restaurant License	\$48.75	\$48.75	\$276.25

## State License Fees

	Fee
Limited Winery License	\$70.00
Manufacturer's License (Distillery or Rectifier)	
On or after August 10, 2016, and before August 10, 2017	\$675.00
On or after August 10, 2017	\$300.00
Manufacturer's License (Brewery)	\$300.00
Manufacturer's License (Winery)	\$300.00
Nonresident Manufacturer's License (Malt Liquor)	\$300.00
Importer License	\$300.00
Wholesaler's Liquor License	
On or after August 10, 2016, and before August 10, 2017	\$800.00
On or after August 10, 2017	\$550.00
Wholesaler's Beer License	\$550.00
Public Transportation (dining, club or parlor car; plane; bus or other vehicle)	\$75.00

## Additional Fees

	Local Fee	State Fee
Alternating Proprietor Licensed Premises	N/A	\$150.00
Change of Location	Not to exceed \$750.00	\$150.00
Change of Trade Name/Corporate Name	N/A	\$50.00
Corporate/LLC Change (Per Person)	\$100.00	\$100.00**
Duplicate License	N/A	\$50.00
Add Optional Premises to Hotel & Restaurant License	N/A	\$100.00
Limited Liability Change	N/A	\$100.00
Manager Registration (Hotel & Restaurant; Tavern; Lodging & Entertainment; Campus Liquor Complex)	\$30.00	\$30.00
Master File Background	N/A	\$250.00
Master File Location Fee (Per Location)	N/A	\$25.00
Modification of Premises	N/A	\$150.00
Sole Source Registration	N/A	\$100.00

## State Only Issued Permits

	Fee
Winery Direct Shipper Permit	\$100.00
Wine Packaging Permit	\$200.00
Festival Permit Application	\$50.00
Branch Warehouse or Warehouse Storage Permit	\$100.00
Retail Warehouse Storage Permit	\$100.00
Manager Permit Registration (Liquor-Licensed Drugstore)	\$100.00
Non-Contiguous Location (Winery/Limited Winery) Application	\$125.00
Non-Contiguous Location (Winery/Limited Winery) Renewal	\$100.00
Takeout and Delivery Permit Application	\$11.00
Takeout and Delivery Permit Renewal	\$11.00

**\*\* The State Fee of \$100 only pertains to state-only issued licenses and does not apply to licenses issued by local licensing authorities**

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers

THROUGH: Gary Martinez, Interim Town Manager

FROM: Jennifer Madsen, Town Attorney

DATE: April 23, 2024

SUBJECT: Resolution 2024-34, Approving Town Manager Employment Agreement with John Crone

---

### **Executive Summary:**

Section 7.1 of the Keystone Home Rule Charter provides that Town Council shall hire a Town Manager. This resolution selects and approves an agreement with the Town Manager.

### **Recommendation:**

Staff recommends that the Town Council approve Resolution 2024-34 approving an employment agreement with John Crone.

### **Background:**

Section 7.1 of the Keystone Home Rule Charter provides that Town Council shall hire a Town Manager. The Town Manager is responsible for overseeing the operations of the Town and operates in the role of the administrative officer.

The Town Council selected John Crone for the Town Manager position and desires to enter into an employment agreement with Mr. Crone.

### **Alternatives:**

N/A

### **Financial Considerations:**

The Town will compensate the Town Manager as provided in the employment agreement.

### **Previous Council Actions:**

None.

### **Next Steps:**

N/A

**Suggested Motions:**

I move to APPROVE Resolution 2024-34, Approving Town Manager Employment Agreement with John Crone

I move to DENY Resolution 2024-34, Approving Town Manager Employment Agreement with John Crone

**Attachments:**

- Resolution 2024-34, Approving Town Manager Employment Agreement with John Crone
- Exhibit A Employment Agreement

**TOWN OF KEYSTONE**  
**Summit County, Colorado**

**RESOLUTION 2024-34**

**A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO APPROVING TOWN MANAGER EMPLOYMENT AGREEMENT WITH JOHN CRONE**

WHEREAS, the Town of Keystone is a home rule municipality governed by the Keystone Home Rule Charter; and

WHEREAS, Section 7.1 of the Keystone Home Rule Charter provides that Town Council shall hire a Town Manager; and

WHEREAS, Town Council selects and hires John Crone as the Town of Keystone Town Manager; and

WHEREAS, the Town Council desires to approve the Town of Keystone Town Manager Employment Agreement.

**Now, Therefore, be it Resolved by the Town Council of the Town of Keystone, Colorado, that:**

Section 1. The Town Council approves the Town of Keystone Town Manager Employment Agreement attached as Exhibit A. The Town Council authorizes the Mayor to execute the Town Manager Employment Agreement.

Section 2. Effective Date. This Resolution shall take effect upon its approval by the Town Council.

**ADOPTED by a vote of \_\_ in favor and \_\_ against, this \_\_\_\_\_ day of \_\_\_\_\_, 2024.**

By: \_\_\_\_\_  
Kenneth D. Riley, Mayor

ATTEST:

Approved as to Form:

By: \_\_\_\_\_  
Town Clerk

By: \_\_\_\_\_  
Town Attorney

**TOWN OF KEYSTONE  
TOWN MANAGER EMPLOYMENT AGREEMENT**

This Employment Agreement (the “**Agreement**”) is made and entered into by and between the Town of Keystone, a Colorado municipal corporation and home rule town (the “**Town**”) and John Crone (“**Crone**” or “**Manager**”). The Town and the Manager are collectively referred to as the “**Parties**.”

**RECITALS**

**WHEREAS**, the Town desires to employ John Crone as an at-will employee and the Manager of the Town based upon the terms and conditions set forth in this Agreement; and

**WHEREAS**, Crone desires to accept employment as the Town Manager based upon the terms and conditions set forth in this Agreement.

**WHEREAS**, for purposes of this Agreement, the Town of Keystone is a unit of local government whose governing body is directly elected by the electors of the Town and the Town is, therefore, excepted from compliance with the provisions of C.R.S. § 24-19-101, *et seq.*, specifically C.R.S. §24-19-108(1)(c).

**NOW, THEREFORE**, in consideration of the payments, promises, and other good and valuable consideration provided for in this Agreement, the Parties agree as follows:

**Section 1. Duties.**

- A. Duties Generally. The Town hereby agrees to employ Crone as the Town Manager, such employment to commence on May 13, 2024. In that capacity, Crone shall perform the functions and duties outlined in Exhibit A, along with such other duties and functions as the Town Council shall from time-to-time assign. The Manager shall report to and serve at the pleasure of the Town Council as provided in Section 7.4 of the Home Rule Charter.
- B. Full-Time. The Manager position shall be a full-time executive exempt position that shall require a minimum of forty hours of work per week.
- C. No Other Employment. Crone shall not accept employment with or actively engage in any other business or employment while employed as Manager unless approved by the Town Council in writing, which approval may not be unreasonably withheld.
- D. Hiring. The Manager shall have the authority to identify and hire candidates for employment with the Town. The Manager shall prepare job descriptions; advertise job vacancies; conduct interviews, background checks and investigations; and select candidates.

- E. Discipline. The authority for disciplining personnel of the Town shall be delegated to the Manager subject to the terms in this section. The Manager shall have all authority to discipline Town personnel, including termination, consistent with the Town Home Rule Charter, state and federal law, Town Code and adopted Personnel Policies.
- F. Staffing. The Town Council represents that the policy of the Town is to maintain staffing levels at budgeted amounts, which may vary from year to year or within a year.
- G. Budget. Crone acknowledges that the Town Council adopts a budget and makes appropriations for the operations of the Town, including staffing, for each calendar year, and further acknowledges and agrees that the duties described in this Agreement and in **Exhibit A** shall be performed within the adopted budget and appropriated amounts.

