



Keystone Town Council Work Session Agenda

The Keystone Town Council will have a Work Session on August 27, 2024, at 4:00 p.m. at 1628 Sts. John Rd, Keystone, CO 80435.

- I. CALL TO ORDER, ROLL CALL
- II. DISCUSSION WITH SCOTT PRICE, SNAKE RIVER WATER DISTRICT
- III. DISCUSSION WITH SUMMIT COUNTY SHERIFF'S OFFICE
- IV. DISCUSSION OF TOWN FINANCIALS
- V. DISCUSSION OF NICOTINE INTERGOVERNMENTAL AGREEMENT AND
EARLY CHILDHOOD OPTIONS INTERGOVERNMENTAL AGREEMENT
- VI. DISCUSSION OF EMERGENCY AND EVACUATION COMMUNICATIONS
- VII. DISCUSSION OF TOWN LIQUOR CODE UPDATES
- VIII. DISCUSSION OF MANAGER/COUNCIL ISSUES
- IX. ADJOURNMENT

	F	G	H	I	J	K	L	M
1	Town of Keystone							
2	Statement of Financial Position		Printed: 8/22/24					
3	As of Date Indicated							
4			<i>Preliminary - Subject to Change</i>					
5								
6	July 31, 2024		General	Capital	Housing	Conserv	All Funds	
7			Fund	Fund	Fund	Trust Fund	Combined	
8	ASSETS							
9	Investment Acct - Colotrust		702,157	0	0	0	702,157	
12	Operating - FirstBank		337,693				337,693	
13	Pooled Cash		0	0	0	0	0	
18								
19	Total Cash in Bank		1,039,850	0	0	0	1,039,850	
20								
21	Sales Tax Receivable		274,684				274,684	
22	Other Tax Receivable		0				0	
23	Accounts Receivable		0	0	0	0	0	
28	Interfund & Other Receivables		0				0	
29	Prepaid Expenses		0				0	
30	Office Space Security Deposit		4,900				4,900	
31								
32	TOTAL ASSETS		1,319,433	0	0	0	1,319,433	
33								
34	LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY							
35	Accounts Payable		59,340	0	0	0	59,340	
41	Payroll Liabilities		24,831	0	0	0	24,831	
47	Wages Payable		0				0	
48	Due to Summit County (Sales Tax Advance)		400,000				400,000	
49	Misc Liabilities		0				0	
50								
51	TOTAL LIABILITIES		484,171	0	0	0	484,171	
52								
53	DEFERRED INFLOWS							
54	Deferred Revenue		0				0	
55								
56	TOTAL DEFERRED INFLOWS		0	0	0	0	0	
57								
58	FUND EQUITY							
59	Invested in Capital Assets, Net		0				0	
60	Amount to be Provided for Debt Repayment		(400,000)				(400,000)	
61	Beg Fund Balance - General Fund		0				0	
62	Beg Fund Balance - Capital Improv Fund			0			0	
63	Beg Fund Balance - Workforce Housing				0		0	
64	Beg Fund Balance - Conservation Trust					0	0	
65	Current Surplus (Deficit)		1,235,262	0	0	0	1,235,262	
66	TOTAL FUND EQUITY		835,262	0	0	0	835,262	
67								
68	TOTAL LIABILITIES, DEFERRED INFLOWS							
69	AND FUND EQUITY		1,319,433	0	0	0	1,319,433	
70	No assurance provided on these financial statements; substantially all disclosures required by GAAP omitted.		=	=	=	=	=	

	E	F	H	I	K	L	M	N
2	Town of Keystone						Printed: 8/22/24	
3	Statement of Revenues, Expenses and Changes in Fund Balance Preliminary							
4	Actual, Budget and Forecast for the Periods Indicated							
5	Modified Accrual Basis		2024 ANNUAL		2024 From Inception (2/8/2024)		2025	
6					7 Months		7 Months	
7			Approved		Ended		Ended	
8			2024		7/31/24		7/31/24	
9			Budget		Actual		Budget	
10	GENERAL FUND						Variance	
11	Revenues						Favorable	
12	Sales Tax (2 mo estimated)						(Unfavor)	
13	Other Tax Revenue						Placeholder	
14	Highway Users Tax Fund						2025	
15	Cigarette Tax						Budget	
16	Nicotine Tax							
17	Road and Bridges Tax							
18	Specific Ownership Tax							
19	Auto Ownership Tax							
20	Other Tax Revenue							
21								
22	Total Other Tax Revenue							
23	Fees							
24	Building Permits							
25	Franchise Fees							
26								
27								
28	Licenses							
29	Business Licenses							
30	Short Term Rentals							
31	Liquor Licenses							
32								
33								
34	Fines							
35	Municipal Court Fines							
36	Code Enforcement Fines							
37								
38								
39	Other Income							
40	Grants							
41	Interest on Taxes							
42	Interest on Investments							
43	Admin Miscellaneous Income							
44								
45								
46								
47	Total Revenue							
48								
49	Expenditures							
50	Employee Benefits & Taxes							
51	401 A Match							
52	457 Match							
53	Flexible Spending Account (FSA)							
54	Wellness Reimbursement							
55	Health Insurance Premiums							
56	Health Ins Employee Contributions							
57	Workers Comp Insurance Premiums							
58	Payroll Taxes							
59								
60								
61								
62								
63	Total Employee Benefits & Taxes							

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5	Modified Accrual Basis		2024 ANNUAL		2024 From Inception (2/8/2024)		2025	
6					7 Months	7 Months		
7			Approved		Ended	Ended	Variance	Placeholder
8			2024	2024	7/31/24	7/31/24	Favorable	2025
9			Budget	Forecast	Actual	Budget	(Unfavor)	Budget
64	General Expenditures All Departments							
65	Telephone	2,830	2,830		1,381	1,830	449	3,168
66	Office Lease	50,700	50,700		26,400	26,200	(200)	196,158
67	Office Building Maintenance	3,700	3,700		1,350	2,450	1,100	3,504
68	Office Supplies	3,754	3,754		2,779	1,879	(900)	4,203
69	Prof Services/Membership Fees	10,429	10,429		13,701	10,429	(3,272)	10,742
70	Dues and Subscriptions	7,936	6,802		0	3,904	3,904	7,006
71	Training	6,802	6,802		3,003	0	(3,003)	14,011
72	Travel/Meals/Ldging	6,802	6,802		4,573	4,500	(73)	14,011
73	Uniforms/Clothing	1,700	1,700		110	700	590	1,751
74	Insurance	5,000	5,000		1,552	5,000	3,448	70,056
75	Bank and Misc Fees	0	90		40	0	(40)	0
76	IT/Technology	68,016	68,016		23,108	27,626	4,518	93,409
77	Website	6,802	6,802		542	3,402	2,860	7,006
78	Equipment Repairs/Leases	5,526	5,526		0	2,765	2,765	7,589
79								
80	Total Gen Exp All Departments	179,996	178,952		78,539	90,685	12,146	432,616
81								
82	Mayor and Town Council							
83	Mayor Wages	11,000	11,000		5,400	6,000	600	12,000
84	Council Wages	33,000	33,000		16,106	18,000	1,894	36,000
85	Cell Phone AllowTown Council	5,775	5,775		2,850	3,150	300	6,300
86								
87		49,775	49,775		24,356	27,150	2,794	54,300
88								
89	Misc Expense Town Council	1,251	3,409		1,659	686	(973)	1,401
90	Total Mayor and Town Council	51,026	53,184		26,016	27,836	1,820	55,701
91								
92	Administration Services							
93	Town Manager Wages	127,530	127,530		31,732	56,680	24,948	175,141
94	Town Clerk Wages	95,047	95,047		47,862	50,882	3,020	106,411
95	Office Clerk Wages	58,333	58,333		17,307	29,168	11,861	65,308
96	Cell Phone Administration	2,250	2,250		733	1,125	392	0
97	Keystone Housing Administration	15,000	15,000		5,000	7,500	2,500	0
98								
99		298,160	298,160		102,634	145,355	42,721	346,860
100	Postage	2,607	2,607		0	1,305	1,305	2,919
101	Printing	7,300	7,300		464	3,650	3,186	8,173
102	Community Engagement	8,502	8,502		0	1,000	1,000	8,757
103	Local Travel	2,607	2,607		102	1,422	1,320	2,919
104	Elections	12,000	12,000		0	0	0	0
105	Town Attorney Contract	90,688	90,688		91,992	50,000	(41,992)	93,409
106	Smoking Cessation (from Nicotine Tax)	59,628	59,628		0	26,500	26,500	83,315
108	Payroll Contract (Paylocity)	4,950	4,950		2,530	2,700	170	5,099
109	Accounting Contract (M&W)	63,494	63,494		29,542	30,000	458	64,958
110	Annual Audit Contract	0	0		0	0	0	19,266
111	Short Term Rental Contract Support	116,761	116,761		15,625	116,761	101,136	120,264
112	Miscellaous Adminstrative Expense	0	10		10	0	(10)	
113								
114	Total Administrative Services	666,697	666,707		242,900	378,693	135,793	755,938
115								
116	Community Development							
117	Comm Dev Director Wages	124,431	124,431		56,300	64,431	8,131	148,320
118	Planner2 Wages	60,489	60,489		0	22,683	22,683	93,409
119	Cell Phone Comm Dev	1,350	1,350		288	600	312	1,800
120	Keystone Housing Incentive Comm	9,500	9,500		2,250	4,500	2,250	6,300
121								
122		195,770	195,770		58,838	92,214	33,376	249,829
123	Building Permit/Inspections	162,562	162,562		0	60,960	60,960	289,826
124	GIS	9,069	9,069		0	4,535	4,535	9,341
125	Professional Services (Contracted)	11,336	11,336		0	5,670	5,670	11,676
126	Planning Supplies/Printing	5,668	5,668		535	2,691	2,156	5,838
127	De Local Travel	2,834	2,834		0	1,548	1,548	5,838
128	Communications	2,721	2,721		0	1,208	1,208	2,802
129	Miscellaneous Comm Dev Expense	0	0		0	0	0	
130								
131	Total Community Develop	389,960	389,960		59,373	168,826	109,453	468,448