## **Section 2. Term And Termination**

- A. This Agreement shall become effective on May 13, 2024 (the “**Effective Date**”), irrespective of the date upon which either Party executes it. It shall thereafter remain in effect until terminated by either Party.
- B. The employment described in this Agreement is at will. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the Town to terminate this Agreement at any time, with or without cause to do so, in accordance with Section 7.3 of the Keystone Home Rule Charter. Likewise, nothing in this Agreement shall prevent, limit, or otherwise interfere with Crone’s right to terminate this Agreement at any time, with or without cause to do so.
- C. Upon termination of this Agreement by either Party, the Town shall pay Crone the compensation provided for in Section 3 of this Agreement through the date of termination. Crone shall not be entitled to additional compensation in any form except that severance pay as outlined in Section 4 of this Agreement may be payable under the terms and conditions set forth therein.
- D. Crone agrees to provide the Town not less than three weeks’ written notice of the intention to terminate this Agreement. Should Crone terminate this Agreement, the Manager will reasonably and timely cooperate in the transition of the duties to other Town personnel.
- E. Should the Town exercise its right to terminate this Agreement, it may, in its discretion, require that Crone cease the job duties immediately.
- F. Nothing in the Agreement shall prohibit the Town and Crone from jointly executing a Separation Agreement to further clarify details related to separation.



**Section 3. Salary and Benefits.**

- A. Salary. Commencing May 13, 2024, Crone shall be paid an annual gross salary as approved of \$ 165,000, payable in equal biweekly installments, and as may be adjusted by the Town Council from time to time. This salary amount and any bonus amount shall be reduced by all mandatory tax and other payroll withholding amounts, as well as by all properly directed voluntary payroll withholding amounts.

Crone's performance and compensation, including salary, shall be reviewed on an annual basis. The review shall take place in October of each year prior to the adoption of the Town's succeeding year annual budget. The Manager shall be responsible for scheduling the review on an agenda of the Town Council, which review may or may not be held in executive session as a personnel matter in the discretion of the Town Council subject to the Manager's right under state law to hold discussion of such personnel matter in the open meeting. The Town Council shall provide the Manager with a reasonable and adequate opportunity to discuss and/or respond to the Manager's evaluation. The annual performance reviews and evaluations shall be reasonably related to the Manager's written job description, Duties described in this Agreement and such other duties that are commonly within the purview of duties of a town manager/city manager in Colorado, as may be assigned by the Town Council.

- B. Cell Phone Allowance. The Town shall provide Crone seventy-five dollars (\$75) per month as a cell phone allowance. By accepting such allowance, Crone agrees to assume responsibility for paying for the operation and maintenance, repair, insurance, and regular replacement of the personal own cell phone, which he shall be obligated to use to carry out the job duties. Crone shall be willing to make this personal cellular phone number available to Town staff and elected officials for the conduct of Town business.
- C. Vacation, Sick, and Holidays. Crone shall be entitled to paid time off per the Town's Employee Handbook, as may be amended from time to time. In addition, Crone shall be entitled to paid holidays recognized by the Town's personnel or employment policies.
- D. Benefits. Crone shall also be eligible to receive and/or participate in all benefit plans made available to full-time employees of the Town including without limitation health insurance and retirement savings plans as are provided from time to time to other Town employees. Similar to other employees, Crone is also eligible to receive the employee benefit of the Summit County stipend.

Except as otherwise stated in the governing documents for a particular benefit program, all benefits programs are subject to modification or termination by the Town from time to time, without notice, at the sole discretion of the Town.

- E. Dues and Subscriptions. The Town agrees to budget and to pay the professional dues and subscriptions necessary for Crone's continuation and full participation in national, state, and local associations and economic development groups necessary and desirable for Crone's continued professional participation, growth, and advancement, and for the good of the Town, including but not limited to the payment of dues in the International City/County Managers Association (ICMA), Colorado City & County Management Association (CCCMA), and the Colorado Municipal League (CML). Nothing in this paragraph shall prevent the Town Council from decreasing the amount budgeted for such purposes provided that such decrease is deemed necessary and in the best interests of the Town as a result of the financial position of the Town.

**Section 4. Severance Pay.**

- A. In the event Crone's employment is terminated by the Town for other than "Cause" or death or Disability as defined herein during such time that Crone is willing and able to perform the duties of Town Manager, the Town agrees to pay Crone severance pay as provided herein.
- B. For purposes of this Section 4, "Cause," for termination includes:
- (1) violating any material term of this Agreement;
  - (2) failing to perform the job duties stated in this Agreement and in **Exhibit A**;
  - (3) conviction of (or pleading guilty or nolo contendere to)
    - a. any misdemeanor involving moral turpitude or fraudulent conduct, or
    - b. any felony;
  - (4) theft from the Town;
  - (5) material misuse of any assets of the Town;
  - (6) violation of a term of the Town's employee handbook or employment policies, Colorado ethic laws applicable to local government employees, or the Town's Code of Ethics (when effective); or
  - (7) accepting employment with or actively engaging in any other business in violation of this Agreement.
- C. If the Town asserts that the actions of Crone meet the requirements of subparagraph (1), (2), (4), (5), (6) or (7) of the definition of "Cause" set forth in this subsection B of this Section 4, "Cause" shall not be present unless (i) Town has given Crone written notice specifying in reasonable detail the event or circumstances constituting Cause, and (ii) Crone has been provided a reasonable opportunity to respond to such notice and, if the events are curable, cure such event or circumstances within twenty ( 20) days from the date of such notice from Town. Actions of the Manger that meet subparagraph (3) do not require notice or the opportunity to respond because the Manager has been convicted.
- D. If Crone's employment is terminated by the Town for Cause or if Crone resigns, becomes disabled or dies, as defined in subparagraph E of this Section, Crone

shall be entitled to receive only the salary and associated benefits as outlined in Section 3 through the date of termination.

- E. Disability or Death. In the event of Disability (as defined herein), the Town Council may elect, in its sole discretion and as provided in the Town Home Rule Charter Section 7.3, to release Crone from employment hereunder and may thereafter terminate this Agreement. In the event of termination upon death or Disability of Crone, Crone shall be entitled to receive salary through the date of termination. "Disability" means Crone's physical or mental incapacity resulting in Crone being unable to perform the duties, with or without reasonable accommodation, for any consecutive six-month period if the disability is work-related or three month period if other than work-related, or for any six non-consecutive months in any consecutive twelve-month period due to a work-related injury or any three non-consecutive months in any consecutive twelve month period due to an injury or condition that is not work-related. Any question as to the existence of the Disability of Crone as to which Crone and Town cannot agree shall be determined in writing by a qualified independent physician as appointed by Town and Crone (or Crone's representative). The determination of Disability in writing made to the Town and Crone by the qualified independent physician shall be final and conclusive for all purposes of this Agreement. Nothing in this provision or Agreement shall be construed as a waiver of Crone's rights under the Americans with Disabilities Act, if applicable.
- F. Severance Pay. In the event of termination of employment as provided in Subsections (A) above and Subsection (G) below, Crone shall be entitled to:
- one (1) months' salary and benefits to be paid on a biweekly basis following Crone's termination if such termination occurs within the first year of Crone's employment with the Town starting on the date of employment (May 13, 2024), or
  - three (3) months' salary and benefits to be paid on a biweekly basis following Crone's termination if such termination occurs after the first year of Crone's employment with the Town starting on the date of employment (May 13, 2024)

The benefits provided as part of termination shall be those benefits to which Crone is entitled at the time of termination but shall exclude and shall not include the provision of compensation or payment for or accrual of the following: any form of leave or paid time off (including but not limited to personal, vacation, or sick leave). The salary and benefits described in this paragraph F shall be an entitlement accrued under the conditions referenced herein and shall be paid without regard to whether Crone has secured other employment.

- G. If the Town Council, at any time during the term of this Agreement, reduces the salary or other financial benefits of Crone in greater percentage than an applicable across-the-Town reduction for all Town employees, Crone may, at Crone's option,

resign and be deemed to be "terminated" at the date of such reduction and severance pay shall be due and owing.

- H. In the event Crone voluntarily resigns or is terminated for Cause within the term of this Agreement, Crone shall be responsible to reimburse the Town for the value of any equipment purchased by the Town for the use which is not otherwise useable by another employee. Upon original purchase of equipment deemed not otherwise useable by another employee, the Town Finance Director shall retain related purchase documents and provide copies to Crone. Value shall be based on the then-present value of such equipment and reimbursement shall occur through deduction from any final paycheck. If no such deduction is made, Crone shall be responsible to reimburse the Town upon written demand therefor.

**Section 5. General Expenses.**

The Town shall reimburse, or may pay in advance, the reasonable, job-related expenses Crone incurs while performing the role as Town Manager. The Town agrees to pay the actual and incidental costs incurred by the Manager for travel in accordance with approved Town travel policies, rules, and regulations. The Manager shall comply with all procedures and documentation requirements in accordance with approved Town travel policies, rules, and regulations. Nothing in this Section shall prevent the Town Council from decreasing the amount budgeted for such purposes.

**Section 6. Return Of Town Materials.**

Upon terminating employment with the Town, the Manager will deliver to the Town any and all property belonging to the Town then in the Manager's possession. Manager further agrees that any property situated on the Town's premises and owned by the Town, including disks and other storage media, filing cabinets or other work areas, are subject to inspection in the presence of the Manager by appropriate Town personnel with reasonable coordination with the Manager.

**Section 7. General Provisions.**

- A. No Multiple Year Obligation. Nothing in this Agreement shall create a multiple-fiscal year financial obligation as contemplated and as prohibited by Article X, § 20 of the Colorado Constitution.
- B. This Agreement consists of the entire agreement between the Town and Crone with respect to his employment as Manager.
- C. If any provision or any portion of this Agreement is adjudged unconstitutional, invalid, or unenforceable, the remainder of the Agreement or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

- D. This Agreement may only be amended by a written instrument, duly executed by each Party.
- E. This Agreement will be governed by and construed according to the laws of the State of Colorado as such laws are applied to agreements entered into and to be performed entirely within Colorado between Colorado residents.
- F. Nothing in this Agreement shall be interpreted as a waiver or release as to any claims by Crone.
- G. This Agreement may be executed in counterparts. The signatures required for execution may be transmitted by facsimile or electronically (scan and e-mail), and such facsimile or electronic signature shall be deemed a duplicate original, shall be effective upon receipt, may be admitted in evidence, and shall fully bind the party making such signature.

*REMAINDER OF PAGE INTENTIONALLY BLANK  
SIGNATURE PAGE FOLLOWS*

IN WITNESS WHEREOF, the Town of Keystone, Colorado, has caused this Agreement to be signed and executed on its behalf by its Mayor and duly attested by the Town Clerk, and Crone has signed and executed the Agreement, on the dates indicated below.

**THE TOWN OF KEYSTONE, COLORADO**

By: Kenneth D. Riley, Mayor

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*Signature* *Date*

**ATTEST:**

---

Town Clerk *Date*

**JOHN CRONE, TOWN MANAGER**

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*Signature* *Date*

## **Exhibit A Job Duties of Town Manager**

The Parties agree that the duties of the Town Manager shall include the following:

1. The Town Manager shall serve as the Chief Administrative Officer of the Town.
2. The Town Manager shall perform the duties as described in Section 7.4 of the Town of Keystone Home Rule Charter:

### **Section 7.4. Powers and Duties of Town Manager.**

The Town Manager shall be responsible to and report directly to the Town Council on the proper administration of all affairs of the Town placed in the Town Manager's charge, and to that end, the Town Manager shall have the powers and duties as set forth by the Town Council by Ordinance, including, but not limited to:

- (a) Enforcing or supervising the enforcement of all laws of the Town; and
  - (b) Supervising and overseeing all aspects of Town functions and activities, services, contracts, personnel, and departments that report to the Town Manager; and
  - (c) Performing or supervising the performance of budget-related duties, accounting duties and financial and risk planning, reporting, and management; and
  - (d) Reporting regularly to the Town Council on the functioning of all Town departments, services, activities, and financial matters; and
  - (e) Attend Town Council meetings unless attendance is excused; and
  - (f) Performing such other duties as set forth in the Ordinances of the Town or by direction of the Town Council.
3. The Town Manager manages the day-to-day operations of the organization as well as translating the Council's vision and goals into budgetary priorities and operational objectives. The Town Manager is expected to be active and involved in local and regional associations and partnerships.
  4. The Town Manager is responsible for providing leadership, efficiency, transparency, accountability, and fiscal responsibility to the organization.
  5. The Town Manager will lead all daily operations of the Town, with reporting functions in Administration, Finance, Community Development, Public Works, and Law Enforcement.
  6. The Town Manager acts in a supervisory capacity over all town employees and is responsible for hiring, training and termination of employees. Performance management will also include regular reviews and assessing annual contracts.
  7. The Town Manager must perform the function and duties as specified within Colorado Statutes, the Town Charter, and perform other legally permissible and proper duties and functions.
  8. The Town Manager works closely with the Town Council and will perform the duties necessary to ensure efficient and effective provision of all Town services.

9. The Town Manager is expected to live within Summit County, Colorado or within reasonable proximity to Summit County, Colorado. The Town Council can make an exception to this expectation.



# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers

THROUGH: Gary Martinez, Interim Town Manager

FROM: Jennifer Madsen, Town Attorney

DATE: April 23, 2024

SUBJECT: Resolution 2024-35, Approving an Amendment to Consultant Agreement with the Interim Town Manager

---

### **Executive Summary:**

Section 7.1 of the Keystone Home Rule Charter provides that Town Council shall hire a Town Manager. This resolution appoints an interim town manager.

### **Recommendation:**

Staff recommends that the Town Council approve Resolution 2024-35 approving an amendment to consultant agreement.

### **Background:**

On February 9, 2024, Town Council selected and hired a Gary Martinez as the Interim Town Manager and Interim Finance Director and entered into a consultant agreement. Amendments are needed to the consultant agreement to extend the term and revise the compensation structure.

The Town Council desires to approve the amendments to the consultant agreement with Gary Martinez.

### **Alternatives:**

N/A

### **Financial Considerations:**

The Town will compensate the interim Town Manager as provided in the agreement.

### **Previous Council Actions:**

None.