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5	Modified Accrual Basis		2024 ANNUAL		2024 From Inception (2/8/2024)		2025	
6					7 Months	7 Months		
7					Ended	Ended	Variance	Placeholder
8					7/31/24	7/31/24	Favorable	2025
9					Actual	Budget	(Unfavor)	Budget
132								
133	Public Works							
134	Public Works Director Wages		45,344	45,344	0	7,557	7,557	93,409
135	Cell Phone Public Works		450	450	0	75	75	900
136	Keystone Housing Public Works		3,000	3,000	0	500	500	6,000
137								
138			48,794	48,794	0	8,132	8,132	100,309
139	Communications		2,721	2,721	0	1,596	1,596	2,802
140	Engineer Consultant		5,668	5,668	0	945	945	11,676
141	Planning and Printing Supplies		2,834	2,834	0	0	0	5,838
142	Road Maint/Snow Plowing Contracts							
143	Loveland Pass Village		0	0	0	0	0	35,028
144	Keystone Roads- Currently County M		0	0	0	0	0	81,733
145	Roads not County Maintained		0	66	66	0	(66)	166,968
146	Asphalt Crack Seal		0	0	0	0	0	16,697
147	Noxious Weed Control		0	0	0	0	0	17,514
148	Other Maintenance		0	0	302	0	(302)	40,866
149	Total Road Maintenance/Snow Plowin		0	66	368	0	(368)	358,806
150								
151	Signage		0	0	0	0	0	11,676
152	Engineering Services		0	0	0	0	0	21,855
153	Miscellaneous Public Works Expense		0	0	130	0	(130)	
154								
155	Total Public Works Expenses		60,017	60,083	498	10,673	10,174	512,962
156								
157	Public Safety							
168	Miscellaneous Public Safety Exp		0	85,708	37,509	0	(37,509)	
169								
170	Total Public Safety Expenses		0	85,708	40,801	0	(40,801)	686,974
171								
172	Municipal Court							
173	Judge		0	0	0	0	0	7,589
174	Prosecutor		0	0	0	0	0	11,209
175	Miscellaneous Exp Municipal Cout		0	0	0	0	0	584
177								
178	Total Court Expenses		0	0	0	0	0	19,382
179								
180	Total Operating Expenditures		1,536,455	1,621,780	498,521	779,672	281,151	3,245,722
181								
182	Total Revenue (from above)		3,599,507	3,611,258	1,571,517	1,587,619	(16,102)	4,576,734
183								
184	Operating Surplus (Deficit)		2,063,053	1,989,478	1,072,996	807,948	265,049	1,331,012
186								
187	Other Sources (Uses)							
188	Transfer to Capital Improvement		(900,000)	(886,800)	(237,734)	(382,600)	144,866	(200,000)
189	Transfer fr Workforce Housing		0	27,500	0	0	0	
190	Transfer fr Conservation Trust		0	0	0	0	0	
191	Summit County Adv - Sales Tax		0	1,400,000	1,200,000	1,200,000	0	
192	v - f Summit County Adv - Repayment		0	(1,400,000)	(800,000)	(1,000,000)	200,000	
193								
194	Total Other Sources (Uses)		(900,000)	(859,300)	162,266	(182,600)	344,866	(200,000)
195								
196	Beginning Fund Balance - General		0	0	0	0	0	1,130,178
197								
198	Ending Fund Balance - General		1,163,053	1,130,178	1,235,262	625,348	609,914	2,261,190
199			=	=	=	=	=	
200	Components of General Fund Bal							
201	TABOR Restricted Funds		46,094	48,653	14,956	23,390		97,372
202	Unrestricted Funds		1,116,959	1,081,525	1,220,306	601,957		2,163,819
203			1,163,053	1,130,178	1,235,262	625,348		2,261,190
204								

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4	Actual, Budget and Forecast for the Periods Indicated							
5	Modified Accrual Basis		2024 ANNUAL		2024 From Inception (2/8/2024)		2025	
6					7 Months	7 Months		
7			Approved		Ended	Ended	Variance	Placeholder
8			2024	2024	7/31/24	7/31/24	Favorable	2025
9			Budget	Forecast	Actual	Budget	(Unfavor)	Budget
205	RESTRICTED FUNDS							
206	CAPITAL IMPROVEMENTS							
207	Revenue and Other Financing Sources							
208	Contribution from General Fund		900,000	886,800	237,734	382,600	(144,866)	200,000
209								
210	Total Revenues		900,000	886,800	237,734	382,600	(144,866)	200,000
211								
212	Capital and Non-Routine Projects							
213	Repayment for Incorporation Costs		180,000	180,000	148,013	228,750	80,737	
214	Summit County fee for Cash advance		5,000	5,000	5,000	5,000	0	
215	Office Set Up-Furniture, Supplies and		41,500	41,500	0	17,000	17,000	10,500
216	Facility Modifications		50,000	50,000	0	0	0	
217	Staff Hiring Expense		5,000	5,000	544	5,000	4,456	
218	Start Up Consultant Support (Clerk/Cc		32,500	32,500	0	27,500	27,500	
219	IT-Infrastructure/Software/Computers/		109,900	109,900	16,288	48,100	31,812	
220	Website		15,000	15,000	0	15,000	15,000	
221	Town Signage		30,000	30,000	0	30,000	30,000	
222	Interim Town Manager (\$150/hr, 10 we		60,000	67,900	67,890	60,000	(7,890)	
223	Engineering Assessment Town Mainta		40,000	40,000	0	0	0	
224	Flood Plain Plan		20,000	20,000	0	0	0	
225	Trails and Open Space Master Plan		30,000	30,000	0	0	0	
226	Comprehensive Use Plan				0	0	0	100,000
227	2 Police Vehicles and equipment		260,000	260,000	0	0	0	
228								
229	Total Capital and Non-Routine Exp		878,900	886,800	237,734	436,350	198,616	110,500
230								
231	Surplus after other sources / uses		21,100	0	0	(53,750)	53,750	89,500
232								
233	FUND BALANCE - Beginning Capital		0	0	0	0	0	21,100
234	FUND BALANCE - Ending Capital		21,100	0	0	(53,750)	53,750	110,600
235			=	=	=	=	=	
236	Workforce Housing Fund							
237	Revenue and Other Financing Sources							
238	Revenue		788,210	947,656	0	0	0	1,246,269
239	Interest Income							
240	Total Revenues		788,210	947,656	0	0	0	1,246,269
241								
242	Expenditures							
243	Housing Authority Fees		52,064	52,064	0	0	0	58,929
244	Transfer to General Fund		0	27,500	0	0	0	
245								
246	Total Expenditures		52,064	79,564	0	0	0	58,929
247								
248	Surplus after other sources (uses)		736,146	868,092	0	0	0	1,187,339
249								
250	Fund bal - Beginning Housing Fund		0	0	0	0	0	736,146
251	Fund bal - Ending Housing Fund		736,146	868,092	0	0	0	1,923,486
252			=	=	=	=	=	
253	Conservation Trust Fund							
254	Revenue and Other Financing Sources							
255	Conservation Trust Revenue		12,920	12,920	0	0	0	12,920
256	Interest Income							
257	Total Revenues		12,920	12,920	0	0	0	12,920
258								
259	Expenditures							
260	Conservation Trust Expenses		0	0	0	0	0	
261	Transfer to General Fund		0	0	0	0	0	
262								
263	Total Expenditures		0	0	0	0	0	0
264								
265	Surplus after other sources / uses		12,920	12,920	0	0	0	12,920
266								
267	Fund bal - Begin Cons Trust Fnd		0	0	0	0	0	12,920
268	Fund bal - Ending Cons Trust Fnd		12,920	12,920	0	0	0	25,840
269			=	=	=	=	=	

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
FROM: John Crone, Town Manager
DATE: August 27, 2024 – Work Session
SUBJECT: Resolution 2024-59, Approving an Intergovernmental Agreement About the Summit County Nicotine Tax

Executive Summary:

(Staff will present and answer questions on this evening agenda item at work session)

Approval of this resolution by Keystone and all the other jurisdictions will provide for Keystone to join the Nicotine Tax Intergovernmental Agreement (IGA) controlling the disbursement and expenditures of funds collected by Summit County on nicotine products.

Background:

In 2019, the incorporated towns of Summit County and the Summit County government entered an IGA in order to address nicotine use in the county. The IGA proposed a tax on nicotine products which is currently \$4.00 per pack of cigarettes and 60% on other nicotine products.

The revenues generated by these taxes is disbursed to the individual municipalities and the county based upon the income generated in each jurisdiction. It is anticipated that the three (sometimes four) nicotine retailers in the Town of Keystone will generate between \$100,000 and \$150,000 in annual revenue.

The majority of the funds raised in all jurisdictions are used to pay for nicotine treatment and cessation projects along with other public health programs that address problems

caused by nicotine use. The IGA sets up a managing board composed of the managers of each jurisdiction that reviews and approves annual spending for the nicotine cessation, education and treatment programs.

The tax funds can officially be used for:

- 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.

Generally, there are excess funds available after the approval of the nicotine cessation, education, and treatment budgets. The expenditures of these funds (under section f) have been broadly interpreted in the past to allow for a variety of charitable donations.

The programs that were created by this program have made significant impacts on nicotine use in Summit County, particularly in teenage use. Whether or not Keystone joins the IGA, these programs will continue to be funded.

The primary reasons for the Town to join into the IGA is to allow for Keystone’s input on expenditures and to allow Keystone to receive the excess funds generated by the tax.

Representatives from Summit County Public Health will be presenting to the Council in September.