### **Next Steps:**

N/A

**Suggested Motions:**

I move to APPROVE Resolution 2024-35, Approving an Amendment to Consultant Agreement with the Interim Town Manager

I move to DENY Resolution 2024-35, Approving an Amendment to Consultant Agreement with the Interim Town Manager

**Attachments:**

- Resolution 2024-35, Approving an Amendment to Consultant Agreement with the Interim Town Manager
- Exhibit A Amendment to Consultant Agreement

**TOWN OF KEYSTONE  
Summit County, Colorado**

**RESOLUTION 2024-35**

**A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO  
APPROVING AN AMENDMENT TO CONSULTANT AGREEMENT  
WITH THE INTERIM TOWN MANAGER**

WHEREAS, the Town of Keystone is a home rule municipality governed by the Keystone Home Rule Charter; and

WHEREAS, Section 7.1 of the Keystone Home Rule Charter provides that Town Council shall hire a Town Manager; and

WHEREAS, on February 9, 2024, Town Council selected and hired a Gary Martinez as the Interim Town Manager and Interim Finance Director and entered into a consultant agreement; and

WHEREAS, amendments are needed to the consultant agreement to extend the term and revise the compensation structure; and

WHEREAS, the Town Council desires to approve the amendments to the consultant agreement with Gary Martinez.

**Now, Therefore, be it Resolved by the Town Council of the Town of Keystone, Colorado, that:**

Section 1. The Town Council approves the Amendment to Professional Services Agreement Between the Town of Keystone and Gary Martinez attached as Exhibit A. The Town Council authorizes the Mayor to execute the amendment to the consultant agreement with Mr. Martinez.

Section 2. Effective Date. This Resolution shall take effect upon its approval by the Town Council.

**ADOPTED** by a vote of \_\_ in favor and \_\_ against, this \_\_\_\_\_ day of \_\_\_\_\_,  
2024.

By: \_\_\_\_\_  
Kenneth D. Riley, Mayor

ATTEST:

Approved as to Form:

By: \_\_\_\_\_  
Town Clerk

By: \_\_\_\_\_  
Town Attorney

**AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT BETWEEN  
THE TOWN OF KEYSTONE, AND GARY MARTINEZ**

THIS AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (“Amendment”) is made and entered into this 23rd day of April 2024, by and between the Town of Keystone, a Colorado Municipality), and Gary Martinez (the “Consultant”). The Town of Keystone, and the Consultant may be collectively referred to as the “Parties” and each individually as “Party”.

WHEREAS, the Parties entered into a Professional Services Agreement (“Agreement”) dated February 8, 2024, for interim Town Manager consulting services; and

WHEREAS, Paragraph 17 of the Agreement provides that the Parties may amend the Agreement by execution of a written amendment; and

WHEREAS, the Parties desire to amend the agreement to extend the term of the Agreement and to amend the compensation provided to the Consultant.

**NOW, THEREFORE**, in consideration of the terms and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed by and between the Parties as follows:

**1. Amendment to Paragraph 3 of the Agreement regarding “COMPENSATION FOR SERVICES”:** The Parties agree to amend the Agreement to provide as follows related to Compensation for Services:

In consideration for the provision of Services described in Paragraph 2, the Town of Keystone agrees to compensate the Consultant the amount of \$15,000 per month, \$3,462 per week, or \$87 per hour. Consultant agrees the fee is not to exceed \$60,000 for performing as the Town of Keystone Interim Town Manager and consulting with the Town of Keystone Town Council and Town Manager unless the Authorized Representative agrees in writing to an increase.

The Town of Keystone agrees to reimburse the Consultant for reasonable expenses which include:

- Mileage at the IRS rate of 67 cents per mile.
- Other expenses as agreed upon by the Authorized Representative and Town Council.

The Consultant is not entitled to any fees or reimbursements beyond those specified in this contract.

Payment by the Town of Keystone is based on the following:

- The Consultant may submit an invoice to the Town of Keystone on or about May 13, 2024, and at the conclusion of the Services. Consultant agrees that payment for the initial invoice can be deferred until May 31, 2024, and any later invoice will be paid within thirty days.
- The Consultant’s invoices will be in a format acceptable to the Town of Keystone, shall be supported by information in such detail as may be required by Town of Keystone and shall be sufficient to substantiate that the Consultant has performed the Services described in paragraph 2. The Town of Keystone may withhold payment for work, which is not



**Town of Keystone**

**BY:** \_\_\_\_\_  
Kenneth D. Riley, Town Mayor

**DATE:** \_\_\_\_\_, 2024

ATTEST:

By: \_\_\_\_\_  
Town Clerk

## TOWN OF KEYSTONE, COLORADO

### STAFF REPORT

TO: Mayor & Town Councilmembers

THROUGH: Gary Martinez, Interim Town Manager  
Maddy Sielu, Town Clerk

FROM: Jennifer Madsen, Town Attorney

DATE: April 23, 2024

SUBJECT: Resolution 2024-36 Requesting Participation in Summit County Nicotine Tax IGA

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#### **Executive Summary:**

There is currently in place an intergovernmental agreement between Summit County and the Towns of Blue River, Breckenridge, Dillon, Frisco, Montezuma, and Silverthorne for the sharing and disbursement of revenues generated from the County Nicotine Tax collected and remitted from retailers within their respective jurisdictions (“Nicotine Tax IGA”). Section 10 of the Nicotine Tax IGA contemplates and authorizes the existing Parties to add one or more additional incorporated municipalities as parties, permitting the newly added municipality to receive disbursements of revenue generated from retail sales of cigarettes and other tobacco and nicotine products occurring within its boundaries. This Resolution is the first step the Town must take to formally join the Nicotine Tax IGA and share in the sales tax revenues, by requesting to be added as a party to IGA.

#### **Recommendation:**

Staff recommends that the Town Council approve Resolution 2024-36 requesting Summit County add the Town as a party to the existing Summit County Nicotine Tax IGA.

#### **Background:**

Effective January 1, 2020, a countywide sales tax on nicotine products went into effect. The tax rate is \$4/pack of cigarettes and 40% with a graduated increase of 10% each year for 4 years through 2024, on all other nicotine products including e-cigarettes and vaping devices. This special sales tax is on top of the existing 2.00% county sales tax imposed on all taxable retail sales of tangible personal property within the Town, as well as the 2.9% state sales tax.



Sales of cigarettes would also be subject to a special state excise tax imposed at the current rate of 6.45 cents (if the cigarette is considered a modified risk tobacco product as qualified by the U.S. Dept. of Health and Human Services) or 9.7 cents per cigarette. The Town of Keystone will receive from the state approximately 27% of 1 cent of the tax collected in the town boundaries.

Below are some key provisions of the Nicotine Tax IGA in terms of what the Town receives if it joins the IGA:

- **§ 5 Share of Tax Revenues:** Disbursement of all tax revenues collected from within Keystone's corporate limits, less:
  - The County's administrative costs to collect and enforce the tax (unspecified, but reasonable inference is that it's pro-rata share); and
  - Whatever amount may be necessary to ensure that each Party gets \$1K annually in revenues (again, unspecified but assumption is that this is pro-rata)
- **§§ 4 and 6 County Administration and Enforcement of Tax:** The collects and enforces the Special Sales Tax.
- **§ 3 Allowed Tax Expenditures:** The Town can spend the disbursed tax revenues on the following uses:
  - "improving" health and "lessening" adverse "public health" consequences stemming from tobacco/nicotine product use;
  - educational outreach efforts aimed at reducing teen nicotine use. including vaping and other flavored nicotine products;
  - improving the availability of public health services, including substance abuse treatment, in Summit County, including services at the community health clinic and school based clinics;
  - providing addiction prevention and intervention programs and referral services;
  - providing local enforcement of laws, rules, regulations and ordinances that prohibit the sale of cigarettes, tobacco products, and nicotine products; and
  - any other uses consistent with ballot measure.

### **Alternatives:**

The Town could decide not to join the Nicotine Tax IGA and instead pass its own local sales tax on the retail sale of tobacco and nicotine products within the Town, which would be coterminous with the County's special sales tax. Adoption of a new sales tax would require voter approval. The Town would also forgo its portion of the state sales tax if it levied its own tax.