Alternatives:

Instruct staff to renegotiate the IGA or decline to join the IGA

Financial Considerations:

If adopted, the IGA will result in approximately \$100,000 to \$150,000 or more in annual funds distributed to the Town of Keystone, the majority of which will fund joint public health and education programs.

Previous Council Actions:

None

Suggested Motions:

I move to approve Resolution 2024-59 Approving an Intergovernmental Agreement about Nicotine Tax

Or

I move to deny Resolution 2024-59 Approving an Intergovernmental Agreement about Nicotine Tax

Attachment:

- Resolution 2024-59, Approving an Intergovernmental about Nicotine Tax
- First Amendment to the IGA about Nicotine Tax
- IGA about Nicotine Tax
- Draft budget (excluding Keystone) for 2025 Nicotine Tax Expenditures

**TOWN OF KEYSTONE
Summit County, Colorado**

RESOLUTION 2024-59

**A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO
APPROVING AN INTERGOVERNMENTAL AGREEMENT FOR DISTRIBUTION OF A
SUMMIT COUNTY NICOTINE TAX**

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

WHEREAS, the incorporated municipalities in Summit County and the Summit County government have previously entered into an intergovernmental agreement regarding the distribution and use of a nicotine tax; and

WHEREAS, through the IGA, over two million dollars is provided annually to local public health initiatives; and

WHEREAS, the Town Council finds it is in the best interest of the Town to join the intergovernmental agreement; and

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

Section 1. The Town Council approves the Intergovernmental Agreement (IGA) attached hereto as Exhibit A. The Town Council authorizes the Mayor to execute the IGA in substantially the form that is provided. The Town Manager is authorized to make any edits to the IGA based on the recommendations from the Town Attorney and the attorneys representing the members of the Nicotine Tax IGA.

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 27TH day of August 2024.

By: _____
Kenneth D. Riley, Mayor

ATTEST:

Approved as to Form:

By: _____
Town Clerk

By: _____
Town Attorney

**AMENDMENT TO
NICOTINE TAX INTERGOVERNMENTAL AGREEMENT**

THIS AMENDMENT TO INTERGOVERNMENTAL AGREEMENT FOR SUMMIT COUNTY CHILD CARE ASSISTANCE (“Amendment”) amends the Intergovernmental Agreement dated April 2019, related to Nicotine tax, and entered into by the **SUMMIT COUNTY, COLORADO** (the “County”), a body corporate and politic and political subdivision of the State of Colorado, 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 (“Nicotine Tax IGA”). The purpose of this Amendment is to add the TOWN OF KEYSTONE, COLORADO, a home rule municipality as a Party to the Nicotine IGA. The effective date of this Amendment shall be **August 27, 2024**.

WHEREAS, the Town of Keystone incorporated as a home rule municipality on February 8, 2024; 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; and

WHEREAS, the Parties to the Nicotine Tax IGA desire to amend the Nicotine Tax IGA to add the Town of Keystone as a party.

The County, the Towns and the Town of Keystone agree as follows:

1. **Addition of Town of Keystone as a Party.** The County, the Towns, and the Town of Keystone agree that the Town of Keystone is added as a Party to the Nicotine Tax IGA. The Town of Keystone hereby agrees to be bound by all terms, conditions, covenants, obligations, and responsibilities of the Nicotine Tax IGA.

The Town of Keystone shall have all the rights, benefits, and obligations as provided under the Nicotine Tax IGA, and shall perform all duties as specified herein. All references to “Parties” in this Agreement shall hereafter include the Town of Keystone.

IN WITNESS WHEREOF, this Agreement is executed by the Parties.

[Remainder of Page Left Intentionally Blank; Signature Page to Follow]

SUMMIT COUNTY, COLORADO

Chair, Tamara Pogue

Attest:

Taryn Powers, County Clerk & Recorder

TOWN OF BLUE RIVER

Nicholas Decicco, Mayor

Attest:

Town Clerk

TOWN OF BRECKENRIDGE

Kelly Owens, Mayor

Attest:

Town Clerk

TOWN OF DILLON

Carolyn Skowyra, Mayor

Attest:

Town Clerk

TOWN OF FRISCO

Rick Ihnken, Mayor

Attest:

Town Clerk

TOWN OF KEYSTONE

Kenneth D. Riley, Mayor

Attest:

Town Clerk

TOWN OF MONTEZUMA

Lesley Davis, Mayor

Attest:

Town Clerk

TOWN OF SILVERTHORNE

Ann-Marie Sandquist, Mayor

Attest:

Town Clerk

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 13th 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

the broadest exercise of the power consistent with the limitations set forth in this Agreement shall control. The laws of the State shall govern the construction and enforcement of this Agreement.

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

By: _____
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

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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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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SUMMIT COUNTY, COLORADO

By: _____
Thomas C. Davidson, Chair

ATTEST:

By: _____
Kathleen Neel, Clerk and Recorder

TOWN OF BLUE RIVER

By: _____
Toby Babich, Mayor

ATTEST:

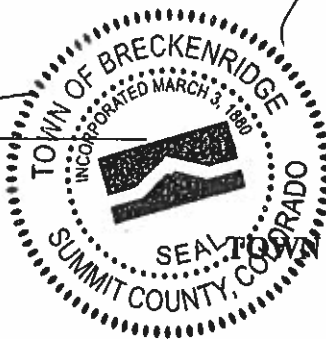
By: _____
Town Clerk

TOWN OF BRECKENRIDGE

By: _____
Eric Mamula, Mayor

ATTEST:

By: _____
Town Clerk



TOWN OF DILLON



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

TOWN OF FRISCO

By: 
Gary Wilkinson, Mayor

ATTEST:

By: 
Town Clerk

TOWN OF MONTEZUMA

By: _____
Leslie Davis, Mayor

ATTEST:

By: _____
Town Clerk

By: _____
Carolyn Skowyra, Mayor

ATTEST:

By: _____
Town Clerk


TOWN OF FRISCO

By: _____
Gary Wilkinson, Mayor

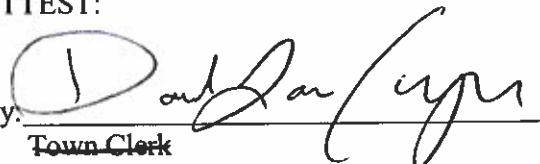
ATTEST:

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

TOWN OF FRISCO

By: _____
Gary Wilkinson, Mayor

ATTEST:

By: _____
Town Clerk

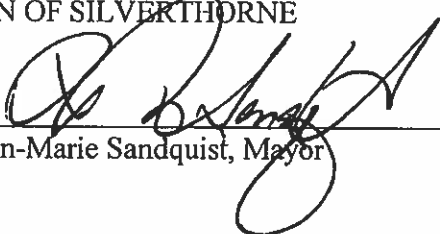
TOWN OF MONTEZUMA

By: _____
Leslie Davis, Mayor

ATTEST:

By: _____
Town Clerk

TOWN OF SILVERTHORNE

By:  _____
Ann-Marie Sandquist, Mayor

ATTEST:

By: Michelle Miller
Town Clerk

Projected 2025								
		Frisco	Breck	Silverthorne	Dillon	Keystone	SCG	Blue River
Nicotine Projected Revenue	\$ 3,075,716	\$ 723,408	\$ 830,136	\$ 1,058,969	\$ 115,647		\$ 347,556	\$ -
	Budget Request							
Nicotine Part 1 (Programs)	\$ 1,190,615	\$ 280,033	\$ 321,347	\$ 409,929	\$ 44,767		\$ 134,539	
Nicotine Part 2 (FIRC, BH, SCCC)	\$ 1,000,000	\$ 235,200	\$ 269,900	\$ 344,300	\$ 37,600		\$ 113,000	
First Steps Scholarships	\$ 2,280,943	\$ 348,528	\$ 830,263	\$ 468,278	\$ 217,830	\$ 74,587	\$ 328,912	\$ 13,001
Total	\$ 4,471,558	\$ 863,761	\$ 1,421,510	\$ 1,222,506	\$ 300,197	\$ 74,587	\$ 576,451	\$ 13,001
Balance (all Exp from Nicotine)	\$ (1,395,842)	\$ (140,352)	\$ (591,374)	\$ (163,537)	\$ (184,550)	\$ (74,587)	\$ (228,896)	\$ (13,001)

Projected 2025 with \$1M from Strong Futures								
		Frisco	Breck	Silverthorne	Dillon	Keystone	SCG	Blue River
Nicotine Projected Revenue	\$ 3,075,716	\$ 723,408	\$ 830,136	\$ 1,058,969	\$ 115,647		\$ 347,556	\$ -
	Budget Request							
Nicotine Part 1 (Programs)	\$ 1,190,615	\$ 280,033	\$ 321,347	\$ 409,929	\$ 44,767		\$ 134,539	
Nicotine Part 2 (FIRC, BH, SCCC)	\$ 1,000,000	\$ 235,200	\$ 269,900	\$ 344,300	\$ 37,600		\$ 113,000	
First Steps Scholarships	\$ 1,280,943	\$ 195,728	\$ 466,263	\$ 262,978	\$ 122,330	\$ 41,887	\$ 184,712	\$ 7,301
Total	\$ 3,471,558	\$ 710,961	\$ 1,057,510	\$ 1,017,206	\$ 204,697	\$ 41,887	\$ 432,251	\$ 7,301
Balance (all Exp from Nicotine)	\$ (395,842)	\$ 12,448	\$ (227,374)	\$ 41,763	\$ (89,050)	\$ (41,887)	\$ (84,696)	\$ (7,301)

Assumptions:

- For Nicotine Rev - First 4 months of 2024 plus last 8 months of 2023. Need updated 2024 numbers.
- Used 2024 Nicotine Splits - Frisco 23.52%, Breck 26.99%, Silverthorne 34.43%, Dillon 3.76%, SCG 11.3%
- Use ECO Live/Work Splits - Frisco 15.28%, Breck 36.40%, Silverthorne 20.53%, Dillon 9.55%, Keystone 3.27%, SCG 14.42%, Blue River .57%
- It looks like 2nd page of ECO allocations (doc from Catherine) for 2025 used 6% for SCG instead of 14.42%

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
FROM: John Crone, Town Manager
DATE: August 27, 2024 – Work Session
SUBJECT: Resolution 2024-60, Approving an Intergovernmental Agreement About Summit County Child Care Tuition Assistance

Executive Summary:

(Staff will present and answer questions on this evening agenda item at work session)

Approval of this resolution by Keystone and all the other jurisdictions will provide for Keystone to join the Child Care Tuition Assistance IGA providing for the funding of early childcare in Summit County.

Background:

In 2023, most of the incorporated towns of Summit County and the Summit County government entered into an IGA with Early Childhood Options (“ECO”) in order to address the impacts of ever increasing childcare costs on the Summit County workforce. Children over three-years old are covered by the tax funded Strong Futures program; however, that program does not cover infants and children three and under who are not qualified for Strong Futures. This left a large gap in daycare affordability for Summit County workers.

The IGA commits the jurisdictions to the support of ECO for childcare tuition assistance for children three-years old and younger who are not covered by the Strong Futures program. The funding for this program comes primarily from the general funds of the individual jurisdictions (often using excess funds from the Nicotine Tax). The

commitment levels are determined by a formula that takes into account the residence of the recipients and the location where the parents work. Using the formula, Keystone's share of the expenses will be around 3.27% of the total cost of the program.

Unlike most of the other IGAs that the Town has entered into or is considering entering into, this IGA does not provide for a revenue source for the Town. This IGA is the Town's recognition that our workers need help to make sure that our businesses can remain fully staffed.

Alternatives:

Decline to join the IGA

Financial Considerations:

If adopted, the IGA will result in annual costs between \$45,000 and \$75,000.

Previous Council Actions:

None

Suggested Motions:

I move to approve Resolution 2024-60 Approving an Intergovernmental Agreement about Summit County Child Care Tuition Assistance

Or

I move to deny Resolution 2024-60 Approving an Intergovernmental Agreement about Summit County Child Care Tuition Assistance

Attachment:

- Resolution 2024-60, Approving an Intergovernmental about Summit County Child Care Tuition Assistance
- First Amendment to the IGA about Summit County Child Care Tuition Assistance
- IGA about Summit County Child Care Tuition Assistance
- Draft budget for 2025 ECO Expenditures

**TOWN OF KEYSTONE
Summit County, Colorado**

RESOLUTION 2024-60

**A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO
APPROVING AN INTERGOVERNMENTAL AGREEMENT FOR SUMMIT COUNTY
CHILD CARE TUITION ASSISTANCE**

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

WHEREAS, several of the incorporated municipalities in Summit County and the Summit County government have previously entered into an intergovernmental agreement regarding child care tuition assistance; and

WHEREAS, through the IGA, over two million dollars in childcare tuition assistance is provided annually to local workers; and

WHEREAS, the Town Council finds it is in the best interest of the Town to join the intergovernmental agreement; and

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

Section 1. The Town Council approves the Intergovernmental Agreement (IGA) attached hereto as Exhibit A. The Town Council authorizes the Mayor to execute the IGA in substantially the form that is provided. The Town Manager is authorized to make any edits to the IGA based on the recommendations from the Town Attorney and the attorneys representing the members of the Summit County Child Care Tuition Assistance IGA.

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 27TH day of August 2024.

By: _____
Kenneth D. Riley, Mayor

ATTEST:

Approved as to Form:

By: _____
Town Clerk

By: _____
Town Attorney

**AMENDMENT TO
SUMMIT COUNTY CHILD CARE TUITION ASSISTANCE INTERGOVERNMENTAL
AGREEMENT**

THIS AMENDMENT TO INTERGOVERNMENTAL AGREEMENT FOR SUMMIT COUNTY CHILD CARE ASSISTANCE (“Amendment”) amends the Intergovernmental Agreement dated June 2023, related to Child Care Tuition Assistance, and entered into by the **SUMMIT COUNTY, COLORADO** (the “County”), a body corporate and politic and political subdivision of the State of Colorado, and **THE TOWNS OF BLUE RIVER, BRECKENRIDGE, DILLON, FRISCO, AND SILVERTHORNE, COLORADO** (the “Towns” or individually as a “Town”), home rule or statutory municipalities and political subdivisions of the State (“Nicotine Tax IGA”). The purpose of this Amendment is to add the TOWN OF KEYSTONE, COLORADO, a home rule municipality as a Party to the Nicotine IGA. The effective date of this Amendment shall be **August 27, 2024**.

WHEREAS, the Town of Keystone incorporated as a home rule municipality on February 8, 2024; and

WHEREAS, Section 8 of the Child Care Tuition Assistance 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 Child Care Tuition Assistance IGA with Summit County; and

WHEREAS, the Parties to the Child Care Tuition Assistance IGA desire to amend the Child Care Tuition Assistance IGA to add the Town of Keystone as a party.

The County, the Towns and the Town of Keystone agree as follows:

1. **Addition of Town of Keystone as a Party.** The County, the Towns, and the Town of Keystone agree that the Town of Keystone is added as a Party to the Child Care Tuition Assistance IGA. The Town of Keystone hereby agrees to be bound by all terms, conditions, covenants, obligations, and responsibilities of the Child Care Tuition Assistance IGA.

The Town of Keystone shall have all the rights, benefits, and obligations as provided under the Child Care Tuition Assistance IGA and shall perform all duties as specified herein. All references to "Parties" in this Agreement shall hereafter include the Town of Keystone.

IN WITNESS WHEREOF, this Agreement is executed by the Parties.

[Remainder of Page Left Intentionally Blank; Signature Page to Follow]

SUMMIT COUNTY, COLORADO

Chair, Tamara Pogue

Attest:

Taryn Powers, County Clerk & Recorder

TOWN OF BLUE RIVER

Nicholas Decicco, Mayor

Attest:

Town Clerk

TOWN OF BRECKENRIDGE

Kelly Owens, Mayor

Attest:

Town Clerk

TOWN OF DILLON

Carolyn Skowyra, Mayor

Attest:

Town Clerk

TOWN OF FRISCO

Rick Ihnken, Mayor

Attest:

Town Clerk

TOWN OF KEYSTONE

Kenneth D. Riley, Mayor

Attest:

Town Clerk

TOWN OF SILVERTHORNE

Ann-Marie Sandquist, Mayor

Attest:

Town Clerk

INTERGOVERNMENTAL AGREEMENT FOR SUMMIT COUNTY CHILD CARE
TUITION ASSISTANCE

Among

SUMMIT COUNTY, COLORADO, And

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

SUMMIT COUNTY CHILD CARE RESOURCE & REFERRAL AGENCY, INC.

THIS INTERGOVERNMENTAL AGREEMENT (this "Agreement") is made and entered into this ____ of June 2023, 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, AND SILVERTHORNE, COLORADO (the "Towns" or individually as a "Town"), home rule or statutory municipalities and political subdivisions of the State, and SUMMIT COUNTY CHILD CARE RESOURCE & REFERRAL AGENCY, INC. dba EARLY CHILDHOOD OPTIONS ("ECO") a Colorado Non-Profit Corporation. The County the Towns and ECO 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, according to an April 2022 Summit County Childcare & After School Care Needs Assessment ("2022 Needs Assessment"), Summit County is home to 4,367 total children, and 1,485 children are under age 6, and 2,882 are between 6 and 12; and

WHEREAS, seventy three percent of children in Summit County have all parents in the labor force and are therefore likely to need some type of childcare; and

WHEREAS, the Parties to this Agreement have all determined that public support of childcare is an important investment in the community and that quality early childcare benefits families, children, employers, and the community at large; and

WHEREAS, among parents not using regular childcare, one of the most common reasons cited in the 2022 Needs Assessment survey was "can't afford it"; and

WHEREAS, the Parties are committed to assisting to provide access to affordable, quality childcare for local working-families; and

WHEREAS, the 2022 Needs Assessment specifically recommended that the County and Towns explore options for extending tuition assistance countywide for all age groups; and

WHEREAS, a Countywide Tuition Assistance Workgroup ("Workgroup"), comprised of representatives from the County, Summit Municipalities, private industry, and several non-profit sector representatives was established in 2021 to study and discuss the concept of a countywide assistance tuition program; and

WHEREAS, the Workgroup made recommendations to, and received support from, Summit County, Silverthorne, Breckenridge, Frisco, Dillon, and Blue River, regarding a proposed framework for a countywide tuition assistance program; and

WHEREAS, this IGA for countywide Child Care Tuition Assistance will establish the

general guidelines of the program and define the roles and responsibilities of the IGA's participants; and

WHEREAS, the tuition assistance program will provide a 'needs based' approach that can potentially provide tuition assistance when a family's childcare expenditures exceed 10-20% of their income. The amount of potential assistance is determined based on a variety of factors, including but not limited to: gross income, child care cost, parents' work schedule, the number of children in care, etc. The assistance is paid directly to the participating Child Care Center, or licensed in-home childcare location, on behalf of approved families; and

WHEREAS, the Summit County Pre-K Program ("SPK") currently funds tuition assistance for all 3- and 4-year-olds in Summit County and is funded through Strong Future, a voter-approved ballot initiative; and

WHEREAS, this Agreement establishes the Summit First Steps Program ("First Steps") to fund tuition assistance for children ages 6 weeks to 3 years who do not qualify for SPK; and

WHEREAS, Early Childhood Options ("ECO") is a Colorado non-profit corporation with a mission to improve the quality, affordability and availability of early childhood education in Summit County and ECO has been identified by the Parties as the appropriate local entity to administer this program, and ECO has hired an Enrollment and Eligibility Specialist specifically for this purpose.

NOW, THEREFORE, the Parties agree as follows:

Section 1. Childcare Tuition Board and Plan.