### **Financial Considerations:**

The Summit Daily reported in December 2021 that the tax accrued a total of \$2.44 million in 2020, and a total of \$2.35 million through September. In October 2023, the Summit Daily also reported the ballot measure had generated more revenue than what was originally expected, to the tune of approximately \$24 million. It is unclear how much revenue each member Party has received since the tax went into effect or what the Town could expect to receive moving forward, but a Summit Daily article from July 2022 reported that the County Nicotine Tax was projected at \$1 Million in Silverthorne alone.

### **Previous Council Actions:**

Town Council discussed the Nicotine Tax IGA at a work session on April 9, 2024.

### **Next steps:**

First, the Town and the County will need to prepare an amendment to the IGA. Next, the Town Manager executes the amendment. Then, Summit County and each existing Party's governing body must ratify the Town's addition to the IGA by adopting a resolution approving the IGA amendment. After all Parties to the Nicotine Tax IGA formally approve the amendment, the Town may need to provide to the County a list of retailers doing business in the Town that sell cigarettes, tobacco products, or nicotine products.

### **Suggested Motions:**

I move to APPROVE Resolution 2024-36, A Resolution of the Town Council of the Town of Keystone, Colorado, Requesting Participation with Summit County for the Sharing and Disbursement of Revenues Generated from a County-Wide Special Sales Tax Imposed Upon and Collected from Tobacco and Nicotine Product Retailers Within the Town.

I move to DENY Resolution 2024-36, A Resolution of the Town Council of the Town of Keystone, Colorado, Requesting Participation with Summit County for the Sharing and Disbursement of Revenues Generated from a County-Wide Special Sales Tax Imposed Upon and Collected from Tobacco and Nicotine Product Retailers Within the Town.

### **Attachments:**

- Resolution 2024-36, A Resolution of the Town Council of the Town of Keystone, Colorado, Requesting Participation with Summit County for the Sharing and Disbursement of Revenues Generated from a County-Wide Special Sales Tax Imposed Upon and Collected from Tobacco and Nicotine Product Retailers Within the Town; and Authorizing an Intergovernmental Agreement with Summit County Pertaining Thereto.
- Summit County Nicotine Tax IGA.

**TOWN OF KEYSTONE  
Summit County, Colorado**

**RESOLUTION 2024-36**

**A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO  
REQUESTING PARTICIPATION WITH SUMMIT COUNTY FOR THE SHARING AND  
DISBURSEMENT OF REVENUES GENERATED FROM A COUNTY-WIDE SPECIAL  
SALES TAX IMPOSED UPON AND COLLECTED FROM TOBACCO AND NICOTINE  
PRODUCT RETAILERS WITHIN THE TOWN**

WHEREAS, on November 6 2019, Summit County voters approved Ballot Measure 1A, imposing a tax that effectively raised the sales tax on retail sales in the county of cigarettes to \$4 per pack, and a 40% increase in sales tax for all other retail sales in the county of nicotine and tobacco products — including e-cigarettes and other vaping devices (“County Nicotine Tax”); and

WHEREAS, in anticipation of voter approval of the County Nicotine Tax and pursuant to House Bill 19-1033, the Towns of Blue River, Breckenridge, Dillon, Frisco, Montezuma, and Silverthorne contracted with Summit County for the sharing and disbursement of revenues generated from the County Nicotine Tax collected and remitted from retailers within their respective jurisdictions (“Nicotine Tax IGA”); and

WHEREAS, in addition to the disbursement County Nicotine Tax revenues, the Nicotine Tax IGA also provided for: (a) the County administration and enforcement of the County Nicotine Tax; and (b) local authority to spend County Nicotine Tax revenues for improving health and lessening adverse public health consequences stemming from tobacco/nicotine product use, providing local enforcement of laws, rules, regulations and ordinances that prohibit the sale of cigarettes, tobacco products, and nicotine products, educational outreach efforts aimed at reducing teen nicotine use, including vaping and other flavored nicotine products, and other similar uses; and

WHEREAS, pursuant to the provisions of § 18 of Article XIV of the Colorado Constitution, § 29-1-203, C.R.S., as amended, the Town of Keystone and Summit County may cooperate or contract with one another to provide any function, service or facility lawfully authorized to each; and

WHEREAS, like the Towns of Blue River, Breckenridge, Dillon, Frisco, Montezuma, and Silverthorne, the Town of Keystone desires to collaborate with Summit County on the imposition, collection, administration and enforcement of the County Nicotine Tax within its jurisdiction, along with the sharing and disbursement of County Nicotine Tax revenues generated from within its boundaries; and

WHEREAS, Section 10 of the Nicotine Tax IGA contemplates and authorizes adding one or more additional incorporated municipalities as parties; and

WHEREAS, the Town Council finds that it is in the best interest of the Town to request to be added as a party to the Nicotine Tax IGA with Summit County.

**Now, Therefore, be it Resolved by the Town Council of the Town of Keystone, Colorado, that:**

Section 1. The Town requests Summit County add the Town of Keystone as a party to the Nicotine Tax IGA, in accordance with Section 10 of the Nicotine Tax IGA.

Section 2. The Town Manager and the Town Attorney are authorized and directed to negotiate the terms of a proposed amendment to the Nicotine Tax IGA that would add the Town as a Party.

Section 3. Effective Date. This Resolution shall take effect upon its approval by the Town Council.

**ADOPTED by a vote of \_\_ in favor and \_\_ against, this \_\_\_\_\_ day of \_\_\_\_\_, 2024.**

By: \_\_\_\_\_  
Kenneth D. Riley, Mayor

ATTEST:

Approved as to Form:

By: \_\_\_\_\_  
Town Clerk

By: \_\_\_\_\_  
Town Attorney

**INTERGOVERNMENTAL AGREEMENT**

**Among**

**SUMMIT COUNTY, COLORADO, And**

**THE TOWNS OF BLUE RIVER, BRECKENRIDGE, DILLON, FRISCO, MONTEZUMA  
AND SILVERTHORNE, COLORADO**

**THIS INTERGOVERNMENTAL AGREEMENT** (this "Agreement") is made and entered into this \_\_\_ of August 2019, among SUMMIT COUNTY, COLORADO (the "County"), a body corporate and politic and political subdivision of the State of Colorado (the "State"), and THE TOWNS OF BLUE RIVER, BRECKENRIDGE, DILLON, FRISCO, MONTEZUMA AND SILVERTHORNE, COLORADO (the "Towns" or individually as a "Town"), home rule or statutory municipalities and political subdivisions of the State. The County and the Towns are referred to collectively herein as "the Parties" or individually as "a Party."