- a. Tuition Board:
 - i. To promote the purposes of this Agreement and cooperation among the parties, the Parties agree to form a Childcare Tuition Board (The "Board"). The Board shall consist of the Town/County managers of each Party or their designees. The Board will: (i) develop the Childcare Tuition Assistance Plan (the "Plan") described below; and (ii) collaborate on the implementation of the Plan. The Plan shall be evaluated at least annually by the Board and reports regarding the Plan will be reported to each Party's governing board.
 - ii. The Plan adopted by the Board shall include a statement of goals that are to be accomplished through funding provided by each of the Parties.
 - iii. The Plan adopted by the Board shall include specifics regarding the percentage of funding that is to be provided by each of the Parties. The necessary funding amount will be updated annually based on need.
 - iv. The Board shall make an annual budgetary recommendation to the governing bodies of the Parties.

- v. Meetings of the Board shall occur at least annually during each calendar year as established by the Board.
- b. The Plan:
- i. The tuition assistance program will provide a ‘needs based’ approach that can potentially provide tuition assistance when a family’s childcare expenditures exceed 10-20% of their income. The amount of potential assistance is determined based on a variety of factors, including but not limited to: gross income, child care cost, parents’ work schedule, the number of children in care, etc. The tuition assistance is paid directly to the participating Child Care Center, or licensed in-home childcare location, on behalf of approved families. The Plan will include tuition assistance for Summit First Steps (“First Steps”) for children ages 6 weeks to three years.
 - ii. A draft Plan, for review by the Parties and the Board, upon the Board’s establishment, is attached as Exhibit A. The draft Plan includes the following elements: Tuition Credit Standards/Eligibility, Qualified Childcare Providers, and Budget/Program Expenditures.

Section 2. Funding

a. The Summit First Steps program shall be funded from contributions from each of the Parties, from revenue sources of their choosing, including but not limited to, Nicotine tax revenues.

b. The Parties agree to the following percentages for the funding of the Summit First Steps program in year one:

Blue River:	2%
Breckenridge:	36%
Dillon:	10%
Frisco:	20%
Silverthorne:	22%
Summit County:	10%

c. An estimate of the funding requirements for the first year of First Steps and the associated costs for the parties, based upon the funding percentages, is as follows:

Estimated 2023/2024 Direct Funding Need: \$1,226,000

Estimated Funding Contributions for each Party:

Blue River:	\$24,520
Breckenridge:	\$441,360
Dillon:	\$122,600
Frisco:	\$245,200
Silverthorne:	\$269,720
Summit County:	\$122,600

d. The County also agrees to pay an amount not to exceed 5% of the total program cost for administration fees to ECO.

e. Future budgets, agreed to by all Parties, will be incorporated into this Agreement.

Section 3. ECO’S Responsibilities.

For the Term of this Agreement, in addition to any and all obligations required by law or stated elsewhere in this Agreement or any attachments hereto, ECO shall comply with the following requirements:

a. ECO, through the work of their Program Director and Enrollment and Eligibility Specialist, shall administer the Summit First Steps program on behalf of the parties.

b. ECO shall present to the Board a proposed budget for the Administration of the Tuition Assistance Program pursuant to this Agreement by August 30th of every year. The budget shall include a comparison of actual expenses to budget and adequate notice of any projected budget overruns that need to be addressed.

c. No less than once annually ECO shall report to the Parties and the public the following information:

- i. The number of children and families receiving tuition credits in Summit County.
- ii. Complete financial statements for First Steps, including full reports on expenditures for the prior fiscal year and anticipated budgets and work plans for the ensuing fiscal year.
- iii. An assessment of the performance of First Steps, including but not limited to program design and implementation, fiscal accountability, and responsiveness to preschool providers and the public, parents and children served by First Steps.

d. Tuition assistance funded pursuant to First Steps shall comply with the following standards and requirements:

- i. Eligible children must be at least 6 weeks of age and three years. If the child turns three years of age on or before October 1 of the program year, they are no longer age eligible for Frist Steps.
 - ii. Eligible children must be enrolled or eligible for enrollment in a participating, licensed childcare center, family childcare home or preschool program in Summit County.
 - iii. At least one parent or legal guardian must work 30+ hours for a Summit County business.
 - iv. Tuition credits shall be administered on a sliding scale with the amount of the credit being inversely related to the family income of the recipient, and with the sliding scale to be more specifically determined by the Parties.
 - v. Tuition credits shall be administered on a sling scale, with the amount of the credit being related to the rated quality of the preschool provider with whom the credit is used, and with the sliding scale to be more specifically determined by the Parties.
 - vi. Other specific criteria and procedures for the disbursement of tuition credits shall be determined by the Parties.
- e. In order to be qualified for the use of tuition assistance and for receipt of technical assistance or direct grants, a childcare provider shall meet the following minimum requirements:
- i. The childcare provider shall be a duly licensed childcare center, family childcare home or preschool program under the Colorado Child Care Licensing Act, §§ 26-6-101, et seq., C.R.S., as amended.
 - ii. The childcare provider shall agree to participate in the Colorado Shines Quality Rating System and maintain a minimum of a Level 2 Colorado Shines Quality Rating.
 - iii. The preschool shall meet such other specific criteria and standards as shall be determined by the Parties.
- f. ECO in administering the First Steps Program will ensure any childcare provider participating in the First Steps, shall not use tuition assistance derived from First Steps funds to engage in inherently religious activities, such as worship, religion education or instruction or proselytization. If any childcare provider participating in First Steps engages in such inherently religious activities, the inherently religious activities must be offered separately, in time and location, from the programs, activities, or services supported by First Steps, unless offering such inherently religious activities in separate place would not be practicable due to the physical limitations of the facility in which First Steps activities are held. Nothing in this Agreement shall be construed to affect a childcare provider's right to engage in privately funded, inherently religious activities or affect the independence of childcare providers, including any rights protected by the Colorado and U.S. Constitutions and applicable law.

Section 4. Payment

- a. ECO shall submit invoices, at least quarterly to the Parties for budgeted First Steps expenses. All documentation required hereunder and such additional documentation as may be

reasonably required by the Parties to document ECO invoices must be accompanied by billing invoices to support the expenditure of funds.

b. Payments will be issued by a Party within thirty (30) days of receipt of the invoice, or as soon as possible in accordance with a Party's normal financial administration procedures for paying invoices, whichever is longer. An authorized obligation hereunder is a cost supported by the applicable documentation that is approved by a party in accordance with the Party's approved First Step budget, as amended.

Section 5. Status of ECO. The status of ECO shall be that of an independent, tax-exempt, non-profit corporation. It is not intended, nor shall it be construed, that ECO or its personnel are employees or officers of any Party for any purpose whatsoever. ECO is a corporation and as such is responsible for the operational management, errors and omissions of its employees.

Section 6. Examination of Records. ECO agrees that any duly authorized representative of a Party, shall have access to and the right to examine any directly pertinent books, bank statements, records, returns, cost accounting records, files, and any other records or documents (whether prepared or maintained in hardcopy or electronic format) ("ECO's Records") prepared or maintained by ECO involving matters or transactions in any way, directly or indirectly, related to this Agreement, except those matters required to be kept confidential by law. Further, the Parties shall have the right at any time, and from time to time, to audit ECO's Records and ECO, upon request, shall make all such matters available for such examination. If ECO's Records exist in electronic form, ECO shall maintain a means of transferring said records to hardcopy form. Unless a Party has reason to believe there are special circumstances requiring a different schedule or procedure, and the Party shall have given written notice to ECO of such special circumstances, (i) the Party shall not make such monitoring or inspection more often than annually, and (ii) such monitoring or inspection shall be conducted at a mutually agreeable time and so as to prevent unnecessary interference with the work of ECO. Attendance at public meetings shall not constitute monitoring or inspection for purposes of this section.

Section 7. Performance Monitoring/Inspection. ECO shall permit the Parties or authorized designees, to monitor all activities conducted by ECO pursuant to the terms of this Agreement and inspect any and all records, whether in hardcopy or electronic format, relating to any matter covered by this Agreement, except those matters required to be kept confidential by law. Such monitoring may consist of reviewing methods, procedures and practices, examining internal evaluation procedures, examining program data, on-site observation, on-site verification, attending all meetings, hearings, or proceedings held by ECO, its board of directors or advisors, orbits employees or any other reasonable procedures relating to the performance of services under this Agreement. All such monitoring and inspection shall be performed in a manner that will not unduly interfere with the services to be provided under this Agreement. Unless the Party has reason to believe there are special circumstances requiring a different schedule or procedure, and the Party shall have given written notice to ECO of such special circumstances, (i) the Party shall not make such monitoring or inspection more often than annually, and (ii) such monitoring or inspection shall be conducted at a mutually agreeable time and so as to prevent unnecessary interference with the work of ECO. Attendance at public meetings shall not constitute monitoring or inspection for purposes of this section.

Section 8. 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 all Parties.
- b. The Parties may agree to amend this Agreement pursuant to subsection (a) 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 9. Term and Termination of Agreement.

- a. **Effective Date.** The effective date of this Agreement is June 1, 2023 and shall continue until terminated by mutual agreement of the parties.
- b. **Termination.** Any party may withdraw from this Agreement upon written notice provided to the other Parties at least sixty (60) days prior to the end of the then-current calendar year.
- c. **Non-Appropriation.** Nothing in this Agreement is intended or shall be deemed or construed as creating any multiple-fiscal year direct or indirect debt or financial obligation on the part of the County of the Towns within the meaning of Colorado Constitution Article X, Section 20 or any other constitutional or statutory provision. All financial obligations of the local government Parties under this Agreement are subject to annual budgeting and appropriation by their respective governing boards, in their discretion. Notwithstanding anything in this Agreement to the contrary, in the event of non-appropriation, this Agreement shall terminate as to the non-appropriating party or parties effective December 31 of the then-current fiscal year.

Section 10. 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 11. Indemnification. All actions or omissions by any Party, including their respective representatives, employees, officers, agents, contractors, designees, 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, its representatives, employees, officers, agents, contractors, designees, volunteers, or officials. 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, except ECO, 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 applicable 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.

Section 12. Insurance.

a. General Conditions: ECO agrees to secure, prior to the disbursement of funding hereunder, the following insurance covering all operations, goods or services provided pursuant to this Agreement. ECO shall keep the required insurance coverage in force at all times during the term of the Agreement, or any extension thereof, during any warranty period, and for any claims-made policy, three (3) years after termination of the Agreement. The required insurance shall be underwritten by an insurer licensed to do business in Colorado and rated by A.M. Best Company as "A" VIII or better, or other insurer acceptable to the County. Each policy shall contain a valid provision or endorsement stating "Should any of the above-described policies be canceled or should any coverage be reduced before the expiration date thereof, the issuing company shall send written notice to the County by certified mail, return receipt requested. Such written notice shall be sent thirty (30) days prior to such cancellation or reduction unless due to non-payment of premiums for which notice shall be sent ten (10) days prior." If any policy is in excess of a deductible or self-insured retention, the Parties must be notified by ECO. ECO shall be responsible for the payment of any deductible or self-insured retention. The Parties reserve the right to require the ECO to provide a bond, at no cost to the Parties, in the amount of the deductible or self-insured retention to guarantee payment of claims. The insurance coverages specified in this Agreement are the minimum requirements, and these requirements do not lessen or limit the liability of the ECO. The ECO shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Agreement.

b. Third Party Providers: All sub-consultants, independent contractors, suppliers or other entities providing goods or services to or on behalf of ECO as contemplated by this Agreement shall be subject to all of the requirements herein and shall procure and maintain to the extent applicable the same coverages required of ECO. ECO shall include all such consultants, independent contractors, suppliers or other entities as insureds under its policies or shall ensure that such third parties maintain the required coverages. ECO agrees to provide proof of insurance for all such third parties upon request by the Parties. ECO shall also obtain from, and provide copies to the Parties of, proof of insurance of each preschool/childcare provider participating in the First Steps Program, evidencing the same insurance coverages required of ECO.

c. Workers' Compensation/Employer's Liability. ECO shall maintain the coverage as required by statute for each of its business locations and shall maintain Employer's Liability insurance with limits of \$1.2 million for each bodily injury occurrence claim, \$1.2 million for each bodily injury caused by disease claim, and \$1.2 million aggregate for all bodily injuries caused by disease claims. ECO expressly represents to the Parties, as a material condition and requirement of this Agreement, that none of ECO's officers or employees who may be eligible under any statute or law to reject Workers' Compensation Insurance shall affect such rejection during any part of the term of this Agreement, and that any such rejections previously effected, have been revoked as of the date ECO executes this Agreement.

d. General Liability: ECO shall maintain limits of \$1.2 million for each occurrence claim, \$1.2 million for each personal and advertising injury claim, \$2,000,000 products and completed operation for each occurrence, and \$2,000,000 policy aggregate.

Section 13. 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 Party staff, and if not resolved, escalating to discussions between the applicable Party management, and ultimately to the applicable Party Boards or Council(s).

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 14. 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 15. 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 16. 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 upon receipt. Notice to the Parties shall be given to the address listed on Exhibit B, attached and incorporated herein, and may also be delivered in electronic form by electronic mail to the addresses listed on Exhibit B.

Section 17. 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 18. 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 the broadest exercise of the power consistent with the limitations set forth in this Agreement shall control. The laws of the State shall govern the construction and enforcement of this Agreement.

Section 19. 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.

Section 20. Contract Documents; Order of Precedence. This Agreement consists of Paragraphs 1 through 20, which precede the signature page, and the following attachments which are incorporated herein and made a part by reference:

Exhibit A	Guidelines - Summit First Steps 2023-2024 Program Year ("The Rules")
Exhibit B	Contacts for Notices

In the event of an irreconcilable conflict between a provision of Paragraphs 1 through 20, and any of the listed attachments or between provisions of any attachments, such that it is impossible to give effect to both, the order of precedence to determine which document shall control to resolve such conflict, is as follows, in descending order:

Paragraphs	1 through 20 hereof
Exhibit A	Guidelines - Summit First Steps 2023-2024 Program Year ("The Rules")
Exhibit B	Contacts for Notices

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

**BOARD OF COUNTY COMMISSIONERS
OF SUMMIT COUNTY**

By: _____
Joshua Blanchard, Chair

ATTEST:

By: _____

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

By: _____
Carolyn Skowyra, Mayor

ATTEST:

By: _____
Town Clerk

TOWN OF FRISCO

By: _____
Hunter Mortensen, Mayor

ATTEST:

By: _____
Town Clerk

TOWN OF SILVERTHORNE

By: _____
Ann-Marie Sandquist, Mayor

ATTEST:

By: _____
Town Clerk

**SUMMIT COUNTY CHILD CARE
RESOURCE & REFERRAL AGENCY, INC., dba
EARLY CHILDHOOD OPTIONS**

By: _____
Kelly Renoux, Vice-Chair

ATTEST:

By: _____

Exhibit A

Guidelines - Summit First Steps

(“The Rules”)

OVERVIEW

Summit First Steps offers financial tuition assistance to families living, working and utilizing childcare in Summit County. The purpose of First Steps is to assist families with the cost of childcare so that parents can remain in the local workforce while their children attend childcare. First Steps is governed by a Child Care Tuition Assistance Board and administered by a local non-profit, Early Childhood Options (ECO).

Financial assistance is available for children between the ages of 6 weeks and 3 years attending a participating, licensed childcare center or family childcare home. The amount of assistance is determined based on gross income, childcare cost, parents' work schedule, the number of children in care, and other criteria as described below. Assistance is paid, in the form of tuition credits, directly to the participating childcare center on behalf of qualified families and is intended only for the Centers' use to cover the true cost of care.

The following policies have been established to ensure that the available funds are used in the fairest and most effective way possible. The Child Care Tuition Assistance Board reserves the right to amend the eligibility criteria or to request additional information at any time. Any fraud or misrepresentation made by applicants, participants, or recipients may result in immediate termination of funding, required repayment of funds, and additional penalties. Program funding is limited, and all tuition assistance is subject to the availability of funds. It is the responsibility of the Centers and families to inform ECO if they feel that the policies and procedures herein are being violated.

ELIGIBILITY CRITERIA FOR FIRST STEPS TUITION ASSISTANCE

- Age Eligibility: For the 2023/2024 school year, participating child's birthday must be on or after October 2, 2020
- Child must be enrolled in a qualified childcare program. A qualified childcare program can be a childcare center or family childcare home. Program qualifications are:
 - Childcare program must have a childcare license in good standing from the Colorado Department of Human Services, and
 - Childcare program must have a Colorado Shines Quality rating of 2 or above ([Current SCTA Provider List](#)).
- Household income must be at or below 180% of the Area Median Income ([AMI](#)).
- At least one member of the household is required to work 30+ hours per week, for a business located in and serving Summit County.
- To access assistance for a full time childcare schedule (4 or 5 days/ week), both parents must work 30 + hours / week and have a combined household income under 180% [AMI](#).

- Self-employed applicants must maintain an average income that exceeds their business expenses and must show that his/her taxable gross income divided by the number of hours of care used for the employment activity equals at least the current Federal Minimum Wage.

DETERMINATION OF TUITION CREDIT AMOUNT

The amount of tuition credit is based on a sliding scale and will be determined using the following factors: gross household income, childcare center tuition rates, number of children in care, Colorado Shines quality rating of program, parent/legal guardian work schedule, enrollment in other programs such as CCCAP or Early Head Start.

APPLICATION PROCESS

All families, including currently participating families, are required to apply during the annual enrollment/application period. With the exception of Qualified Permitted Changes described below, no applications will be considered until the next annual enrollment deadline.

Applicants will be required to complete the application at <https://eco1.smapply.org/>. For a detailed list of documents required to apply click [here](#).

APPLICATION TIMELINES

Applications Available:	On or around May 1 of the program year
Applications Due:	On or around May 31 of the program year
Assistance Cycle:	September 1– August 31

The application will be available online through Early Childhood Options website at: <http://www.earlychildhoodoptions.org/>

COMPLETE applications will be processed in the order they are received. Late applications will not be accepted or considered.

ADDITIONAL GENERAL POLICIES

ASSET TESTING

ECO may require a comprehensive list of household assets and liabilities. A child may be ineligible or disqualified from the program if assets of the parent(s)/legal guardian exceed \$250,000. Some assets will be exempt, such as primary residence equity, retirement accounts, health savings and college savings accounts.

OUT OF COUNTY APPLICANTS

If a parent or legal guardian works in Summit County but the child does not reside in Summit County, at least one parent/legal guardian must be working a minimum average of 30+ hours per week annually in Summit County, for a Summit County business. If, during the program year, the family member's employment in Summit County upon which tuition credit was based is terminated for any reason, the child may remain in the program for up to eight (8) weeks without disruption to the tuition credits. If within eight weeks the family becomes compliant with the eligibility requirements, they may remain in the program for the duration of the program year. If after eight

weeks the family is not in compliance with the eligibility requirements, tuition credits will be terminated immediately. It is the family's responsibility to report these changes within 30 days.

QUALIFIED PERMITTED CHANGES/OUT OF CYCLE APPLICATIONS

CURRENTLY ENROLLED FAMILIES: If a current tuition assistance recipient is experiencing an emergency including but not limited to birth, adoption, loss of job, or other situation that significantly impacts family income, they may be eligible for amended tuition credits. The parent(s)/legal guardian will need to contact the Enrollment and Eligibility Specialist at 970-406-3060 directly to discuss options.

NEW FAMILIES: If a family becomes eligible because of residency or new employment in Summit County, and/or they receive an enrollment offer from a qualified childcare provider, they may be eligible to apply for tuition credits outside of the application window. The parent(s)/legal guardian will need to contact the Enrollment and Eligibility Specialist at 970-406-3060 directly to discuss options.