**WHEREAS**, pursuant to title 29, article 1, part 2, Colorado Revised Statutes, as amended (the "Intergovernmental Relations Statute"), and Article XIV, Section 18 of the State Constitution, governments may contract with one another to provide any function, service or facility lawfully authorized to each of the contracting units and any such contract may provide for the joint exercise of the function, service or facility; and

**WHEREAS**, House Bill No. 19-1033 (the "Act"), authorizes a county to levy, collect, enforce and administer a county-wide special sales tax upon all sales of cigarettes, tobacco products, or nicotine products within the unincorporated and incorporated areas of the county and further authorizes a county and the home rule or statutory towns within such county to contract and collaborate with each other in levying, collecting, enforcing and administering the special sales tax within the corporate limits of the contracting municipalities as provided in the Act; and

**WHEREAS**, tobacco and nicotine use is the leading cause of preventable death in Colorado and in the United States generally; and

**WHEREAS**, after decades of effective anti-smoking campaigns and decreasing smoking rates in the U.S., there has been a surprising upturn in youth tobacco use as well as children's use of nicotine via electronic smoking devices ("vaping"); and

**WHEREAS**, based on a comprehensive review of evidence, the Surgeon General declared the use of e-cigarettes and vaping products by youth to be an epidemic and has called raising prices on cigarettes "one of the most effective tobacco control interventions" because increasing the price of these products is proven to reduce smoking and vaping, especially among teens; and

**WHEREAS**, studies have shown that for every 10% increase in pricing, the consumption of cigarettes, tobacco products, and nicotine products is reduced up to 15% in those persons under 18 and up to 7% in those 18 or older; and

**WHEREAS**, tobacco and nicotine products are unique among consumer goods because they kill a significant percentage of all regular users when used as intended and the Surgeon General has projected that without further action, 5.6 million youth who are 0-17 years old today will die prematurely from tobacco and nicotine use; and

**WHEREAS**, studies in Colorado and in Summit County have indicated that the percentage of high school students in Colorado who are vaping is twice the national average and that in Summit County the percentage of students who use vaping products is estimated to be 50% higher than the State average; and

**WHEREAS**, studies have shown that approximately 96% of smokers began smoking before the age of 21 with most beginning before the age of 16, due in part to the fact that youth brains are in a stage of development that makes it easier to become dependent on nicotine; and

**WHEREAS**, the Parties desire to collaborate on the imposition of a special County-wide sales tax on cigarettes, nicotine products and tobacco products and utilize the revenues from the special sales tax to promote the public health and welfare; and

**WHEREAS**, the Parties desire to enter into this Agreement in accordance with the Act in order to promote the imposition of a special sales tax on the sales of cigarettes, tobacco products, and nicotine products throughout Summit County, all as more fully set forth in this Agreement.

**NOW, THEREFORE**, the Parties agree as follows:

**Section 1. Special Sales Tax.** Subject to the requirements of Article X, Section 20 of the State Constitution, the Act, all applicable provisions of law, and the terms and conditions of this Agreement, the County declares its present intention to take such actions as may be required to propose a County-wide special sales tax upon all sales of cigarettes, tobacco products, and nicotine products within the unincorporated and incorporated areas of Summit County (“Special Sales Tax”). The County intends to refer such Special Sales Tax to the registered electors of Summit County, Colorado at a local ballot issue election to be held on the first Tuesday of November of 2019, and/or at such subsequent date or dates as may be deemed reasonable or necessary to effect the imposition of a County-wide Special Sales Tax. The Parties agree, pursuant Section 39-28-112(2), C.R.S., to enter into this Agreement to cooperate in the levy, collection, enforcement and administration of the Special Sales Tax and authorize the Special Sales Tax levy within the boundaries of their respective Towns subject to the provisions of this Agreement and the Act.

**Section 2. Definitions, Tax Commencement.** The terms “cigarettes” “tobacco products” and “nicotine products” as used herein shall have the same meanings as set forth in the laws, rules and regulations of the State of Colorado including but not limited to Section 18-13-121(5), and Section 39-28-202, C.R.S, unless the context otherwise requires. The parties intend that the Special Sales Tax shall commence upon voter approval of the tax with an effective date of January 1, 2020, or as soon thereafter as possible.

**Section 3. Special Sales Tax Purposes.** The Parties intend that the Special Sales Tax revenues will be used by the Parties to improve the public health and welfare. Accordingly, permitted uses of the Special Sales Tax revenues shall include, but shall not be limited to, the following uses:

- a. improving the health of the citizens of Summit County and lessening the public health consequences that stem from the use of cigarettes, tobacco products, and nicotine products;
- b. reducing teen nicotine use. including vaping, through education about the harmful contents of flavored nicotine products that appeal to teens;
- c. improving the availability of public health services, including substance abuse treatment, in Summit County, including services at the community health clinic and school-based clinics;
- d. providing addiction prevention and intervention programs and referral services that

educate, support and empower the residents of Summit County to lead stable, healthy, successful lives;

e. providing local enforcement of laws, rules, regulations and ordinances that prohibit the sale of cigarettes, tobacco products, and nicotine products , including vaping devices and e-cigarettes, to underage persons; and

f. such other uses as may be determined individually by the Parties from time to time throughout the term of this Agreement that broadly serve the purposes set forth in the ballot measure.

**Section 4. Administration, Powers and Duties.** The County or its authorized designee shall (a) collect, administer and enforce the Special Sales Tax, and (b) distribute the Special Sales Tax revenues to the Parties as provided herein. The County shall have all power, privileges and duties vested in or imposed on it by the Act, by the Intergovernmental Relations Statute, this Agreement, a voter-approved ballot measure, and all other applicable laws which may be necessary to carry out the purposes of this Agreement.

**Section 5. Revenues.**

a. The County or its designee shall collect the Special Sales Tax revenues throughout the unincorporated and incorporated areas of Summit County. The County shall distribute/remitt the Special Sales Tax revenues collected from within each Town’s corporate boundaries, as modified from time to time through annexations and disconnections, to such Town, less a reasonable amount to pay (i) for the County’s administrative expenses to administer the Special Sales Tax, and (ii) such amounts as are necessary to ensure that each Party receives at least \$1,000.00 annually in Special Sales Tax revenues to mitigate any loss of the revenue shareback from the State of Colorado cigarette sales tax pursuant to Section 39-22-623, C.R.S.

b. The Special Sales Tax revenues shall be transmitted to the Towns on a monthly basis not later than the thirtieth day following the month of collection of such revenues; provided, however, during the initial three months of the Special Sales Tax collections the County may request an additional 90 days to process the monthly Special Sales Tax revenues.

c. The County shall maintain accurate records of the administrative services it provides to the Parties during each calendar year and shall submit an annual report Special Sales Tax Advisory Board as constituted and defined below.

**Section 6. Special Sales Tax Collection/Reporting/Reconciliation.** The Parties shall cooperate in good faith to coordinate the Special Sales Tax revenue collection, reporting and reconciliation and take all actions reasonably necessary and appropriate to accomplish the purposes of this Agreement in the following manner.

a. Prior to the voter-approved imposition of the Special Sales Tax, each Town shall prepare a listing of retailers doing business in the Town that sell cigarettes, tobacco products, or nicotine products (“Retailers). The Town shall notify the County or its designee of changes in Retailers within thirty (30) days of the Town having actual notice of the change. Changes in Retailers requiring notice under this Subsection include (i) Retailers whose privilege to continue to operate have been temporarily or permanently ceased based on other federal, state, or local law or regulation, and (ii) if a Town requires Retailer licensing, newly licensed Retailers, Retailers



with suspended or revoked licenses, and Retailers operating under conditions in lieu of suspension or revocation.

b. Prior to the voter-approved imposition of the Special Sales Tax, the County shall prepare a listing of Retailers doing business in the unincorporated area of the County beginning on and after the effective date of the Special Sales Tax. The County shall notify the Towns of changes in Retailers within thirty (30) days of the County having actual notice of the change. Changes in Retailers requiring notice under this Subsection include (a) Retailers whose privilege to continue to operate have been temporarily or permanently ceased based on other federal, state, or local law or regulation, and (b) if the County requires Retailer licensing, newly licensed Retailers, Retailers with suspended or revoked licenses, and Retailers operating under conditions in lieu of suspension or revocation.

c. The County or its designee shall prepare a monthly "Special Sales Tax Shareback Report," for each Town consisting of the Special Sales Tax revenues received from each Retailer within the Town Monthly Report. This report shall be provided to each Town at the time the Special Sales Tax revenues funds are remitted to the Town as described in section 5 above. The County or its designee will reconcile sales within each Town, validate information of new Retailers as they are licensed by the Town and/or Department of Revenue of the State, and reconcile Retailer names that appear on the Town Monthly Reports.

d. As the administrator of the tax, County or its designee shall take reasonable actions to ensure that the jurisdictional location of a Retailer is correct, including making updates to location data for new Retailers or annexed areas within thirty (30) days receipt of information from any Town. The County or its designee shall make jurisdictional location available to the Towns on an annual basis to verify the accuracy of the location data. In the event the jurisdictional location of a Retailer that generates taxable transactions is not correct, the County and the affected Town(s) shall determine the correct jurisdictional location and allocate the Special Sales Tax in the manner provided by this Agreement. Any Party claiming an incorrect receipt of Special Sales Tax revenues shall notify Summit County and any other affected Party in writing of the alleged error. Such notification must be given within three (3) years of date the claiming Party knew or should have known through the exercise of reasonable diligence of the alleged improper receipt of the Special Sales Tax revenues. Revenues which may be due to a Party for an improper allocation of Special Sales Tax revenues shall be limited to the three year period prior to the discovery of any confirmed erroneous revenue distribution. Corrective actions for improper allocation of Special Sales Tax Revenues under this Subsection include: prospective adjustments of future revenue distributions over a period of three (3) fiscal years; or, settlement or payment agreement between the Parties to the improper allocation of revenues.

e. Internet Sales. The Parties shall obtain from the Colorado Department of Revenue or authorize the County or its designee to obtain from the Colorado Department of Revenue all information pertaining to the sale of cigarettes, nicotine products and tobacco products on the internet or otherwise by Retailers who are not located within Summit County but are delivered within the jurisdictional boundaries of the Parties. The Parties shall further cooperate to develop procedures and mechanisms in order to impose the Special Sales Tax on all such of cigarettes, nicotine products and tobacco products sales from Retailers that are not located within Summit County to the maximum extent authorized by law.

**Section 7. Licensing, Regulation, Additional Fees or Taxes.** This Agreement shall not limit each Party's authority to independently license each Retailer of cigarettes, nicotine products

and tobacco products within its jurisdictional boundaries as it deems necessary and appropriate and to impose such additional taxes, fees, or fines in excess of the Special Sales Tax.

**Section 8. Special Sales Tax Advisory Board and Plan.**

a. To promote the purposes of this Agreement and cooperation among the Parties, the Parties agree to form a Special Sales Tax Advisory Board (“Advisory Board”). The Advisory Board shall consist of the Town/County Managers of each Party or their designees. The Advisory Board will: (i) develop the Public Health and Education Plan (the “Plan”) described below; (ii) collaborate on the implementation of the Plan; and (iii) endeavor to coordinate the Special Sales Tax revenue expenditures as provided herein. The implementation measures and associated programs shall be evaluated at least annually by the Advisory Board for their effectiveness and quality and reported to each Party’s governing board.

b. The Plan adopted by the Advisory Board shall include a statement of goals that promote the purposes of the Special Sales Tax and program implementation measures for those goals. The Plan may be amended from time to time and shall include provisions for the joint review of the prior year’s expenditures and performance of the various programs during the prior calendar years so as to inform future decision-making by the Parties.

c. The Advisory Board shall make annual budgetary recommendations to the governing bodies of the Parties regarding the elements of the Plan including the following: (i) priorities and guidelines for the expenditure of the Special Sales Tax revenues; (ii) recommended programs to protect the public health and safety values promoted by this Agreement; (iii) an assessment of the programs funded in prior budget years, including provider assessments based on service or program administration agreements; and (iv) a status report of the community’s overall health including indicators of nicotine and tobacco product usage. The governing bodies of each Party shall retain appropriation authority over each Party’s share of the Special Sales Tax revenues.

d. Meetings of the Advisory Board shall occur at least annually during each calendar year as established by the Advisory Board and shall be held at the Summit County Courthouse or such other convenient location that shall be identified in any notice of such meetings. Meetings shall be scheduled by the County Manager or at the request of two or more Parties. At least 10 days advanced written notice of a meeting shall be provided to the members of the Advisory Board. Agendas shall be prepared by the County Manager or the Manager’s designee and copies distributed to members at least five (5) days prior to a regular meeting of the Advisory Board, although any Advisory Board member may submit items for the agenda. A quorum for the conduct of business at meetings of the Advisory Board means more than one-half the number of the Advisory Board members serving on the Advisory Board at the time of the meeting, whether participating in-person, telephonically, or by any other media by which each member can hear and be heard by the other members.

**Section 9. Confidentiality.**

For the purposes of ensuring proper distribution of the Special Sales Tax revenues, the County and the Towns shall share and exchange confidential information obtained by the Parties or provided by the State subject to any limitations of the State and all statutes and local ordinances controlling the same while maintaining taxpayer confidentiality. All such information exchanged shall remain strictly confidential and shall be used only for its purposes designated herein.

**Section 10. Amendment of Agreement; Additional Parties.**

a. Except as otherwise provided in this Section, this Agreement may be modified or amended only by a duly executed written agreement with the express approval of the governing bodies of all Parties.

b. This Agreement may be amended to add one or more additional incorporated Town Parties upon passage of an ordinance or resolution of the additional Party's governing body approving of this Agreement.

**Section 11. Term and Termination of Agreement.**

a. **Effective Date.** The term of this Agreement shall begin when the County and one or other Party has executed this Agreement.

b. **Termination.** The term of this Agreement shall end when the County and at least one other Party are not willing to remain as Parties to this Agreement.

c. The participation of any Town as a Party to this Agreement shall terminate upon: (i) the provision by the Town to the County of a written notice of termination; or (ii) the adoption by the Town of a special municipal sales tax on cigarettes, tobacco products, or nicotine products. The Towns understand and agree that any termination of a Town's participation in this Agreement that is not the result of the adoption of a special tax on cigarettes, tobacco products or nicotine products by that Town, shall cause tax revenues collected from within that Town to be retained by the County. The County understands and agrees that any termination of a Town's participation in this Agreement that is caused by the Town's adoption of a special sales tax on cigarettes, tobacco products or nicotine products shall cause any such County tax to be invalid within the jurisdictional boundaries of the Town.

**Section 12. Execution and Performance of Agreement in Accordance with Law.** Each Party hereby represents to each other Party that it has adopted and executed this Agreement in accordance with applicable law. Each Party shall perform their respective obligations and expend any revenues derived hereunder in accordance with all applicable laws, rules and regulations, including but not limited to the Act, this Agreement, and a voter-approved ballot measure.

**Section 13. Indemnification.** All actions or omissions by any Party, including their respective representatives, employees, agents, volunteers or officials, shall be the sole responsibility of the respective Party. Accordingly, each Party shall fully indemnify, to the extent permissible under Colorado law, all other Parties for any damages, claims, costs, expenses, cause of action or liability of any manner, including without limit reasonable attorney's fees, arising out of or relating to the acts or omissions of such Party. The Parties understand and agree that liability for claims for injuries to persons or property arising out of the actions or omissions of any Party is controlled and limited by the provisions of the Colorado Governmental Immunity Act ("Immunity Act") title 24, article 10, Colorado Revised Statutes, as now or hereafter amended and that the Parties do not intend to waive by any provision of this Agreement the liability limitations or any other right, immunity or protection afforded by the Immunity Act or as may otherwise be afforded by law. The indemnity obligations of this Section shall survive the termination of this Agreement. Indemnity obligations of any designee of the County shall be governed by separate agreement.

**Section 14. Dispute Resolution.**

a. The Parties shall attempt to informally resolve all disputes and claims arising from or related to this Agreement, beginning first with discussions among affected Town(s) and County staff, and if not resolved, escalating to discussions between the applicable Town Manager(s) and County Manager, and ultimately to the Town Council(s) and Board of County Commissioners. Disputes with any designee of the County shall be governed by separate agreement.

b. Any and all disputes and claims arising from or related to this Agreement that are not resolved pursuant to Section (a), above shall thereafter be submitted to mediation. The affected Parties shall share equally the mediator's fees and costs associated with the mediation, and each Party shall pay its own fees, costs, and expenses related to the mediation. If the dispute is not resolved by mediation, any affected Party may commence a Court proceeding, with jurisdiction and venue residing exclusively in the Summit County District Court. Each Party waives its right to have such dispute decided by jury trial. The prevailing Party(s) shall be awarded its reasonable attorneys' fees, costs, and expenses, including any attorneys' fees, costs, and expenses incurred in collecting or executing upon any judgment, order, or award.

c. In the event that the County or a Town defaults in the performance of any of the duties and responsibilities under this Agreement, the non-defaulting Party shall be limited to the remedies of specific performance and mandamus. Prior to exercising such remedies, the non-defaulting Party shall give written notice to the other party of the nature of the claimed default and declare that such default must be cured within thirty (30) days from the date notice is given.

**Section 15. Parties in Interest.** Nothing expressed or implied herein is intended or shall be construed to confer upon any person other than the Parties any right, remedy or claim under or by reason of this Agreement, this Agreement being intended to be for the sole and exclusive benefit of the Parties.

**Section 16. No Personal Liability.** No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of an elected or appointed official, officer, agent, servant or employee of any Party in his or her individual capacity.

**Section 17. Notices.** Except as otherwise provided in this Agreement, all notices or other communications by any Party shall be in writing, shall be given in a reasonable time and shall be deemed given when actually received. Notice to the Parties shall be given to the address listed on Exhibit A, attached and incorporated herein, and may also be delivered in electronic form by electronic mail to the addresses listed on Exhibit A.

**Section 18. Severability.** If any clause, provision, subsection, or Section of this Agreement shall be held to be invalid, illegal or unenforceable for any reason, the Agreement shall be reformed to the extent necessary to reflect the intent and purpose of the original agreement or the Parties may terminate this Agreement.

**Section 19. Interpretation.** Because this Agreement is the result of mutual negotiation and drafting, in the event this Agreement is deemed to be ambiguous or vague, the Parties agree that the rule of construction that "ambiguities shall be construed against the drafter" shall not apply. In the event of any conflict between the Act, the Intergovernmental Relations Statute or any other law with respect to the exercise of any such power, the provision that permits

communications by any Party shall be in writing, shall be given in a reasonable time and shall be deemed given when actually received. Notice to the Parties shall be given to the address listed on Exhibit A, attached and incorporated herein, and may also be delivered in electronic form by electronic mail to the addresses listed on Exhibit A.

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**Section 20. Counterparts.** This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Agreement. Electronic or scanned signatures shall be valid and acceptable for all purposes.

**IN WITNESS WHEREOF,** this Agreement has been executed by the Parties effective as of the date set forth above.

SUMMIT COUNTY, COLORADO



*[Handwritten signature]*

Thomas C. Davidson, Chair

ATTEST:

By: Kathleen Neel  
Kathleen Neel, Clerk and Recorder

TOWN OF BLUE RIVER

By: \_\_\_\_\_  
Toby Babich, Mayor

ATTEST:

By: \_\_\_\_\_

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Thomas C. Davidson, Chair

**ATTEST:**

By: \_\_\_\_\_  
Kathleen Neel, Clerk and Recorder

**TOWN OF BLUE RIVER**

By:  \_\_\_\_\_  
Toby Babich, Mayor

**ATTEST:**

By:  \_\_\_\_\_  
Town Clerk

**TOWN OF BRECKENRIDGE**

By: \_\_\_\_\_  
Eric Mamula, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Town Clerk

**TOWN OF DILLON**

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Kathleen Neel, Clerk and Recorder

**TOWN OF BLUE RIVER**

By: \_\_\_\_\_  
Toby Babich, Mayor

**ATTEST:**

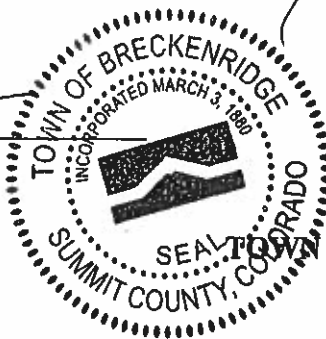
By: \_\_\_\_\_  
Town Clerk

**TOWN OF BRECKENRIDGE**

By: \_\_\_\_\_  
Eric Mamula, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Town Clerk



**TOWN OF DILLON**



**TOWN OF DILLON**

By: Carolyn Skowrya  
Carolyn Skowrya, Mayor

**ATTEST:**

By: Heidi Stucky  
Town Clerk

**TOWN OF FRISCO**

By: \_\_\_\_\_  
Gary Wilkinson, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Town Clerk

**TOWN OF MONTEZUMA**

By: \_\_\_\_\_  
Leslie Davis, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Town Clerk

**TOWN OF SILVERTHORNE**

By: \_\_\_\_\_  
Ann-Marie Sandquist, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Town Clerk



Town Clerk

**TOWN OF BRECKENRIDGE**

By: \_\_\_\_\_  
Eric Mamula, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Town Clerk

**TOWN OF DILLON**

By: \_\_\_\_\_  
Carolyn Skowrya, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Town Clerk

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Gary Wilkinson, Mayor

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Town Clerk

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Town Clerk

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**ATTEST:**

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Town Clerk


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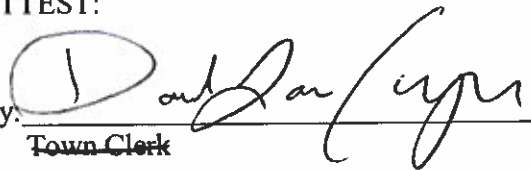
**ATTEST:**

By: \_\_\_\_\_  
Town Clerk

**TOWN OF MONTEZUMA**

By:  \_\_\_\_\_  
~~Leslie~~ Davis, Mayor  
Lesley

**ATTEST:**

By:  \_\_\_\_\_  
Town Clerk

Mayor Pro tem - DAVID LEWIS CORRIGAN

**TOWN OF SILVERTHORNE**

By: \_\_\_\_\_  
Ann-Marie Sandquist, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Town Clerk

**ATTEST:**

By: \_\_\_\_\_  
Carolyn Skowyra, Mayor

By: \_\_\_\_\_  
Town Clerk

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Gary Wilkinson, Mayor

**ATTEST:**

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Town Clerk

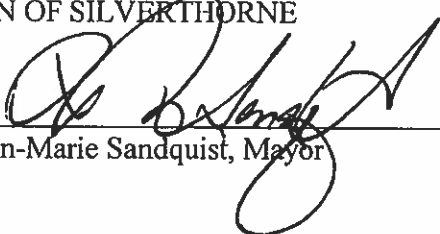
**TOWN OF MONTEZUMA**

By: \_\_\_\_\_  
Leslie Davis, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Town Clerk

**TOWN OF SILVERTHORNE**

By:  \_\_\_\_\_  
Ann-Marie Sandquist, Mayor

**ATTEST:**

By: Michelle Miller  
Town Clerk