COLORADO CHILD CARE ASSISTANCE PROGRAM (CCCAP)

In some instances, children may be eligible for both the [Colorado Child Care Assistance Program \(CCCAP\)](#) and First Steps tuition credits. In such instances, all the eligibility criteria mentioned above are applicable, as well as:

- Families must be in good standing with their local CCCAP office and must comply with all CCCAP rules and regulations.
- If during the award cycle a family becomes ineligible for CCCAP, they may submit a complete application with all the required documentation to be considered for an adjustment to their tuition credit.

An application will only be considered when the application is completed and submitted in full. Any approved credit may be prorated back to the date of the completed application.

Please note, the CCCAP Program is considered the payer of first resort. The First Steps tuition credit can be used to cover a portion or all of the difference between the CCCAP reimbursement and the actual rate of tuition. If parent(s)/legal guardian(s) apply for tuition credits and appear to be potentially eligible for CCCAP, they will be referred to the CCCAP office before the application can be further processed.

For more information about Summit County CCCAP, please call 970-668-9160.

ATTENDANCE

It is the expectation that children participating in Summit First Steps will regularly attend based on their approved enrollment days. Parent(s)/legal guardian(s) are required to notify the childcare program if the child is going to be absent and provide the reason for the absence when appropriate.

Consistent excused absences may result in a loss or deduction of your child's tuition credit. Childcare programs are required to notify ECO anytime a child's attendance falls below 75% of his/her regular schedule.

EVALUATION AND DATA TRACKING

ECO will be using a variety of strategies to evaluate the overall success of the program. Short and long-term program data may be gathered through early childhood assessments, interviews,

surveys, observations, and small groups. Parent(s)/legal guardian will be asked to sign an information sharing release, within the guidelines of the stated confidentiality agreement.

PARENT RESPONSIBILITY

1. Parent/s or legal guardians are responsible for reporting to the Enrollment and Eligibility Specialist, in writing or by email, any changes in their child's preschool or childcare schedule, or any changes of program.

2. Every parent(s) or legal guardian applying for tuition credit will be required to sign a statement acknowledging that they do not have any outstanding debt to any licensed preschool program, childcare center, and/or family childcare provider or have made agreeable arrangements to pay their debt. If it is brought to ECO' attention by any means that a participating family has an outstanding debt, an investigation will take place. If the allegations are founded, the tuition credit will be placed on-hold for a probationary period of 30 calendar days.

During the 30 days, the family must pay the balance of their debt or make acceptable arrangements for payment. If these conditions have not been met after 30 days, there will be immediate termination of funding and additional penalties adopted by ECO may occur.

A family may re-apply at the next annual deadline if they have an age-eligible child and only after the balance is paid in full to the preschool program, childcare center or family childcare provider.

3. Loss of Employment must be reported immediately to the Enrollment and Eligibility Specialist at ECO.

4. If, during the program year, household income either increases by 10% or decreases by 10% the family must notify the Enrollment & Eligibility Specialist within 20 days of the date of such change to my income. The amount of household income includes wages, assets or other property obtained during such a school year.

5. Applicants must sign a complete "Participant Responsibility Agreement" as well as a Verification and Acknowledgement form to attest that all the information that has been provided as part of their application is true and complete.

6. It is the responsibility of the parent(s)/legal guardian to comply with the rules and regulations of the childcare provider and the Frist Steps program, including but not limited to those relating to absences. The parent must agree to notify the childcare program if the child is going to be absent, and the reason for the absence when appropriate.

CONFIDENTIALITY

Early Childhood Options (ECO) respects the importance of maintaining the confidentiality of personal or sensitive information disclosed in the First Steps program and takes reasonable measures to protect the unauthorized disclosure of such information.

ECO may disclose certain anonymous, aggregated data and provide it to early childhood programs, funding sources and governmental agencies either for market research and statistical purposes or to ensure compliance with the agreements between ECO and early childhood programs, funding sources, governmental agencies, and similar organizations.

Exhibit B
Contacts for Notices

Blue River

Town Manager's Office
0110 Whispering Pines Circle
PO Box 1784, Breckenridge, CO 80424
e-mail: info@townofblueriver.org

Breckenridge

Town Manager's Office
150 Ski Hill Road
PO Box 168
Breckenridge, CO 80424
e-mail: shannonh@townofbreckenridge.com

Dillon

Town Manager's Office
275 Lake Dillon Drive
PO BOX 8
Dillon, CO 80435
e-mail: info@townofdillon.com

Early Childhood Options

ECO Executive Director
PO BOX 3355
330 Fiedler Avenue
Suite 100
Dillon, CO 80435
e-mail: program@earlychildhoodoptions.org

Frisco

Town Manager's Office
PO Box 4100
1 East Main Street
Frisco, CO 80443
e-mail: TomF@townoffrisco.com

Silverthorne

Town Manager's Office
PO Box 1309
601 Center Circle
Silverthorne, CO 80498

e-mail: info@silverthorne.org

Summit County

County Manager's Office
P.O. Box 68
208 Lincoln Ave., 3rd Floor
Breckenridge, CO 80424

e-mail: Philip.Gonshak@summitcountyco.gov

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
FROM: John Crone, Town Manager
DATE: August 27, 2024
SUBJECT: Emergency and Evacuation Communications

Executive Summary:

This report is a brief outline of proper communication channels and duties in the event of an emergency or evacuation.

Background:

The Summit County Emergency Management department is currently working on developing an Emergency Evacuation Plan for the entire county. This plan should be completed early in the new year. We will address emergency response and planning at that time including the specific role of councilmembers and the Town staff in managing the emergency and the recovery. However, if an emergency occurs people will reach out to Town Council members and staff members for information and advice. There are a few rules that you need to remember in such a situation.

Disbursement of Information Internally

If an emergency can be anticipated (e.g. wildfire nearby that could spread, forecasted blizzard, etc.), the Town Manager will communicate directly to Town Council Members and staff both by phone and email, early and often. Depending on the type of emergency, a response and communications plan unique to the situation will be set up. If a councilmember or staff member receives information from outside sources, they should pass that information on to the Town Manager for disbursement. This will allow us to know exactly what information is being circulated and allow us to avoid issuing conflicting information,

If the emergency is not anticipated (e.g. a wildfire that starts here, a dangerous crime situation, a dangerous hazardous spill, etc.), the Town Manager will call the mayor and all staff and councilmembers if possible. The Town Manager may request the help of certain councilmembers or staff to disseminate the information. Once again, any outside information that is received should be reported back to the Town Manager.

Disbursement of Information Externally

Depending on the situation, the Town will send mass emails and post information on the Town website and social media (if available). The Town may take other steps such as setting up variable message boards or assisting in door-to-door operations. If the situation has a Command Center set up, all outside inquiries should be directed to the Command Center's information office. If this is not available or practical, there are a few policies to keep in mind before you say anything:

Do:

Pass them on – if there is a better source for the information that is requested, send the questioner to that source.

Consult with the Town Manager and Town Attorney – if you have the ability to consult with the Town Manager and the Town Attorney before making any sort of official statement or statement to the press, please do so.

Keep the message concise – Use simple words and avoid jargon. Only give the essentials and avoid high emotion words.

Repeat yourself – reiterate any essential points or actions that need to be taken

Let them know where they can get more information – give them the information they need to talk with designated emergency resources (the Town Manager will pass this

along with internal communications). If you are going to provide more information or updates, set a time and location.

Don't:

Sugarcoat – don't try to minimize the situation; however, don't use high emotion words and avoid speaking about specific individuals or individual properties.

Blame – emergencies are often high emotion situations. This is the time to help people. The situation can be analyzed after the emergency has passed.

Try to have an answer for everything – it takes time to put together accurate information. Do not be afraid to say, "I don't know, I wish I did, I will keep you updated."

Overpromise – there is a tendency to want to make people feel better or safer by promising things that we don't have the resources or information to provide. It is much better to say that you'll work on getting something done then to promise something that you don't have the information or resources to provide.

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
THROUGH: John Crone, Town Manager
Jennifer Madsen, Town Attorney
FROM: Madeleine Sielu, Town Clerk
DATE: August 27, 2024 – Work Session
SUBJECT: [FIRST READING] 2024-O-09, An Ordinance of Town Council of the Town of Keystone, Colorado, Amending the Town Liquor Code and Ordinance 2024-O-03

Executive Summary:

[Staff will provide information on the consent agenda item during the work session.]

Ordinance 2024-O-09 amends the Town Liquor Code and Ordinance 2024-O-03. The changes in this ordinance include adding optional premise permits to the Town Liquor Code and designating a process for special event permits.

Recommendation:

Staff recommends that Council approve Ordinance 2024-O-09 on first reading.

Background:

Colorado Revised Statutes 44-3-310 indicates, “No optional premises license, or optional premises permit for a hotel and restaurant license, as defined in section 44-3-103 (33)(a), shall be issued within any municipality or the unincorporated portion of any county unless the governing body of the municipality has adopted by ordinance, or the governing body of the county has adopted by resolution, specific standards for the issuance of optional premises licenses or for optional premises for a hotel and restaurant license.”

Ordinance 2024-O-03 included provisions for an optional premises license but did not include provisions regarding an optional premises permit for a hotel and restaurant license. There are several existing hotel and restaurant licenses that are now within the jurisdiction of the Town of Keystone that have optional premise permits attached to them. To continue renewing existing optional premise permits associated with hotel and restaurant licenses, the Town Council must adopt regulations allowing these optional premises permits.

Colorado Revised Statutes 44-5-107(5) indicates that, “A local licensing authority may elect not to notify the state licensing authority to obtain the state licensing authority's approval or disapproval of an application for a special event permit. The local licensing authority is required only to report to the liquor enforcement division, within ten days after it issues a permit, the name of the organization to which a permit was issued, the address of the permitted location, and the permitted dates of alcohol beverage service.” Adding section T to the Town Liquor Code opts for local approval only of special event permits.

Special event permits are submitted no less than 30 days prior to the date of the event and have specific public notice requirements for 10 days. If public comment is submitted opposing issuance of the permit during this notice period, the local licensing authority would need to hold a hearing at its next regularly scheduled meeting. This could present timing challenges if the Town also required approval at the State level.

Alternatives:

Town Council may provide alternative direction on the ordinance.

Financial Considerations:

There are no financial considerations applicable to this ordinance.

Previous Council Actions:

Town Council adopted the Town Liquor Code in Ordinance 2024-O-03 on April 9, 2024.

Next Steps:

If Council approves this Ordinance on first reading, it will be scheduled for second reading and public hearing on September 10, 2024.

Suggested Motions:

Because this ordinance is on the consent agenda, a motion to approve the consent agenda will approve this ordinance.

Attachment:

- Ordinance 2024-O-09, An Ordinance of Town Council of the Town of Keystone, Colorado, Amending the Town Liquor Code and Ordinance 2024-O-03

**TOWN OF KEYSTONE
ORDINANCE NO. 2024-O-09**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF
KEYSTONE, COLORADO, AMENDING THE TOWN LIQUOR CODE
AND ORDINANCE 2024-O-03**

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

WHEREAS, pursuant to § 31-15-501, C.R.S., municipalities have the power to license, regulate, and tax businesses within the limits of the Town; and

WHEREAS, pursuant to Title 44, Articles 3 and 4, C.R.S., the Town has the authority to establish a local liquor licensing authority; and

WHEREAS, on April 9, 2024, Town Council adopted Ordinance 2024-O-03 regulating the licensing of distribution and sale of alcoholic beverages and adopting the Town Liquor Code; and

WHEREAS, since May 9, 2024, the Town Clerk has been administering liquor licenses in the Town of Keystone and has identified amendments to the Town Liquor Code; and

WHEREAS, Town Council adopts amendments to the regulations for the licensing of the distribution and sale of alcoholic beverages in the Town of Keystone.

**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. Repeal and Replace Paragraph N of Ordinance 2024-O-03 to provide for Optional Premise Permits. Paragraph N of Ordinance 2024-O-03 is repealed and replaced with the following to allow for issuance of optional premise permits with a hotel and restaurant license:

N. Optional premises license and optional premises permit.

Pursuant to Section 44-3-310, C.R.S., the Town adopts the following standards for issuance of an optional premises licenses and optional premises permits for a hotel and restaurant license.

(A) An annually renewable optional premises license for the sale or service of alcoholic beverages may be issued by the Liquor Licensing Authority for one or more optional premises within an outdoor sports and recreational facility that charges a fee for

the use of such facility.

- (1) An application for an optional premises license shall be accompanied by the fees required by this Title.
- (2) An optional premises license shall allow the licensee to sell and serve alcoholic beverages by the drink only to customers for consumption on the optional premises and for storage of alcohol beverages in a secure area on or off the optional premises for future use on the optional premises.
- (3) An optional premises license application shall be reviewed and approved or denied according to the Town Liquor Code.

(B) An annually renewable optional premises permit for a hotel and restaurant license may be issued by the Liquor Licensing Authority for an outdoor sports and recreational facility that charges a fee for the use of such facility, if such facility is part of an existing or a new hotel and restaurant license, and the optional premises is on or adjacent to the hotel and restaurant premises. Any optional premise permit shall allow the licensee to sell or serve alcoholic beverages only on the optional premises specified in the permit.

- (1) An application for an optional premises permit for a hotel and restaurant license shall be made by the applicant for a hotel and restaurant license or by the hotel and restaurant licensee.
- (2) An application for a new hotel and restaurant license with optional premises permit shall be processed in the same manner as any other hotel and restaurant license application. If an application to permit an optional premise is filed in connection with an existing hotel and restaurant license, the application shall be processed in the same manner as an application to modify or expand licensed premises. No local fee shall be required in connection with an application for an optional premises permit for an existing hotel and restaurant license.
- (3) In addition to or in lieu of any enforcement actions the Liquor Licensing Authority takes against the hotel and restaurant license for violations of this Code or the Colorado Liquor Code and regulations adopted pursuant to such codes, the Liquor Licensing Authority may decline to renew the optional premises permit for good cause shown, subject to judicial review. In addition, the Liquor Licensing Authority may suspend or revoke the optional premises permit in accordance with the procedures specified in Colorado Liquor Code Regulation 47-600, as the same may be amended from time to time, and upon

consideration of the criteria specified in this Title.

- (4) Nothing contained in this Section shall preclude the Liquor Licensing Authority, in its discretion, from denying an application for an optional premises permit or imposing conditions, restrictions or limitations on any optional premises permit, in order to serve the public health, safety and welfare. Any such conditions may be imposed when the permit is initially issued or should any specific event or use of the optional premises so warrant.

(C) Unless otherwise permitted by law, it shall be unlawful for any person to sell or dispense alcoholic beverages at an outdoor sports and recreational facility without having first obtained a valid optional premises license or optional premises permit or in violation of any provision, restriction or limitation of such a license or permit.

(D) Definitions: The following terms shall be defined as provided below. Terms not defined in this Subsection (D) shall be defined consistent with state law.

Ancillary facility shall mean a permanent, temporary or moveable structure or vehicle located on optional premises and used to dispense alcoholic beverages.

Athletic field shall mean a prepared surface outdoors for use while playing or participating in an organized sport.

Outdoor sports and recreational facility shall mean a facility that consists of an athletic field, golf course, tennis court, or some combination thereof.

(E) No one licensee or permittee shall have more than five optional premises within an outdoor sports and recreational facility. No optional premise may include a parking lot.

(F) Application for an optional premises license or an optional premises permit as part of a hotel and restaurant license shall be made to the Town Clerk, upon forms to be furnished by the Town Clerk for that purpose, which forms shall require the following information in addition to any information required by the state licensing authority and this Title:

- (1) A detailed diagram of the outdoor sports and recreational facility indicating:
 - (a) The location of the outdoor sports and recreational facility;
 - (b) The location of all proposed optional premises;
 - (c) The proposed locations of the ancillary facilities that are

proposed to be used for the sale or service of alcoholic beverages;

- (d) The seating, if any;
- (e) Restroom facilities, if any;
- (f) Restrictions, if any, to access to the optional premises; and
- (g) Location of secured area or areas for use in storing malt, vinous and spirituous liquors for future use on the optional premises.

- (2) A written statement setting forth what will be done to secure the optional premises and storage area or areas and the reason the licensing authority should grant the license or permit; and
- (3) Such other information as reasonably may be required to satisfy the local licensing authority that control of the optional premises will be assured, and that the health, safety and welfare of the neighborhood and outdoor sports and recreational facility users will not be adversely affected should the license or permit be issued.

(G) If the applicant does not own the proposed optional premises, it shall submit to the Town Clerk a written statement by the owner of the premises approving the application sought.

(H) The applicant shall provide the Town Clerk with evidence that the state licensing authority has approved the location proposed to be optional premises, as required by the Colorado Liquor Code.

(I) It shall be unlawful for any alcoholic beverages to be served on a licensed or permitted optional premises without the licensee or permittee having first provided written notice to the Town Clerk and the state licensing authority no less than 48 hours prior to such service of alcoholic beverages. Such notice shall contain specific days and hours on which the optional premises are to be used for the sale or service of alcoholic beverages. Nothing contained in this Section shall preclude written notice, submitted within the time limits set out above, from specifying that an optional premise may be utilized for a continuous or extended period of time. However, should any special or unusual event be anticipated to occur during any extended period of time, no less than 48 hours written notice should be given to the Town Clerk, or designee, who shall have the authority, on behalf of the Liquor Licensing Authority, to impose any conditions reasonably related towards serving the public health, safety and welfare. The licensee or permittee may file more than one notice during a calendar year.

Section 3. Amendment of Ordinance 2024-O-03 to add a new Paragraph T related to Special Event Permits. The following regulations related to Special Event Permits are added to the Town Liquor Code as follows:

T. Special event permit.

(A) The Town Clerk may, pursuant to Section 44-5-101 et seq., C.R.S., and the Colorado Code of Regulations, approve an application for a special event permit for the sale, by the drink only, of fermented malt beverages, or of malt, spirituous or vinous liquors to qualified organizations and political candidates. Such special event permit shall authorize a permittee to sell and/or serve such alcohol beverages at the location and for the duration of time specified on the issued permit.

(B) If the Town Clerk receives an objection to the issuance of a special event permit from one (1) or more parties in the designated neighborhood as determined by the Town Clerk's Office, the matter will be scheduled for a hearing before the Liquor License Authority at its next regularly scheduled meeting, at which time the Liquor License Authority shall consider any and all objections, and it may, pursuant to Section 44-5-101 et seq., C.R.S., either approve or deny the special event permit application.

(C) If the Town Clerk decides to deny the application for a special event permit applied for under this Paragraph, and the applicant wishes to contest the denial, the applicant shall be entitled to a hearing before the Liquor License Authority at its next regularly scheduled meeting, at which time the Liquor License Authority shall consider whether the Town Clerk properly applied the law pursuant to Section 44-5-101 et seq., C.R.S., and whether to uphold the decision of the Town Clerk or overturn it and approve the special event permit application.

(D) Notwithstanding the language in Paragraph B, the Town Clerk has the authority to administratively approve new applications for special event permits.

(E) Special event permits are reviewed under a local-only approval method.

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. Codification. This ordinance may be codified and numbered for

purposes of codification without the need for further approval by the Town Council.

Section 6. Effective Date. This ordinance shall take effect thirty (30) days after publication.

INTRODUCED, READ AND PASSED AS AN ORDINANCE, ON FIRST 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

READ, PASSED AND ADOPTED WITH A ROLL CALL VOTE OF ___ IN FAVOR AND ___ OPPOSED ON SECOND READING, AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS _____ DAY OF _____, 2024.

Kenneth D. Riley, Mayor

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney