



## **Keystone Town Council Agenda**

The Keystone Town Council will have a Regular Meeting on December 10, 2024, at 7:00 p.m. at 1628 Sts. John Rd, Keystone, CO 80435.

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

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

**II. APPROVAL OF AGENDA**

**III. COMMUNICATIONS TO COUNCIL**

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

**IV. CONSENT**

**A. FIRST READING OF ORDINANCES**

**B. RESOLUTIONS**

1. Resolution 2024-72, A Resolution of Town Council of the Town of Keystone, Colorado, Authorizing a Contract for Services with the SE Group for the Town of Keystone's First Comprehensive Plan
2. Resolution 2024-75, A Resolution of Town Council of the Town of Keystone, Colorado, Approving a Contract with Vail Summit Resorts Inc. for Maintenance of Certain Roads

**C. MEETING MINUTES**

1. November 12, 2024 – Meeting Minutes

**D. EXCUSED ABSENCES**

**E. OTHER**

**1. Accounts Payable List**

**V. DISCUSSION**

**A. QUASI-JUDICIAL ITEMS**

- 1. [Public Hearing] TOK24-012, A Class 4 Variance for a Proposed Single-Family Residence Located at 0236 Razor Drive, Lot 38, Loveland Pass Village Subdivision, to Allow a 20' Front Yard Setback (a 5' Front Yard Variance), and a 15' Rear Yard Setback (a 10' rear yard variance), zoner R-2: Applicant: Bobby Craig, Arapahoe Architects**

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

- 1. Ordinance 2024-O-14, An Ordinance of Town Council of the Town of Keystone, Colorado, Implementing The Voter-Approved 2% Lodging Tax And Providing Penalties For The Violation Thereof, and Declaring an Emergency**
- 2. Ordinance 2024-O-15, An Ordinance of Town Council of the Town of Keystone, Colorado, Imposing a Temporary Suspension on Natural Medicine Uses and Healing Center Facilities to Allow for Study, Review, and Regulation Development, Declaring an Emergency, and Providing for an Immediate Effective Date**

**C. RESOLUTIONS**

- 1. Resolution 2024-74, A Resolution of Town Council of the Town of Keystone, Colorado, Approving Amended Town Council Bylaws**
- 2. Adoption of Fiscal Year 2025 Budget Package**

**D. OTHER**

- 1. Cancellation of meeting on December 24, 2024**

**VI. PLANNING MATTERS**

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

**VIII. REPORT OF MAYOR AND COUNCIL**

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

**X. SCHEDULED MEETINGS**

**XI. EXECUTIVE SESSION**

Executive Session pursuant to C.R.S. Section 24-6-402(4)(b) to receive legal advice related to the consideration and the potential adoption of an employee benefit policy.

**XII. ADJOURNMENT**

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers

THROUGH: John Crone, Town Manager  
Jennifer Madsen, Town Attorney

FROM: Lindsay Hirsh, Community Development Director  
Andrew Collins, Planner

DATE: December 10, 2024 – Council Meeting

SUBJECT: Resolution 2024-72, A Resolution of Town Council of  
the Town of Keystone, Colorado, Authorizing a Contract  
for Services with the SE Group for the Town of  
Keystone's First Comprehensive Plan

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### **Executive Summary:**

The resolution is to authorize a contract for services with the SE Group project team for the Town of Keystone's First Comprehensive Plan.

### **Recommendation:**

The Community Development Director, Town Manager and Town Attorney recommend approval of the attached resolution.

### **Background:**

On July 29, 2024, the Town issued its Request for Proposals (RFP) for the Town's First Comprehensive Plan. The RFP sought a professional consulting firm (or team) to assist the Town in the development of the Comprehensive Plan. Seven complete RFP submissions were received, and Town staff identified three top proposals that most satisfied the goals of the RFP. The three finalist teams were Cushing Terrell, SE Group, and MIG.



On October 17<sup>th</sup>, the Planning Commission interviewed the three finalists to assist the Town in the creation of the Comprehensive Plan. After the consultant teams' presentations were made and interviews conducted, the Planning Commission identified SE Group as the first-choice consultant team by a majority of the Commissioners. The recommendation for the SE Group was based on their:

- Extensive 25-year experience on planning and economic projects in resort mountain communities; and
- Strong project management, led by Gabby Voeller, Senior Community Planner; and
- Experience working with the US Forest Service and Vail Resorts; and
- Experience understanding infrastructure capacity and reliability; and
- Strong sub-consultants that include Economic Planning Systems (EPS), and Fehr & Peers transportation and engineering.

Subsequently on October 18<sup>th</sup>, the Town was awarded a \$100,000 matching grant from the Department of Local Affairs (DOLA) to help fund the Comprehensive Plan Project.

The SE Group has been invited to present and discuss their proposal directly to Town Council at a December 10, 2024, Work Session, in advance of the regular Council meeting.

### **Alternatives:**

Direct staff to further consider other firms for the Comprehensive Plan project and deny the proposed resolution.

### **Financial Considerations:**

The project's Not to Exceed Cost is \$200,000 as outlined in the draft contract. A \$100,000 matching grant from DOLA has been awarded to the Town to help fund the contract with the selected firm.

### **Previous Council Actions:**

Town Council previously approved the Request for Proposals for the Town's Comprehensive Plan, Resolution 2024-53, on July 23, 2024.

### **Next Steps:**

The Community Development Director, Town Manager, and Town Attorney will finalize the contract for services with the SE Group project team for the Mayor's signature. The draft contract is attached to this report.

### **Suggested Motion:**

Since this item is on the consent agenda, a motion to approve the consent agenda will be sufficient for passage of the Resolution.

### **Attachments:**

- Resolution 2024-072, Authorizing Town Staff to Finalize and Execute a Contract for Services with the SE Group for the Town of Keystone's First Comprehensive Plan
- Draft Contract for Services with the SE Group for the Town's Comprehensive Plan

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

**RESOLUTION 2024-72**

**A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO,  
AUTHORIZING A CONTRACT FOR SERVICES WITH THE SE GROUP FOR THE  
TOWN OF KEYSTONE'S FIRST COMPREHENSIVE PLAN**

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

WHEREAS, per State Statute, the Town of Keystone is required to have a master plan; and

WHEREAS, on May 14, 2024, the Town of Keystone formally adopted the County's Comprehensive and Snake River Master Plans as an interim measure until such time the Town adopts its own master plan; and

WHEREAS, the Town Council found it in the best interest of the Town to retain a third-party consultant to develop the Town's Comprehensive Master Plan, and approved Resolution 2024-53 authorizing the Town Manager to publish a Request for Proposals (RFP) for the Town's Comprehensive Plan; and

WHEREAS, on July 29, 2024, The Town published an RFP for the Town's First Comprehensive Plan and received seven complete submittals; and

WHEREAS, on October 17, 2024, the Planning Commission considered three finalist proposals, and recommended the SE Group be selected as the consultant firm to develop the Town's Comprehensive Plan; and

WHEREAS, on December 10, 2024, the SE Group presented and discussed their proposal to the Town Council during a Work Session.

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

Section 1. The Town Council approves an agreement for services with the SE Group (Sno Engineering, Inc.) to develop a comprehensive plan. The agreement is substantially in the form is attached as Exhibit A. The Town Manager and the Town Attorney are authorized to finalize the agreement, and the Mayor is authorized to execute the agreement.

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

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

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

ATTEST:

Approved as to Form:

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

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

**TOWN OF KEYSTONE  
PROFESSIONAL SERVICES AGREEMENT  
INDEPENDENT CONTRACTOR**

Project/Services Name:       **COMPREHENSIVE PLAN**

**THIS PROFESSIONAL SERVICES AGREEMENT** (“Agreement”) is entered into by and between Sno-Engineering, Inc., d/b/a SE Group, whose business address is 23 West Main Street, Suite 202, Frisco, CO 80443-2729, (the “Contractor”) and the **TOWN OF KEYSTONE, COLORADO**, a home rule municipality of the State of Colorado (the “Town”). The Town and the Contractor may be collectively referred to herein as the “Parties.”

**RECITALS AND REPRESENTATIONS**

**WHEREAS**, the Town desires to have performed certain professional services for the development of the Town of Keystone’s Comprehensive Plan as described in this Agreement; and

**WHEREAS**, the Contractor represents that the Contractor has the skill, ability, and expertise to perform the services described in this Agreement and within the deadlines provided by the Agreement; and

**WHEREAS**, the Town desires to engage the Contractor to provide the services offered by the Contractor and described in this Agreement subject to the terms and conditions of the Agreement.

**NOW, THEREFORE**, in consideration of the benefits and obligations of this Agreement, the Parties mutually agree as follows:

**1.0 SERVICES AND PURPOSE OF AGREEMENT**

- 1.1 Services. The Town desires to achieve, secure, receive, or obtain certain service(s) or work product(s) as more specifically described in **Exhibit A** (the “Services”). As an independent contractor, the Contractor offers to perform and/or deliver the Services in accordance with the terms and conditions of this Agreement. The Parties recognize and acknowledge that, although the Town has requested certain general services to be performed or certain work product to be produced, the Contractor has offered to the Town the process, procedures, terms, and conditions under which the Contractor plans and proposes to achieve or produce the services and/or work product(s) and the Town, through this Agreement, has accepted such process, procedures, terms, and conditions as binding on the Parties.
- 1.2 Town Representative. The Town assigns the Community Development Director as the Town Representative for this Agreement. The Town Representative will monitor the Contractor’s progress and performance under this Agreement and shall be available to the Contractor to respond to questions, assist in

understanding Town policies, procedures, and practices, and supervise the performance of any Town obligations under this Agreement.

- 1.3 Changes to Services. Any changes to the Services that are mutually agreed upon between the Town and the Contractor shall be made in a formal writing referencing this Agreement and, only upon execution by both Parties of such formal writing, shall become an amendment to the Services described in this Agreement. To be effective, any written change must be signed by the Contractor and by the Town or by a person expressly authorized in writing to sign on behalf of the Town. Changes to the Services or to this Agreement shall not be made through oral agreement or electronic mail messages.

## **2.0 COMPENSATION**

- 2.1 Commencement of and Compensation for Services. Following execution of this Agreement by the Town, the Contractor shall be authorized to commence performance of the Services as described in **Exhibit A**, subject to the requirements and limitations on compensation as provided by this Section 2.0 and its subsections.

- A. Method of Compensation. The Contractor shall perform the Services and shall invoice the Town for work performed based on the rates and/or compensation methodology described in **Exhibit B**.

- B. Reimbursable Expenses. The following shall be considered “reimbursable expenses” for purposes of this Agreement and may be billed to the Town without administrative mark-up but which must be accounted for by the Contractor and proof of payment shall be provided by the Contractor with the Contractor’s monthly invoices:

- ☐ None
- ☒ Vehicle Mileage (billed at not more than the prevailing per mile charge permitted by the Internal Revenue Service as a deductible business expense)
- ☒ Printing and Photocopying Related to the Services (billed at actual cost)
- ☐ Long Distance Telephone Charges Related to the Services
- ☐ Postage and Delivery Services
- ☒ Lodging and Meals (but only with prior written approval of the Town as to dates and maximum amount)

- C. Non-reimbursable Costs, Charges, Fees, or Other Expenses. Any fee, cost, charge, or expense incurred by the Contractor not otherwise specifically authorized by this Agreement shall be deemed a non-reimbursable cost that shall be borne by the Contractor and shall not be billed or invoiced to the Town and shall not be paid by the Town.

- D. Increases in Compensation or Reimbursable Expenses. Any increases or modification to the compensation or reimbursable expenses shall be subject to the approval of the Town and shall be made only by written amendment of this Agreement executed by both Parties.

- 2.2 Payment Processing. The Contractor shall submit invoices and requests for payment in a form acceptable to the Town. Invoices shall not be submitted more often than once each month unless otherwise approved by this Agreement or in writing by the Town. Unless otherwise directed or accepted by the Town, all invoices shall contain sufficient information to account for all appropriate measure(s) of Contractor work effort (e.g., task completion, work product delivery, or time) and all authorized reimbursable expenses for the Services during the stated period of the invoice. Following receipt of a Contractor's invoice, the Town shall promptly review the Contractor's invoice. All Town payments for Services rendered pursuant to this Agreement shall be issued in the business name of Contractor only, and in no event shall any such payments be issued to an individual. In no event shall any Town payments to Contractor be in the form of or based upon a salary or an hourly rate.
- 2.3 Town Dispute of Invoice or Invoiced Item(s). The Town may dispute any Contractor compensation and/or reimbursable expense requested by the Contractor described in any invoice and may request additional information from the Contractor substantiating any and all compensation sought by the Contractor before accepting the invoice. When additional information is requested by the Town, the Town shall advise the Contractor in writing, identifying the specific item(s) that are in dispute and giving specific reasons for any request for information. The Town shall pay the Contractor within forty-five (45) days of the receipt of an invoice for any undisputed charges or, if the Town disputes an item or invoice and additional information is requested, within thirty (30) days of acceptance of the item or invoice by the Town following receipt of the information requested and resolution of the dispute. To the extent possible, undisputed charges within the same invoice as disputed charges shall be timely paid in accordance with this Agreement. Payment by the Town shall be deemed made and completed upon hand delivery to the Contractor or designee of the Contractor or upon deposit of such payment or notice in the U.S. Mail, postage pre-paid, addressed to the Contractor.

### **3.0 CONTRACTOR'S REPRESENTATIONS AND OFFERED PERFORMANCE**

The Contractor offers to perform the Services in accordance with the following Contractor-elected practices and procedures. By this Agreement, the Town accepts such offer and the following are hereby made part of the terms and conditions of this Agreement:

- 3.1 General. The Contractor shall become fully acquainted with the available information related to the Services. The Contractor shall affirmatively request from the Town Representative and the Town such information that the Contractor, based on the Contractor's professional experience, should reasonably expect is available and which would be relevant to the performance of the Services. The Contractor shall promptly inform the Town concerning ambiguities and uncertainties related to the Contractor's performance that are not addressed by the Agreement. The Contractor shall provide all of the Services in a timely and

professional manner. The Contractor shall comply with all applicable federal, state and local laws, ordinances, regulations, and resolutions.

- 3.2 Independent Contractor. The Contractor shall perform the Services as an independent contractor and shall not be deemed by virtue of this Agreement to have entered into any partnership, joint venture, employer/employee or other relationship with the Town. This Agreement does not require the Contractor to work exclusively for the Town. This Agreement shall not be interpreted as the Town dictating or directing the Contractor's performance or the time of performance beyond a completion schedule and a range of mutually agreeable work hours, but shall be interpreted as the Contractor's offer and Town acceptance of terms and conditions for performance. The Contractor's business operations shall not be combined with the Town by virtue of this Agreement, and the Town will not provide any training to Contractor, its agents, or employees beyond that minimal level required for performance of the Services. The Parties acknowledge that the Contractor may require some assistance or direction from the Town in order for the Services to meet the Town's contractual expectations. Any provisions in this Agreement that may appear to grant the Town the right to direct or control Contractor or the Services shall be construed as Town plans or specifications regarding the Services.

Subject to conformance with Town-adopted policies and procedures and full conformance with Contractor's representations set forth in this Agreement, the Contractor shall have and maintain the requisite judgment, discretion, and responsibility for and control of the performance of the Services, the discipline of the Contractor's employees and other matters incidental to the performance of the Services, duties and responsibilities as described and contemplated in this Agreement. Contractor shall provide and bear the cost of all tools, and any other items, wages, or services required in the performance of the Services, and the Town shall not provide any other assistance or benefits to Contractor for performance of the Services under this Agreement.

The Parties recognize and understand that some level of direction and supervision by the Town is necessarily involved in successfully implementing Town policies and procedures and in administering this Agreement, but the Parties understand that the Contractor shall bear the burden and shall advise the Town in writing of any conflict or inconsistency between the Town's direction or supervision and the Contractor's legal status as an independent contractor.

The Contractor, by execution of this Agreement and having received such counsel and advice as deemed appropriate by the Contractor, represents to the Town that this Agreement does not create a partnership, joint venture, employer/employee or other relationship with the Town other than that of an independent contractor and the Contractor understands that the Town shall reasonably rely upon such representation in the Town's execution of this Agreement.

- 3.3 Liability for Employment-Related Rights and Compensation. The Contractor shall be solely responsible for all compensation, benefits, insurance and



employment-related rights of any person providing Services hereunder during the course of or arising or accruing as a result of any employment, whether past or present, with the Contractor, as well as all legal costs including attorney's fees incurred in the defense of any conflict or legal action resulting from such employment or related to the corporate amenities of such employment. The Contractor will comply with all laws, regulations, municipal codes, and ordinances and other requirements and standards applicable to the Contractor's employees, including, without limitation, federal and state laws governing wages and overtime, equal employment, safety and health, employees' citizenship, withholdings, reports and record keeping. Accordingly, the Town shall not be called upon to assume any liability for or direct payment of any salaries, wages, contribution to pension funds, insurance premiums or payments, workers' compensation benefits or any other amenities of employment to any of the Contractor's employees or any other liabilities whatsoever, unless otherwise specifically provided herein.

The Town will not include the Contractor as an insured under any policy the Town has for itself. The Town shall not be obligated to secure nor provide any insurance coverage or employment benefits of any kind or type to or for the Contractor or the Contractor's employees, sub-consultants, subcontractors, agents, or representatives, including but not limited to coverage or benefits related to: local, state, or federal income or other tax contributions, FICA, workers' compensation, unemployment compensation, medical insurance, life insurance, paid vacations, paid holidays, pension or retirement account contributions, profit sharing, professional liability insurance, or errors and omissions insurance. The following disclosure is provided in accordance with Colorado law:

**CONTRACTOR ACKNOWLEDGES THAT NEITHER IT NOR ITS AGENTS OR EMPLOYEES ARE ENTITLED TO UNEMPLOYMENT INSURANCE BENEFITS UNLESS CONTRACTOR OR SOME ENTITY OTHER THAN THE Town PROVIDES SUCH BENEFITS. CONTRACTOR FURTHER ACKNOWLEDGES THAT NEITHER IT NOR ITS AGENTS OR EMPLOYEES ARE ENTITLED TO WORKERS' COMPENSATION BENEFITS. CONTRACTOR ALSO ACKNOWLEDGES THAT IT IS OBLIGATED TO PAY FEDERAL AND STATE INCOME TAX ON ANY MONEYS EARNED OR PAID PURSUANT TO THIS AGREEMENT.**

To the maximum extent permitted by law, the Contractor waives all claims against the Town for any Employee Benefits; the Contractor will defend the Town from any claim and will indemnify the Town against any liability for any Employee Benefits for the Contractor imposed on the Town; and the Contractor will reimburse the Town for any award, judgment, or fine against the Town based on the position the Contractor was ever the Town's employee, and all attorneys' fees and costs the Town reasonably incurs defending itself against any such liability.

- 3.4 Interaction with Public. The Contractor recognizes that its conduct during the performance of the Services hereunder reflects upon its reputation in the community as well as upon the public perception of the Town. Therefore, the Contractor offers and warrants to the Town that the Contractor, its agents and employees will conduct all of their interactions with the citizens and the public relating to the performance of the Services hereunder in such a manner as to provide customer service that reflects positively upon its reputation and the Town's public image.
- 3.5 Personnel Issues. The Parties recognize and understand that certain key personnel, such as those individuals employed by the Contractor to manage, supervise, direct, or plan for providing the Services contemplated by this Agreement, can have an impact on the favorable outcome of the project and on the stewardship of Town funds toward providing the Services. Subject to such recognition and understanding, the Contractor warrants that it will employ key personnel that will provide the Services in a professional manner. In the event the Town Manager becomes dissatisfied with the professionalism of the performance of a Contractor employee providing Services under this Agreement, utilizing an objective standard based upon the Contractor's representations and Town specifications regarding the Services, which may include, but is not limited to, behavior which brings discredit upon the Town, the Contractor offers the Town the following process by which the Contractor will resolve the Town Manager's dissatisfaction. The Town Manager shall have the option of, in her or his sole discretion, providing timely notification to the Contractor of such dissatisfaction. The notification may include the known facts which give rise to the problem, and may include a request by the Town that the Contractor consider a transfer or reassignment of such employee out of service to the Town when such employee is failing to perform the Services in a professional and effective manner. Thereafter, representatives of the Contractor and the Town Manager shall meet to discuss possible remedies the Contractor might voluntarily offer to address the problems experienced by the Town. The Contractor shall act within thirty (30) calendar days and in good faith to resolve any problems experienced by the Town. If problems persist after the Contractor has taken such action in good faith, and provided the Town Manager has notified the Contractor of the Town's continuing dissatisfaction in accordance with this Section, the Contractor will offer to remove any Contractor employee from performing any work for the Town, to reasonably limit, in any manner, the work done for the Town by any Contractor employee, or to transfer or reassign any of its employees out of service to the Town or to a different position acceptable to the Town Manager. Upon the Town Manager's acceptance of such offer, the Contractor will transfer permanently or reassign any Contractor employee as soon as reasonably possible. By its signature to this Agreement, the Town accepts the Contractor's offer of this process. Nothing in this Agreement shall be construed to abrogate in whole or in part the right of the Contractor to hire, discipline, terminate, assign or otherwise manage or control its workforce.

3.6 Subcontractors. The Parties recognize and agree that subcontractors may be utilized by the Contractor for the performance of certain Services if and as described more particularly in Exhibit A; however, the engagement or use of subcontractors will not relieve or excuse the Contractor from performance of any obligations imposed in accordance with this Agreement and Contractor shall remain solely responsible for ensuring that any subcontractors engaged to perform Services hereunder shall perform such Services in accordance with all terms and conditions of this Agreement.

3.7 Standard of Performance. In performing the Services, the Contractor warrants that it shall use that degree of care, skill, and professionalism ordinarily exercised under similar circumstances by highly competent members of the same profession practicing in the State of Colorado. The Contractor represents to the Town that the Contractor is, and its employees or sub-contractors performing such Services are, properly licensed and/or registered within the State of Colorado for the performance of the Services (if licensure and/or registration is required by applicable law) and that the Contractor and employees possess the skills, knowledge, and abilities to perform the Services competently, timely, and professionally in accordance with this Agreement. In addition, the Contractor warrants and represents that it will provide the Services in accordance with more specific standards of performance as are:

- ☒ included within Exhibit A; or
- ☐ attached to this Agreement as Exhibit \_\_\_\_\_; or
- ☐ not included and not attached.

The Contractor represents, covenants and agrees that the Services will be provided to the Town free from any material errors. The Contractor's failure to meet or exceed any of the foregoing standards and warranties may be considered a material breach of this Agreement and may be grounds for termination of the Agreement pursuant to Section 4.0 below, in addition to any other remedies as provided in Section 9.0 below.

3.8 Review of Books and Records. The Contractor shall promptly comply with any written Town request for the Town or any of its duly authorized representatives to reasonably access and review any books, documents, papers, and records of the Contractor that are pertinent to the Contractor's performance under this Agreement for the purpose of the Town performing an audit, examination, or other review of the Services.

3.9 Licenses and Permits. The Contractor shall be responsible at the Contractor's expense for obtaining, and maintaining in a valid and effective status, all licenses and permits necessary to perform the Services unless specifically stated otherwise in this Agreement.

3.10 Affirmative Action. The Contractor warrants that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor warrants that it will take affirmative action to

ensure applicants are employed, and employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

- 3.11 Duty to Warn. The Contractor agrees to call to the Town's attention errors in any drawings, plans, sketches, instructions, information, requirements, procedures, and/or other data supplied to the Contractor (by the Town or by any other party) that it becomes aware of and believes may be unsuitable, improper, or inaccurate in a material way. However, the Contractor shall not independently verify the validity, completeness or accuracy of such information unless included in the Services or otherwise expressly engaged to do so by the Town.

#### **4.0 TERM AND TERMINATION**

- 4.1 Term. This Agreement shall be effective on December 16, 2024, (the "Effective Date") and shall terminate upon the completion of Services as set forth in Exhibit A. The Parties may mutually agree in writing to extend the term of this Agreement, subject to annual appropriation.
- 4.2 Continuing Services Required. The Contractor shall perform the Services in accordance with this Agreement commencing on the Effective Date until such Services are terminated or suspended in accordance with this Agreement. The Contractor shall not temporarily delay, postpone, or suspend the performance of the Services without the written consent of the Town Council, Town Manager, the Town Representative, or other Town employee expressly authorized in writing to direct the Contractor's services.
- 4.3 Town Unilateral Termination. This Agreement may be terminated by the Town for any or no reason upon written notice delivered to the Contractor at least ten (10) days prior to termination. In the event of the Town's exercise of the right of unilateral termination as provided by this paragraph:
- A. Unless otherwise provided in any notice of termination, the Contractor shall provide no further services in connection with this Agreement after receipt of a notice of termination; and
  - B. All finished or unfinished documents, data, studies and reports prepared by the Contractor pursuant to this Agreement shall be delivered by the Contractor to the Town and shall become the property of the Town; and
  - C. The Contractor shall submit to the Town a final accounting and final invoice of charges for all outstanding and unpaid Services and reimbursable expenses performed prior to the Contractor's receipt of notice of termination and for any services authorized to be performed by the notice of termination as provided by Section 4.3(A) above. Such final accounting and final invoice shall be delivered to the Town within thirty (30) days of the date of termination; thereafter, no other invoice, bill, or

other form of statement of charges owing to the Contractor shall be submitted to or accepted by the Town.

- 4.4 Termination for Non-Performance. Should a party to this Agreement fail to materially perform in accordance with the terms and conditions of this Agreement, this Agreement may be terminated by the performing party if the performing party first provides written notice to the non-performing party which notice shall specify the non-performance, provide both a demand to cure the non-performance and reasonable time to cure the non-performance, and state a date upon which the Agreement shall be terminated if there is a failure to timely cure the non-performance. For purpose of this Section 4.4, “reasonable time” shall be not less than five (5) business days. In the event of a failure to timely cure a non-performance and upon the date of the resulting termination for non-performance, the Contractor shall prepare a final accounting and final invoice of charges for all performed but unpaid Services and authorized reimbursable expenses. Such final accounting and final invoice shall be delivered to the Town within fifteen (15) days of the date of termination; thereafter, no other invoice, bill, or other form of statement of charges owing to the Contractor shall be submitted to or accepted by the Town. Provided that notice of non-performance is provided in accordance with this Section 4.4, nothing in this Section 4.4 shall prevent, preclude, or limit any claim or action for default or breach of contract resulting from non-performance by a Party.
- 4.5 Unilateral Suspension of Services. The Town may suspend the Contractor’s performance of the Services at the Town’s discretion and for any reason by delivery of written notice of suspension to the Contractor which notice shall state a specific date of suspension. Upon receipt of such notice of suspension, the Contractor shall immediately cease performance of the Services on the date of suspension except: (1) as may be specifically authorized by the notice of suspension (e.g., to secure the work area from damage due to weather or to complete a specific report or study); or (2) for the submission of an invoice for Services performed prior to the date of suspension in accordance with this Agreement.
- 4.6 Reinstatement of Services Following Town’s Unilateral Suspension. The Town may at its discretion direct the Contractor to continue performance of the Services following suspension. If such direction by the Town is made within (30) days of the date of suspension, the Contractor shall recommence performance of the Services in accordance with this Agreement. If such direction to recommence suspended Services is made more than thirty-one (31) days following the date of suspension, the Contractor may elect to: (1) provide written notice to the Town that such suspension is considered a unilateral termination of this Agreement pursuant to Section 4.3; or (2) recommence performance in accordance with this Agreement; or (3) if suspension exceeded sixty (60) consecutive days, request from the Town an equitable adjustment in compensation or a reasonable re-start fee and, if such request is rejected by the Town, to provide written notice to the Town that such suspension and rejection of additional compensation is considered

a unilateral termination of this Agreement pursuant to Section 4.3. Nothing in this Agreement shall preclude the Parties from executing a written amendment or agreement to suspend the Services upon terms and conditions mutually acceptable to the Parties for any period of time.

- 4.7 Delivery of Notice of Termination. Any notice of termination permitted by this Section 4.0 and its subsections shall be addressed to the person signing this Agreement on behalf of either Town or Contractor at the address shown below or such other address as either party may notify the other of and shall be deemed given upon delivery if personally delivered, or forty-eight (48) hours after deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested.

## **5.0 INSURANCE**

- 5.1 Insurance Generally. During the term of this Agreement, the Contractor shall obtain and shall continuously maintain, at the Contractor's expense, insurance of the kind and in the minimum amounts specified as follows:

- ☐ The Contractor shall obtain and maintain the types, forms, and coverage(s) of insurance deemed by the Contractor to be sufficient to meet or exceed the Contractor's minimum statutory and legal obligations arising under this Agreement ("Contractor Insurance"); or
- ☒ The Contractor shall secure and maintain the following ("Required Insurance"):
- ☒ Worker's Compensation Insurance in the minimum amount required by applicable law for all employees and other persons as may be required by law. Such policy of insurance shall be endorsed to include the Town as a Certificate Holder.
- ☒ Commercial General Liability insurance with minimum combined single limits of Two Million Dollars (\$2,000,000.00) each occurrence and of Two Million Dollars (\$2,000,000.00) aggregate. The policy shall be applicable to all premises and all operations of the Contractor. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy shall contain a severability of interests provision. Coverage shall be provided on an "occurrence" basis as opposed to a "claims made" basis. Such insurance shall be endorsed to name the Town as Certificate Holder and name the Town, and its elected officials, officers, employees and agents as additional insured parties.
- ☒ Comprehensive Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than One Million Dollars (\$1,000,000.00) each occurrence with respect to each of the Contractor's owned, hired and non-owned vehicles assigned to or used in

performance of the Services. The policy shall contain a severability of interests provision. Such insurance coverage must extend to all levels of subcontractors. Such coverage must include all automotive equipment used in the performance of the Agreement, both on the work site and off the work site, and such coverage shall include non-ownership and hired cars coverage. Such insurance shall be endorsed to name the Town as Certificate Holder and name the Town, and its elected officials, officers, employees and agents as additional insured parties.

- ☒ Professional Liability (errors and omissions) Insurance with a minimum limit of coverage of One Million Dollars (\$1,000,000.00) per claim and Three Million Dollars (\$3,000,000) annual aggregate. Such policy of insurance shall be obtained and maintained for one (1) year following completion of all Services under this Agreement. Such policy of insurance shall be endorsed to include the Town as a Certificate Holder.

The Required Insurance shall be procured and maintained with insurers with an A- or better rating as determined by Best's Key Rating Guide. All Required Insurance shall be continuously maintained to cover all liability, claims, demands, and other obligations assumed by the Contractor.

5.2 Additional Requirements for All Policies. In addition to specific requirements imposed on insurance by this Section 5.0 and its subsections, insurance shall conform to all of the following:

- A. For both Contractor Insurance and Required Insurance, all policies of insurance shall be primary insurance, and any insurance carried by the Town, its officers, or its employees shall be excess and not contributory insurance to that provided by the Contractor; provided, however, that the Town shall not be obligated to obtain or maintain any insurance whatsoever for any claim, damage, or purpose arising from or related to this Agreement and the Services. The Contractor shall not be an insured party for any Town-obtained insurance policy or coverage.
- B. For both Contractor Insurance and Required Insurance, the Contractor shall be solely responsible for any deductible losses.
- C. For Required Insurance, no policy of insurance shall contain any exclusion for bodily injury or property damage arising from completed operations.
- D. For Required Insurance, every policy of insurance shall provide that the Town will receive notice no less than thirty (30) days prior to any cancellation, termination, or a material change in such policy or in the alternative, the Contractor shall provide such notice as soon as reasonably practicable and in no event less than thirty (30) days prior to any cancellation, termination, or a material change in such policy.

5.3 Failure to Obtain or Maintain Insurance. The Contractor's failure to obtain and continuously maintain policies of insurance in accordance with this Section 5.0

and its subsections shall not limit, prevent, preclude, excuse, or modify any liability, claims, demands, or other obligations of the Contractor arising from performance or non-performance of this Agreement. Failure on the part of the Contractor to obtain and to continuously maintain policies providing the required coverage, conditions, restrictions, notices, and minimum limits shall constitute a material breach of this Agreement upon which the Town may immediately terminate this Agreement, or, at its discretion, the Town may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by the Town shall be repaid by Contractor to the Town immediately upon demand by the Town, or at the Town's sole discretion, the Town may offset the cost of the premiums against any monies due to the Contractor from the Town pursuant to this Agreement.

- 5.4 Insurance Certificates. Prior to commencement of the Services, the Contractor shall submit to the Town certificates of insurance for all Required Insurance. Insurance limits, term of insurance, insured parties, and other information sufficient to demonstrate conformance with this Section 5.0 and its subsections shall be indicated on each certificate of insurance. Certificates of insurance shall reference the Project Name as identified on the first page of this Agreement. The Town may request and the Contractor shall provide within three (3) business days of such request a current certified copy of any policy of Required Insurance and any endorsement of such policy. The Town may, at its election, withhold payment for Services until the requested insurance policies are received and found to be in accordance with the Agreement.

## **6.0 CLAIMS, INDEMNIFICATION, HOLD HARMLESS AND DEFENSE**

- 6.1 Notices of Claim. A Party shall notify the other Party immediately and in writing in the event that a Party learns of a third-party claim or an allegation of a third-party claim arising or resulting from the Parties' performance or failure to perform pursuant to this Agreement. The Parties shall reasonably cooperate in sharing information concerning potential claims.
- 6.2 Claims Challenging Town Law, Ordinance, Rule, or Policy/Procedure. In the event any claim is asserted by a third-party against the Town and/or the Contractor alleging that any law, statute, ordinance, rule or approved Town policy or procedure is unlawful, unconstitutional or otherwise improper, then:
- A. The Contractor shall not be entitled to and shall not defend such claim; and
  - B. The Town may, at its sole discretion, elect to defend, not defend, settle, confess, compromise, or otherwise direct the manner in which such claim is addressed; and
  - C. The Contractor shall reasonably cooperate with the Town in any Town defense of such claim although the Contractor shall bear any cost or expense incurred by the Contractor in such cooperation, including but not



limited to the Contractor's cost and expense incurred in consultation with its own legal counsel; and

- D. Only if authorized by law and without waiving the provisions of the Colorado Constitution or the Colorado Governmental Immunity Act, the Town shall indemnify and hold Contractor harmless for any damages, liability, expenses, or court awards, including costs and attorney's fees that are or may be awarded as a result of any loss, injury or damage sustained or claimed to have been sustained by any third-party, including but not limited to, any person, firm, partnership, or corporation, in connection with or arising out of such claim.

6.3 Indemnification for Certain Claims. For any claim not within the scope of Section 6.2 above, Contractor expressly agrees to indemnify and hold harmless the Town, and any of its elected officials, board members, commissioners, officers, agents, contractors, attorneys, or employees from any and all damages, liability, expenses, or court awards, including costs and attorney's fees that are or may be awarded as a result of any loss, injury or damage sustained or claimed to have been sustained by any third-party, including but not limited to, any person, firm, partnership, or corporation, in connection with or arising out of any intentional, reckless, negligent or tortious conduct, error, omission, or act of commission by Contractor or any of its employees, agents, or others acting on Contractor's behalf in performance of the Services. Nothing in this Agreement shall be construed as constituting a covenant, promise, or agreement by the Contractor to indemnify or hold the Town, its Town Council, board members, commissioners, officials, officers, agents, contractors, attorneys, or employees harmless for any negligence solely attributable to the Town, its Town Council, boards, commissions, officials, officers, agents, Contractors, attorneys, or employees. The Contractor's obligation to indemnify pursuant to this Section shall survive the completion of the Services and shall survive the termination of this Agreement.

6.4 Defense of Claims.

- A. Claims Against Both the Town and Contractor. In the event any claim is asserted by a third-party against both the Town and Contractor arising out of any Party's performance of the Services which claim is not within the scope of Section 6.2 above, the Town shall be entitled to elect to defend such claim on behalf of both the Town and Contractor subject to the provisions governing indemnification set forth in this Section. In the event that the Town elects to defend such claim, the Town shall consult with Contractor in such defense but the Town is entitled to exercise its independent discretion in the manner of defense, including but not limited to the selection of litigation counsel and the discretion to settle, confess, compromise, or otherwise direct and dispose of any claim. In the event that the Town elects to defend such claim, Contractor may at its own cost and expense elect to assume the defense of Contractor, in which case Contractor shall bear its own attorneys' fees, costs, and expenses in such

defense and such fees, costs, and expenses shall not be subject to indemnification pursuant to this Section.

- B. Claims Against Only One Party. In the event of any claim asserted by a third-party against only one Party to this Agreement arising out of any Party's performance of the Services which claim is not within the scope of Section 6.2 above, the Party shall be entitled to elect to defend such claim on behalf of such Party subject to the provisions governing indemnification set forth in this Section. Where appropriate, the defending Party may also elect to join the other Party through third-party practice or otherwise in accordance with the Colorado Rules of Civil Procedure or other applicable rules, in which case the joined Party may defend such claim subject to indemnification pursuant to this Section. In the event that a Party elects to intervene voluntarily in any claim asserted against the other Party arising out of any Party's performance of the Services or any claim that any law, statute, ordinance, rule or approved Town policy or procedure is unlawful, unconstitutional or otherwise improper, the intervening Party shall bear its own attorneys' fees, costs, and expenses in such intervention and such fees, costs, and expenses shall not be subject to indemnification pursuant to this Section.

## **7.0 RECORDS AND OWNERSHIP OF DOCUMENTS**

- 7.1 Retention and Open Records Act Compliance. All records of the Contractor related to the provision of Services hereunder, including public records as defined in the Colorado Open Records Act ("CORA"), and records produced or maintained in accordance with this Agreement, are to be retained and stored in accordance with the Town's records retention and disposal policies. Those records which constitute "public records" under CORA are to be at the Town offices or accessible and opened for public inspection in accordance with CORA and Town policies. Public records requests for such records shall be processed in accordance with Town policies. Contractor agrees to allow access by the Town and the public to all documents subject to disclosure under applicable law. Contractor's willful failure or refusal to comply with the provisions of this Section shall result in the immediate termination of this Agreement by the Town. For purposes of CORA, the Town Clerk is the custodian of all records produced or created as a result of this Agreement. Nothing contained herein shall limit the Contractor's right to defend against disclosure of records alleged to be public.
- 7.2 Compliance with Digital Accessibility. The Contractor agrees to ensure that all document deliverables produced under this Agreement will comply with the most current version of Web Content Accessibility Guidelines (WCAG), incorporated in the State of Colorado technology standards, which is currently WCAG 2.1 conformance levels A and AA. This includes, but is not limited to, text, images, and interactive elements, which must be accessible to individuals with disabilities, including those who use screen readers or other assistive technologies. The Contractor shall provide documentation verifying compliance with these

standards upon delivery and will promptly address and remedy any accessibility issues identified by the Town or its agents.

- 7.3 Town's Right of Inspection. The Town shall have the right to request that the Contractor provide to the Town a list of all records of the Contractor related to the provision of Services hereunder retained by the Contractor in accordance with this subsection and the storage location and method. Contractor agrees to allow inspection at reasonable times by the Town of all documents and records produced or maintained in accordance with this Agreement.
- 7.4 Ownership. Any work product, materials, and documents produced by the Contractor pursuant to this Agreement shall become property of the Town of Keystone upon delivery and shall not be made subject to any copyright unless authorized by the Town. Other materials, methodology and proprietary work used or provided by the Contractor to the Town not specifically created and delivered pursuant to the Services outlined in this Agreement may be protected by a copyright held by the Contractor and the Contractor reserves all rights granted to it by any copyright. The Town shall not reproduce, sell, or otherwise make copies of any copyrighted material, subject to the following exceptions: (1) for exclusive use internally by Town staff and/or Town contractors; or (2) pursuant to a request under the Colorado Open Records Act, C.R.S. § 24-72-203, to the extent that such statute applies; or (3) pursuant to law, regulation, or court order. The Contractor waives any right to prevent its name from being used in connection with the Services.
- 7.5 Return of Records to Town. At the Town's request, upon expiration or termination of this Agreement, all records of the Contractor related to the provision of Services hereunder, including public records as defined in the Colorado Open Records Act ("CORA"), and records produced or maintained in accordance with this Agreement, are to be returned to the Town in a reasonable format and with an index as determined and requested by the Town.

## **8.0 FORCE MAJEURE**

Neither the Contractor nor the Town shall be liable for any delay in, or failure of performance of, any covenant or promise contained in this Agreement, nor shall any delay or failure constitute default or give rise to any liability for damages if, and only to extent that, such delay or failure is caused by public health orders issued to prevent the spread of COVID-19 or other "force majeure" event. As used in this Agreement, "force majeure" means acts of God, acts of the public enemy, acts of terrorism, unusually severe weather, fires, floods, epidemics, quarantines, strikes, labor disputes and freight embargoes, to the extent such events were not the result of, or were not aggravated by, the acts or omissions of the non-performing or delayed party.

## **9.0 REMEDIES**

In addition to any other remedies provided for in this Agreement, and without limiting its remedies available at law, the Town may exercise the following remedial actions if the

Contractor substantially fails to perform the duties and obligations of this Agreement. Substantial failure to perform the duties and obligations of this Agreement shall mean a significant, insufficient, incorrect, or improper performance, activities or inactions by the Contractor. The remedial actions include:

- A. Suspend the Contractor's performance pending necessary corrective action as specified by the Town without the Contractor's entitlement to an adjustment in any charge, fee, rate, price, cost, or schedule; and/or
- B. Withhold payment to the Contractor until the necessary services or corrections in performance are satisfactorily completed; and/or
- C. Deny payment for those services which have not been satisfactorily performed, and which, due to circumstances caused by the Contractor, cannot be performed, or if performed would be of no value to the Town; and/or
- D. Terminate this Agreement in accordance with this Agreement; and/or
- E. ☐ Other remedies as may be provided by attached addendum or addenda.

The foregoing remedies are cumulative and the Town, in its sole discretion, may exercise any or all of the remedies individually or simultaneously.

## **10.0 MISCELLANEOUS PROVISIONS**

- 10.1 Confidentiality. The Contractor shall not disclose or use information acquired in the performance of Services pursuant to this Agreement that is not generally available to the public to further the Contractor's personal or financial interests, unless such disclosure is expressly authorized by the Town Manager. This provision is not intended to impair or limit disclosure of information that is otherwise publicly available.
- 10.2 No Waiver of Rights. A waiver by any Party to this Agreement of the breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either Party. The Town's approval or acceptance of, or payment for, services shall not be construed to operate as a waiver of any rights or benefits to be provided under this Agreement. No covenant or term of this Agreement shall be deemed to be waived by the Town except in writing signed by the Town Council or by a person expressly authorized to sign such waiver, and any written waiver of a right shall not be construed to be a waiver of any other right or to be a continuing waiver unless specifically stated.
- 10.3 No Waiver of Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify any governmental immunity that may be available by law to the Town, its officials, employees, contractors, or agents, or any other person acting on behalf of the Town and, in particular, governmental immunity afforded or available pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10 of the Colorado Revised Statutes.

- 10.4 Binding Effect. The Parties agree that this Agreement, by its terms, shall be binding upon the successors, heirs, legal representatives, and assigns; provided that this Section 10.4 shall not authorize assignment.
- 10.5 No Third-party Beneficiaries. Nothing contained in this Agreement is intended to or shall create a contractual relationship with, cause of action in favor of, or claim for relief for, any third-party, including any agent, sub-consultant or sub-contractor of Contractor. Absolutely no third-party beneficiaries are intended by this Agreement. Any third-party receiving a benefit from this Agreement is an incidental and unintended beneficiary only.
- 10.6 Article X, Section 20/TABOR. The Parties understand and acknowledge that the Town is subject to Article X, § 20 of the Colorado Constitution ("TABOR"). The Parties do not intend to violate the terms and requirements of TABOR by the execution of this Agreement. It is understood and agreed that this Agreement does not create a multi-fiscal year direct or indirect debt or obligation within the meaning of TABOR and, therefore, notwithstanding anything in this Agreement to the contrary, all payment obligations of the Town are expressly dependent and conditioned upon the continuing availability of funds beyond the term of the Town's current fiscal period ending upon the next succeeding December 31. Financial obligations of the Town payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the rules, regulations, and resolutions of Town of Keystone, and other applicable law. Upon the failure to appropriate such funds, this Agreement shall be terminated.
- 10.7 Governing Law, Venue, and Enforcement. This Agreement shall be governed by and interpreted according to the law of the State of Colorado. Venue for any action arising under this Agreement shall be in the appropriate court for Summit County, Colorado. To reduce the cost of dispute resolution and to expedite the resolution of disputes under this Agreement, the Parties hereby waive any and all right either may have to request a jury trial in any civil action relating primarily to the enforcement of this Agreement. The Parties agree that the rule that ambiguities in a contract are to be construed against the drafting party shall not apply to the interpretation of this Agreement. If there is any conflict between the language of this Agreement and any exhibit or attachment, the language of this Agreement shall govern.
- 10.8 Survival of Terms and Conditions. The Parties understand and agree that all terms and conditions of the Agreement that require continued performance, compliance, or effect beyond the termination date of the Agreement shall survive such termination date and shall be enforceable in the event of a failure to perform or comply.
- 10.9 Assignment and Release. All or part of the rights, duties, obligations, responsibilities, or benefits set forth in this Agreement shall not be assigned by the Contractor without the express written consent of the Town. Any written assignment shall expressly refer to this Agreement, specify the particular rights,

duties, obligations, responsibilities, or benefits so assigned, and shall not be effective unless approved by the Town through the authorizing agent executing this Agreement. No assignment shall release the Contractor from performance of any duty, obligation, or responsibility unless such release is clearly expressed in such written document of assignment.

- 10.10 Interpretation and Mutual Negotiation. It is the intent of the Parties that this Agreement shall in all instances be interpreted to reflect the Contractor's status as an independent contractor with the Town and that in no event shall this Agreement be interpreted as establishing an employment relationship between the Town and either Contractor or Contractor's employees, agents, or representatives. The Parties agree that this Agreement is the result of mutual negotiation between the Parties and that the Agreement shall not be construed against the Town on grounds relating to drafting, revision, review, or recommendation by any agent or representative of the Town. The Parties further agree that all warranties in this Agreement are made by the Contractor to induce the Town to accept the Contractor's offer to enter into this Agreement and have been incorporated into the Agreement at the Contractor's request.
- 10.11 Paragraph Captions. The captions of the paragraphs and sections are set forth only for the convenience and reference of the Parties and are not intended in any way to define, limit or describe the scope or intent of this Agreement.
- 10.12 Agreement Controls. In the event a conflict exists between this Agreement and any term in any exhibit attached or incorporated into this Agreement, the terms in this Agreement shall supersede the terms in such exhibit.
- 10.13 Integration and Amendment. This Agreement represents the entire and integrated agreement between the Town and the Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. Any amendments to this Agreement must be in writing and be signed by both the Town and the Contractor.
- 10.14 Severability. Invalidity of any of the provisions of this Agreement or any paragraph, sentence, clause, phrase, or word herein or the application thereof in any given circumstance shall not affect the validity of any other provision of this Agreement.
- 10.15 Incorporation of Exhibits. Unless otherwise stated in this Agreement, exhibits, applications, or documents referenced in this Agreement shall be incorporated into this Agreement for all purposes. In the event of a conflict between any incorporated exhibit and this Agreement, the provisions of this Agreement shall govern and control.
- 10.16 Notices. Unless otherwise specifically required by a provision of this Agreement, any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by certified mail or registered mail, postage and fees prepaid, addressed to the Party to whom such

notice is to be given at the address set forth below or at such other address as has been previously furnished in writing, to the other Party. Such notice shall be deemed to have been given when deposited in the United States Mail properly addressed to the intended recipient.

<b><u>If to the Town:</u></b>	<b><u>If to Contractor:</u></b>
Town Manager Town of Keystone 1628 Saints John Rd Keystone, CO 80435	TBD CONTRACTOR
With Copy to: Town Attorney Town of Keystone 13133 E. Arapahoe Road, Suite 100 Centennial, Colorado 80112	

10.17 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document. In addition, the Parties specifically acknowledge and agree that electronic signatures shall be effective for all purposes, in accordance with the provisions of the Uniform Electronic Transactions Act, Title 24, Article 71.3 of the Colorado Revised Statutes.

## **11.0 ADDENDA AND SPECIAL PROVISIONS**

The following Standardized Town Addenda are attached and incorporated into this Agreement:

- ☒ None.
- ☐ Conflict of Interest Addendum
- ☐ Special Remedies -- Liquidated Damages
- ☐ Other Special Remedies
- ☐ Background Checks of Contractor Employees
- ☐ Drug Testing Addendum
- ☐ Colorado Labor Requirement of Public Works Funded with Public Funds
- ☐ Special Insurance Addendum
- ☐ Hazardous Materials Addendum
- ☐ Other

## **12.0 ATTACHMENTS**

The following are attached to this Agreement for reference:

- ☒ Contractor's Certificate(s) of Insurance
- ☐ Contractor Proof of Professional Licensing
- ☐ Other

## **13.0 AUTHORITY**

The individuals executing this Agreement represent that they are expressly authorized to enter into this Agreement on behalf of Town of Keystone and the Contractor and bind their respective entities.

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SIGNATURE PAGE FOLLOWS



**THIS AGREEMENT is executed and made effective as provided above.**

TOWN OF KEYSTONE, COLORADO

Approval by Town Council

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

ATTEST:

\_\_\_\_\_  
Town Clerk or Deputy Town Clerk

**Position Responsible for Administration of Contract:**

CONTRACTOR: SNO-ENGINEERING, INC.

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



# EXHIBIT A



## SCOPE OF WORK

The following scope of work identifies tasks to be accomplished, proposed engagement and meetings, and project deliverables specific to each task.

### PHASE 1: PROJECT MANAGEMENT

The Project Management phase ensures regular coordination between the client team and the consultant team. This phase includes tasks to launch the project, identify key stakeholder groups, and coordinate with the Advisory Committee. After the initial project launch and outreach, this phase will include ongoing coordination with the client, our internal team, and the subconsultants.

#### A. LAUNCH THE PROCESS

The consultant team and client will hold a kick-off meeting to launch the process and make refinements to the project plan. The consultant team will work with the client to discuss the schedule, scope of work, and client-consultant responsibilities to understand the breakdown of allocated hours for the project. For instance, the consultant team anticipates that Town Staff will spend around 181 hours on various components of the project over the 9-month project timeline. This kick-off meeting will allow the project team to ensure that the client and consultant team are starting the project on the same foot.

❖ *Kick-Off Meeting & Final Project Plan*

#### B. BUILD THE TEAM

The consultant team will work with Town staff to identify an initial list of Key Stakeholders, Town boards and commissions, and community engagement partners. We will also work with the Town staff to put together an Advisory Committee that will meet throughout the planning process. The plan Advisory Committee should consist of the Planning Commission and 1-3 members of the community who can support the process and represent the views of everyday residents.

❖ *Initial List of Key Stakeholders, and Advisory Committee Coordination*

#### C. COLLABORATE AND INFORM

Our team will have recurring check-ins with the Town of Keystone to keep the project on track.

❖ *Recurring Coordination Meetings*

#### D. KEEP ON TRACK

This task involves internal meetings between the consultant team, as well as monthly invoicing and budget planning.

❖ *Internal Coordination and Invoices*

## PHASE 2: COMMUNITY ENGAGEMENT

### A. PREPARE TO ENGAGE

The consultant team and client will work together to finalize the project engagement plan.

❖ *Finalize Engagement & Communication Plan*

### B. CREATE THE BRAND

The consultant team will create an attractive, easily recognizable brand (name, logo, fonts, and colors) for the project. This will ensure that project materials have a cohesive look and feel.

❖ *Brand Identity for Project and All Materials*

### C. ENGAGE ADVISORY COMMITTEE & KEY STAKEHOLDERS

The purpose of this task is to gather information from important stakeholders to guide the project. The consultant team proposes to meet with the plan Advisory Committee up to 6 times over the course of the project. Other key stakeholders for this Comprehensive Plan project could include community organizations and local non-profits, water and other utility providers, local businesses, citizen groups, schools, and health & wellness organizations. Early in the project the consultant team will plan a 2–3-day site visit in order to tour key community locations and to meet with town staff, the plan Advisory Committee and key stakeholders.

❖ *Advisory Committee & Key Stakeholders Meetings*

### D. CREATE AN INFORMATIONAL HUB

The project website, which will be hosted as an ArcGIS StoryMap, will serve as a hub for information throughout the duration of the project. The website will be a one-stop-shop for community members looking to understand what the project is, where the Town is in the process, and how they can get involved. The website will be updated over time to reflect research and engagement findings, and the website will be enabled with Google Analytics tracking to help track levels of engagement.

❖ *Website Content & Monthly Updates*

### E. COMMUNITY PRIORITIES WORKSHOP

The project team will create and launch a Community Priorities Workshop to help gauge the top values and stressors affecting the Keystone community. Community members will have the opportunity to share their input on community strengths, weaknesses, opportunities, and threats (SWOT) through multiple choice and write-in questions. The priorities that will be captured in the workshop will inform the strategic direction of the Comprehensive plan content and policy recommendations to ensure the plan will be an effective tool to implement the long-term priorities and values of the community. Feedback from this workshop will be summarized in succinct, visually compelling graphics.

❖ *Community Engagement*





## F. SPREAD THE WORD

The consultant team will work to increase community awareness of the comprehensive plan and actively gather public input. It's essential for residents to understand the details of the plan and recognize the value of their contributions. Our goal is to encourage participation by making the process engaging and relevant for everyone. The awareness campaign will include the following elements:

- Poster & banner campaign – The comprehensive plan should have a visual presence in town. People should come across basic information about the comprehensive plan in their day-to-day life in town through posters and banners rather than just through emails, articles, web channels.
- Different channels will be more effective for reaching different residents (e.g., local papers, radio, school newsletters, faith groups newsletters, social media, physical materials like postcards at area businesses). Outreach should use existing channels whenever possible (e.g., local employers, attach to water bills, physical distribution across different neighborhoods etc.). The consultant team will rely on the client team to conduct on-the-ground outreach, post social media materials and press releases as prepared by the consultant team, and coordinate with press regarding the plan.
- Pairing engagement opportunities with existing community events

The awareness campaign will drive residents to the StoryMap project website to learn more and provide input on an ongoing basis.

### ❖ Plan Awareness Campaign

## G. DEFINE THE FOCUS

The project team convenes 2-3 focus group meetings to help workshop potential plan recommendations. These focus groups should include representation from relevant community organizations.

### ❖ Focus Group Meetings

## H. COMMUNICATE THE VALUES

The project team will develop a clear, visually engaging summary of public and stakeholder feedback.

### ❖ 10 Takeaways from Public Engagement

## I. ENGAGE TOWN OFFICIALS

The project team will meet with the Town Officials at multiple points during the project. The project team will work with Town Staff, the Planning Commission, and Town Council members to foster a sense of ownership over the plan so that they feel well-equipped to implement the plan following adoption. This group will meet up to three times during the project. Cross pollination of members of these groups with the Advisory Committee is critical to ensure communication is transparent between different appointed and elected bodies that will all be using the plan.

### ❖ Town Officials meeting

## J. CONFIRM DIRECTION

The project team will present the draft plan in person to the Planning Commission and Town Council. Optionally, the promotion of the final plan to the public could take the form of a block party that includes stations to learn about key elements of the plan.

### ❖ Draft Plan







## PHASE 3: RESEARCH AND COMMUNITY ANALYSIS

### A. UNDERSTAND THE BASELINE

The project team will develop a community demographic profile using ESRI Community Analyst and US Census data, historic documents pertaining to the Town of Keystone, and other relevant planning efforts in Summit County. This will include an inventory of key industries, population trends, housing trends, and climate/hazards/resiliency factors. This information will be presented at the Community Priorities Workshop to provide context for attendees as they provide input.

#### ❖ *Community Profile*

### B. ASSESS WATER & UTILITIES

The consultant team will assist the Town in completing the DOLA Water-Smart Self-Assessment tool. They will also review relevant existing water resources and water conservation plans, recent capital improvement plans, and utility planning – such as high-speed internet, and electricity generation. The team will seek to understand the resiliency of the existing infrastructure and utility system to provide recommendations for improved infrastructure and utility resiliency. Further, the consultant team will seek to answer several fundamental questions regarding water: “How does our community get water?” “How much do we have?” and “How do we use it?” What conservation solutions have been implemented thus far? Answers to these questions will inform the response to another critical question: “How will water resource management affect our community’s future?” Similarly, the consultant team will analyze available information to understand available resources and weaknesses to address.

#### ❖ *Assessment & Analysis*

### C. DEVELOP THE BASEMAP

The project team will develop a set of basemaps to reference throughout the project (e.g., area context map, transportation map, recreation map, environmental constraints and open space map).

#### ❖ *Basemap Set*

### D. ANALYZE CURRENT CONDITIONS

The consultant team will conduct research and analysis to produce a collection of short, informative memos on the following topics:

- Economic Development and Business Climate, which will include an audit of municipal finances to understand opportunities and constraints facing municipal tax revenue
- Housing
- Transportation
- Municipal Services
- Community Health
- Recreation and Tourism
- Hazards and Resiliency/Climate
- Water & Infrastructure
- Environment and Conservation
- Historic Resources & Community Design.

The consultant team will also conduct a thorough audit of Keystone’s foundational documents. These analyses will identify relevant recommendations from previous planning for inclusion in the new Comprehensive Plan.

#### ❖ *Existing Conditions Analysis to Inform the Recommendations of the Comprehensive Plan*

# PHASE 4: HOUSING NEEDS ASSESSMENT AND ACTION PLAN

## A. HOUSING NEEDS ASSESSMENT

The Housing Needs Assessment (HNA) will be a limited scope effort designed to address the items listed in SB 24-174. In the consultant teams experience, HNAs in small mountain towns benefit from locally derived data from a household and business survey because the American Community Survey (ACS) data can be less accurate and have high margins of error in small communities. For example, the current ACS data available for the Keystone area is an average from a five year period between 2019 – 2023. We are finding that in mountain towns, these data are lagging due to the pandemic and post-pandemic impacts. To do this work within the available budget, the consultant team will rely mostly on published data from the ACS, the State Demography Office, and analysis and findings in the 2019 and 2023 HNA's commissioned by the Summit Combined Regional Housing Authority (EPS authored the 2019 study).

Our anticipated workflow and information sources are noted below with each requirement listed in the Statute. Some specific tasks may evolve based on the findings of the analysis and the nature of the available data. The scope for the HNA is limited to addressing these items. The Department of Local Affairs (DOLA) is releasing guidance on methodologies and other requirements for HNAs by December 31, 2024. If those guidelines and requirements require revisions or additional work beyond what is listed below, we may need to re-scope and re-budget the HNA component. The work plan for the HNA will be based around providing the data and information listed in SB 24-174.

- **ESTIMATE EXISTING HOUSING STOCK**

**Data source/method:** ACS, DOLA, mapping and land use inventories produced by the Consultant team.

- **ESTIMATE HOUSING NEEDS**

The housing needs estimates will be sorted by income level and dwelling type, including accessible units, visitable units, supportive units, for-sale units, and rental units.

**Data source/method:** Compare households by income range (ACS) to the value of housing units and rental

costs. The value of housing units may come from Assessor data. Rental information will come from the ACS.

- **ESTIMATE THE NUMBER OF HOUSEHOLDS**

**Data source/method:** ACS and DOLA data, deed restricted housing inventories, ACS vacancy rates.

- **ESTIMATE THE NUMBER OF JOBS SORTED BY ANNUAL SALARY AND WAGE**

**Data source/method:** US Census LEHD On the Map and/or JobsEQ (a subscription service EPS uses)

- **INCORPORATE A PORTION OF HOUSING NEEDS IDENTIFIED IN ANY APPLICABLE STATE AND REGIONAL HOUSING NEEDS ASSESSMENT**

**Data source/method:** Develop a proportion of the regional housing needs attributed to Keystone from job numbers and housing gaps.

**Notes:** Develop a proportion of the regional housing needs attributed to Keystone from job numbers and housing gaps. I.e., if Keystone has 10% of the regional jobs then 10% of the regional need is attributed to Keystone.

- **IDENTIFY AREAS AT ELEVATED RISK OF DISPLACEMENT**

**Data source/method:** Qualitative

**Notes:** Displacement risk in Keystone is largely related to high costs, vacation home market, and lack of supply

- **ESTIMATE WATER SUPPLY NEEDS FOR THE DWELLING UNITS**

**Data source/method:** State DNR or local water district flow rates or EQRs

- **ASSESS MARKET LIMITATIONS ON THE DEVELOPMENT OF HOUSING**

**Data source/method:** Concise analysis of median price trends, vacation home market pressures, qualitative information on land supply and costs.

**Notes:** The primary constraints are demand from wealthy buyers and a lack of developable low-cost land

- **Other information noted in SB24-174**

- A requirement that housing needs assessments include recommended policy and programmatic responses to the findings of the housing needs assessment, including the assessment of displacement risk.

**Notes:** To be addressed in Action plan





- **EXISTING AND PROJECTED HOUSING SHORTAGES AND SURPLUSES FOR DIFFERENT HOUSEHOLD TYPES**

**Data source/method:** We will use a combination of ACS data on households by income, MLS or Assessor data on home prices, and information from the 2019 and 2023 Countywide HNAs to estimate the housing gaps.

- **EXISTING HOUSING DIVERSITY AND STOCK**

**Data source/method:** ACS data and land use inventories prepared by the Consultant Team

- **CURRENT JOBS BY INCOME LEVEL**

**Data source/method:** LEHD on the map or JobsEQ, with wages converted to AMI

- **CURRENT MEDIAN INCOME**

**Data source/method:** ACS

- **POPULATION CHANGE PROJECTIONS, JOB GROWTH PROJECTIONS, AND DEMOGRAPHIC TRENDS**

**Data source/method:** The State Demography Office produces County level projections, not municipal level projections. May consider future land use / build out estimates from Comprehensive Plan work.

- **MEASURES OF LOCAL RESOURCES DEDICATED TO THE DEVELOPMENT OF AFFORDABLE HOUSING**

**Data source/method:** As a new community, we will develop recommendations for funding resources in the Action Plan.

- **VACANCY RATES**

**Data source/method:** ACS and lodging/ accommodations inventories provided by the Town

- **MEASURES OF HOMELESSNESS AND HOUSING INSTABILITY**

**Data source/method:** Qualitative and review of 2019 and 2023 Summit County Housing Needs Assessment.

- **THE JOB-HOUSING BALANCE, INCLUDING THE AVAILABILITY OF HOUSING FOR LOW-INCOME WORKERS**

**Data source/method:** Compare estimated jobs to estimated permanent resident housing units. Compare wages to housing costs.

- **GATHER FEEDBACK THROUGH COMMUNITY ENGAGEMENT**

**Data source/method:** Community outreach as part of Comprehensive Plan

- **THE PERCENTAGE OF HOUSEHOLDS THAT ARE EXTREMELY LOW-, VERY LOW-, AND LOW-INCOME**

**Data source/method:** ACS Data

- **THE PERCENTAGE OF RESIDENTS WHO ARE RENTERS**

**Data source/method:** ACS Data

- **PERCENTAGE OF COST-BURDENED HOUSEHOLDS**

**Data source/method:** ACS Data

- **THE NUMBER OF ADULTS WHO ARE TWENTY-FIVE YEARS OF AGE OR OLDER AND HAVE NOT EARNED AT LEAST A HIGH SCHOOL DIPLOMA**

**Data source/method:** ACS Data

- **THE PERCENTAGE OF HOUSEHOLDS IN WHICH ENGLISH IS NOT THE PRIMARY SPOKEN LANGUAGE**

**Data source/method:** ACS Data, 2019 and 2023 Summit County Housing Needs Assessment.

- **THE NUMBER OF SINGLE HEADS OF HOUSEHOLD WITH CHILDREN UNDER EIGHTEEN YEARS OF AGE**

**Data source/method:** ACS Data, 2019 and 2023 Summit County Housing Needs Assessment.

- **DATA REGARDING NEIGHBORHOODS WITH HIGH VOLUME OF SALES OF OWNER-OCCUPIED OR INVESTOR-OWNED HOUSING**

**Data source/method:** 1-2 local realtor interviews



## B. HOUSING ACTION PLAN

This is the Town's first look at developing housing policies and will be an important part of the Town's long-term planning work. The Action Plan will recommend and prioritize the early stage actions the Town should take to ensure that it is moving in the right direction to address the need for affordable and workforce housing. The Housing Action Plan will also be developed in conjunction with other strategies that emerge from the Comprehensive Plan, as the two efforts need to be closely aligned: land use policy and housing policy need to be integrated.

The consultant team will draw from our database of best practices from around the Mountain West and Summit County, tailoring the recommendations to the specific issues identified in the planning process and HNA, and to the development and market context in Keystone. The recommended actions will include strategies in:

- **Supply and Land Use** – Zoning, land use, and development strategies to increase the supply of housing. This will include assessments of whether tools like inclusionary housing, commercial linkage requirements, and STR regulations fees are viable and recommended for Keystone.
- **Preservation and Stabilization** – Programs and zoning tools to protect existing affordable attainable housing, and funding programs to acquire deed restrictions or "buy downs".
- **Buyer/Renter Assistance (demand)** – Consider if there is a role for buyer and renter assistance programs, including employer housing and employer housing assistance programs.

- **Funding and Partnerships** – As a new community, there may be a need to evaluate the Town's budget structure and recommend how the tax and fee structure should be set to address housing (and other community needs). Also determine Keystone's role within other regional countywide housing providers, such as the Summit Combined Housing Authority.
- **Prioritization** – The Action Plan will not just be a list of tools. We will work with the Town to prioritize the actions that can be done now with existing resources, and those which will need either funding or more staff resources to move forward.

## C. STRATEGY DEVELOPMENT AND IMPLEMENTATION

The consultant team will support the Town with advisory services on policies, strategies, and revenue structure options. EPS brings a wealth of experience in local government finance, budget analysis, fiscal impact analysis, fee programs, and cost of services studies. Since this is the Town's first Plan, there are likely to be questions on a broad range of topics, and on what the Town can realistically do. EPS will ensure that the Plan balances an aspirational vision with what is within the Town's powers and resources over a reasonable planning timeframe.

SE Group's work in this task will include attendance at two meetings (one virtual, one in-person), and some limited research and analysis that may be needed to answer questions. This could consist of peer community research or a growth and revenue projection, for example, and contributing to the Plan document's recommendations.



## PHASE 5: PLAN DOCUMENT

The final plan document will incorporate current research and best practices that align with the community's vision. The final plan will be more than a document; it will serve as an interactive roadmap to achieving community goals.

### A. FINALIZE THE FRAMEWORK

Project team and staff collaborate on a Plan Framework that reflects public input and provides clear direction for future planning and decision-making regarding community growth.

### B. CREATE THE PLAN

The plan document is anticipated to include the following elements:

- Executive Summary
- Introduction/overview of trends and key issues
- Vision Statement
- Summary of Top 10 Engagement Takeaways
- Base Mapping
- Description of key projects and growth strategies
- A set of actionable recommendations
- Suggested funding pathways
- An appendix that includes complete source data, engagement information, and references to other documents.

#### ❖ *Draft the Plan Document*

### C. REFINE THE PLAN

The project team will present the draft plan and refine the plan based on input from the public, Town staff, the Advisory Committee/Planning Commission and the Town Council.

#### ❖ *2nd Draft Plan*

### D. FINALIZE THE PLAN

The project team will deliver a final draft of the plan with all edits addressed.

#### ❖ *Final Draft Plan*

## E. ADOPT THE PLAN

The project team will assist in the plan adoption process, attending a maximum of three adoption meetings with the Planning Commission and/or Town Council including the Draft Plan Launch meeting.

## PHASE 6: 3-MILE AREA PLANNING SUPPORT

As outlined in the RFP, the consultant team will support the Town in related planning projects pertaining to the 3-mile area.

### A. COMPLETE THE 3-MILE PLAN

Project team and staff collaborate on updated 3-Mile Plan. This will ultimately be a map of the 3-mile area with categories for areas of growth, areas of stability, and areas for conservation or protection. The intent of the 3-mile plan will be to guide the planning commission during the land use application process and for additional coordination with the County. Town staff will lead the adoption process of the new plan.

#### ❖ *3-Mile Plan*

### B. REVIEW AND SET THE STAGE FOR DEVELOPMENT AGREEMENT WITHIN THE 3-MILE BOUNDARY

The project team will review and/or set the stage for a development agreement with Summit County that focuses on shared objectives for the 3-Mile Area.

#### ❖ *Development Agreement Memorandum*



## EXPERIENCE WITH COMMUNITIES LIKE KEYSTONE HAS TAUGHT US:

### **Great communities know who they are.**

They have a vibe and character that defines why people live there. Their uniqueness and authenticity are essential to their being. We know that great long-term plans are built by focusing on what brings a community together.

### **Just as no two communities are alike, no two community planning projects are alike.**

We listen and work closely with clients to tailor the approach that makes the best sense for their community, customizing our processes and public engagement efforts accordingly.

### **The best processes balance the interests of people, property, and place.**

Comprehensive Planning takes deep listening, experience, and a highly thoughtful approach that examines multiple scales of decision-making: long and short term, fine and large grain, local as well as regional.

### **Planning is about identifying pragmatic actions that support a visionary future.**

We work with communities to develop and communicate their vision in a clear, inspiring way. Compelling graphics, clear maps, succinct policies, and easy-to-use documents are hallmarks of SE Group's work.

# PROJECT SCHEDULE

PHASE/TASK		2024			2025							KEY MEETINGS
		OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	
1	PROJECT MANAGEMENT											◆ Meeting
A	Launch the Process	◆										* Community Engagement Event
B	Build the Team											* Focus Groups Meeting
C	Collaborate and inform											
D	Keep on Track (bi-weekly)	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
2	ENGAGEMENT											KEY DELIVERABLES
A	Prepare to Engage											1 Informational Hub (updated throughout project)
B	Create the Brand	2										2 Project Document
C	Engage Community Partners		*									3 Interim Deliverable
D	Create Informational Hub			1								4 Final Deliverable
E	Community Priorities Workshop					*						
F	Spread the Word					2						
G	Define the Focus				* 2	* 2	* 2	* 2				
H	Communicate the Values					2						
I	Engage Town Officials											
J	Confirm Direction							3				
3	RESEARCH AND COMMUNITY ANALYSIS											
A	Understand the Baseline			2								
B	Assess Water & Utilities			2								
C	Develop Basemap			2								
D	Analyze Current Conditions				2							
E	Existing Conditions Memos					2						
4	HOUSING NEEDS ASSESSMENT & ACTION PLAN											
A	Housing Needs Assessment											
B	Housing Action Plan											
C	Strategy Development											
5	PLAN DOCUMENT											
A	Finalize the Framework											
B	Create the Plan							* 3				
C	Refine the Plan											
D	Finalize the Plan									4		
E	Adopt the Plan											
6	3-MILE AREA PLANNING SUPPORT											
A	Complete the 3-Mile Plan								3			
B	Review and Set the Stage											

## FEE SCHEDULE

This budget reflects all elements of the Comprehensive Plan Update, including the Housing Needs Assessment and Action Plan. It is important to note that the Colorado Department of Local Affairs (DOLA) will release details on the methodology for Housing Needs Assessments on December 31, 2024. If these forthcoming requirements exceed the scope we've provided, the Town will need to allocate additional funds to expand or revise the plan accordingly.

Phase/Task		TOTAL
1.	PROJECT MANAGEMENT	\$25,548
2.	COMMUNITY ENGAGEMENT	\$55,064
3.	RESEARCH AND COMMUNITY ANALYSIS	\$31,448
4.	HOUSING NEEDS ASSESSMENT AND ACTION PLAN	\$35,000
5.	PLAN DOCUMENT	\$38,020
6.	3-MILE AREA PLANNING SUPPORT	\$14,616
	EXPENSES	\$5,830
NOT-TO-EXCEED TOTAL PROJECT COST		\$199,696

## TEAM MEMBER BILLING RATES

TEAM MEMBER	FIRM	PROJECT ROLE	HOURLY RATE
Gabby Voeller, AICP	SE Group	Senior Advisor	\$188
Dillon McBride	SE Group	Project Manager	\$150
Ayden Eickhoff	SE Group	Assistant Project Manager	\$145
Caleb Schmitz	SE Group	Staff Planner & GIS	\$120
Scott Prior	SE Group	Resort Planning	\$210
Carly Sieff	Fehr & Peers	Transportation Manager	\$270
Charlie Alexander	Fehr & Peers	Transportation Senior Advisor	\$300
Danielle Miyoko Furuichi	Fehr & Peers	Transportation Planner	\$160
Brian Duffany	EPS	Housing and Economy Advisor	\$250
Rachel Shindman	EPS	Housing and Economic Planner	\$150



# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers  
THROUGH: John Crone, Town Manager  
Jennifer Madsen, Town Attorney  
FROM: Joshua Weber, Director of Public Works  
DATE: December 10, 2024 – Council Meeting  
SUBJECT: [Consent Agenda] Resolution 2024-75, A Resolution of  
Town Council of the Town of Keystone, Colorado,  
Approving a Contract with Vail Summit Resorts, Inc. For  
Plowing of Certain Roads

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### **Executive Summary:**

This Resolution authorizes signature and approval of a contract with Vail Summit Resorts, Inc. for plowing certain roads in Keystone from January 1, 2025, to December 31, 2025.

### **Background:**

Summit County has historically contracted with Vail Summit Resorts Inc., d/b/a “Keystone Resort, Inc.” for complete road maintenance on certain road in Keystone. The current contract expires December 31, 2024.

Vail Resorts is willing to continue to provide services to the TOK under the terms of the attached Contract, “Exhibit A”. The attached contract “Exhibit A” outlines an agreement for continued road maintenance, including plowing, of certain roads within the Town of Keystone from January 1, 2025, to December 31, 2025.

**Financial Considerations:**

Financial Impact is approximately \$74,000 annually as outlined in the contract.

**Previous Council Actions:**

None.

**Suggested Motions:**

Since this resolution is on the consent agenda, approval of the consent agenda is sufficient for passage of the resolution.

**Attachment:**

- Resolution 2024-75 – A Resolution of Town Council of the Town of Keystone, Colorado, Approving Contract with Vail Summit Resorts, Inc. For Plowing of Certain Roads



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

**RESOLUTION 2024-75**

**A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE  
APPROVING A CONTRACT WITH VAIL SUMMIT RESORTS, INC. FOR  
MAINTENANCE OF CERTAIN ROADS**

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

WHEREAS, Town Staff recommends that the Town contract for the maintenance of certain public roads in the Town; and

WHEREAS, Vail Resorts, Inc., a Colorado Corporation, d/b/a Keystone Resort, Inc. ("VSRI") has historically maintained certain roads listed in Exhibit A to the Services Agreement; and

WHEREAS, the Town Council finds it is the best interest of the Town to contract with VSRI as provided in the attached Services Agreement.

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

Section 1. The Town Council approves the Services Agreement in substantially the form that is provided and authorizes the Town Manager to sign the Services Agreement.

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

**ADOPTED by a vote of \_\_\_\_in favor and \_\_\_\_against, this 10<sup>TH</sup> day of December 2024.**

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

Kenneth D. Riley, Mayor

ATTEST:

Approved as to Form:

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

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

## **Exhibit A**

### **SERVICES AGREEMENT FOR YEAR-ROUND ROAD MAINTENANCE**

This Services Agreement (“Agreement”) is made and entered into as of the 1st day of January, 2025, by and between the Town of Keystone, a Colorado home rule municipality with offices at 1628 Saints John Rd., Keystone, Colorado 80435 (the “Town”) and Vail Summit Resorts, Inc., a Colorado corporation d/b/a “Keystone Resort, Inc.” (hereinafter referred to as “VSRI”), also collectively referred to herein as the “Parties” or individually as “Party.”

WHEREAS, the Parties desire to contract for VSRI’s provision of year-round road maintenance services for certain roads as set forth herein; and

WHEREAS, the Town has authority to compensate an entity to maintain Town roads; and

WHEREAS, the Parties have negotiated and now desire to enter into this Agreement to provide the necessary consents and to establish the general provisions with respect to VSRI’s provision of year-round maintenance on certain roads; and

WHEREAS, the Town finds that this Agreement is entered in accordance with the subject policy regarding compensation to an entity to maintain Town roads; and

WHEREAS, the Parties hereby find that it is in the interest of the public’s health, safety and welfare to have VSRI provide year-round maintenance on certain public roads for the term of this Agreement.

NOW, THEREFORE, in consideration of the above and the mutual promises and benefits herein expressed and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties covenant and agree as follows:

1. SERVICES.

A. The Town seeks to secure maintenance services for certain of its public rights-of-way. As of the date of the Agreement, the Town lacks the necessary equipment and labor to perform these services. Accordingly, the Town intends to contract with VSRI to provide year-round maintenance of certain roads (the "Services"). The specific roads that are the subject of this Agreement are detailed in the attached Exhibit A entitled "Scope of Work," which is incorporated herein by this reference. The Parties may add additional Town roads, or portions thereof, to the "Scope of Work," as mutually agreed in writing. VSRI agrees to perform the Services at the direction of the Town as its independent contractor.

B. VSRI shall perform the Services as more specifically described in Exhibit A. The Services shall not include capital project work, including but not limited to paving, bridge repair and/or improvements, overlays and chip seals, guardrail repair/replacement and road/traffic studies.

2. CONTRACT AMOUNT AND PAYMENT.

A. The total annual value of compensation provided by the Town to VSRI for the Services set forth in Exhibit A shall be as follows:

1) In 2025 - \$74,000 (the "Contract Amount"). In addition to the Contract Amount, the Town agrees to pay for any additional Services beyond those set forth in Exhibit A requested by the Town and agreed to in writing by VSRI.

2) Renewal Term(s), if agreed upon - \$74,000, which amount shall be adjusted as necessary to account for: (i) any increase in the cost of providing the Services; and (ii) any expansion or reduction in the Services provided hereunder for any Renewal Term. Examples of expansion or reduction in Services warranting adjustment of the Contract Amount include addition of road mileage to be maintained as compared with the mileage(s) set out in Exhibit A. The Parties shall negotiate in good faith during the Review Period, defined below, regarding any change to Services and corresponding increase or decrease in the Contract Amount.

3) VSRI shall submit invoices quarterly for Services performed during the previous quarter. Payment by the Town of such invoices will be due within twenty-five (25) days of receipt thereof. Invoices paid more than twenty-five (25) days after receipt shall accrue interest at the rate of one percent (1%) per month until paid in full.

B. No later than October 1 of any given year, the Parties will propose any desired revisions to the Scope of Work and Contract Amount (the "Review Period"). If either Party requests any revisions and the Parties reach an agreement by December 1, the Agreement shall be amended to include the revised Scope of Work (Exhibit A) and/or Contract Amount before January 1 of the following calendar year.

3. TERM. The effective date of this Agreement shall be January 1, 2025, and it shall continue until December 31, 2025, at which time, this Agreement will renew automatically for additional periods of one year from the latter date (the “Renewal Term(s)”), subject to the termination provisions of this Agreement.

4. TERMINATION. The Town may terminate this Agreement with or without cause upon giving thirty (30) days written notice to VSRI. In the event the Town terminates this Agreement, VSRI shall be entitled to reimbursement of costs incurred pursuant to this Agreement through the date of actual termination of Services. VSRI may terminate this Agreement with or without cause upon giving thirty (30) days written notice to the Town. In the event VSRI terminates this Agreement, the Town shall be entitled to reimbursement of those costs paid to VSRI in excess of the costs incurred pursuant to this Agreement through the date of actual termination of Services.

5. INDEMNIFICATION.

A. VSRI shall indemnify, keep and hold the Town harmless from and against damages, including court costs and reasonable attorney’s fees, arising from claims against the Town for injuries which lie in tort or could lie in tort (whether that may be the type of action or form of relief chosen by the claimant) and arise out of or result from the following:

1) Accidents resulting from the grossly negligent or intentional acts or omissions of VSRI employees, contractors, officers or agents and occurring while such individuals are engaged in VSRI’s performance of the Services hereunder;

2) Failure by VSRI to remove or mitigate a “dangerous condition” (as defined in C.R.S. § 24-10-103, as amended or provided in any successor provision) in the facilities it is obligated hereunder to maintain, including but not limited to the public roadways identified in Exhibit A, when such facility or the use thereof constitutes an unreasonable risk to the health or safety of the public, which is known by VSRI to exist. A dangerous condition should have been known to exist by VSRI if it is determined that the condition existed for such a period of time and was of such nature that, in the exercise of reasonable care, such condition and its dangerous character should have been discovered by VSRI.

B. VSRI’s indemnification of the Town shall not exceed those amounts set forth in C.R.S. §24-10-114, as amended or provided in any successor provision (Colorado Governmental Immunity Act - Limitations on Judgments), where such caps are available and applicable to the Town.

C. VSRI’s indemnification obligations shall not apply to reimburse the Town for any claims, court costs or attorney’s fees where:

1) The Town is found to be immune from claims or suit for injury suffered by private persons pursuant to the Colorado Governmental Immunity Act, C R S. § 24-10-101, *et seq.* and no Town liability exists under any other claim/theory;

2) The Town, pursuant to C R S § 24-10-104, waives the immunity granted in C.R.S. § 24-10-106; or

3) The Town, without the express written permission of VSRI, which permission shall not be unreasonably withheld, compromises or settles a claim against it that arises out of or allegedly arises out of VSRI's grossly negligent, reckless or intentional acts or omissions in the performance of the Services hereunder.

D. Excluding VSRI's indemnification obligations hereunder pertaining to the Services, VSRI is not obligated to indemnify the Town for claims otherwise arising out of the Town's failure to maintain or design, construct and repair public roadways.

E. VSRI further expressly denies indemnification of the Town for the willful and wanton conduct of the Town, its employees, contractors, officers and agents.

F. All of the foregoing provisions of this Paragraph notwithstanding, the Town agrees that, unless there exists an irreconcilable conflict of interest between the Town and VSRI regarding the subject claim, VSRI shall have the right to select the attorney or attorneys to provide a defense for the Town against any claim covered by the foregoing indemnification, and the Town further agrees that such attorney or attorneys selected by VSRI may represent both VSRI and the Town.

#### 6. INDEMNIFICATION BY TOWN.

A. In consideration for being named as an additional insured on VSRI's liability insurance policies, the Town shall, to the extent authorized by law, indemnify, keep and hold VSRI, including its parent and subsidiary entities, employees, contractors, officers and agents, harmless from and against damages, including court costs and reasonable attorney's fees, arising from claims against VSRI for injuries which lie in tort or could lie in tort (whether that may be the type of action or form of relief chosen by the claimant) where:

1) The claims against VSRI are found to result from the Town's negligent, or intentional acts or omissions including those of its employees, contractors, officers or agents;

2) The claims against VSRI are found to result from the Town's negligent, or intentional acts or omissions regarding responsibilities, obligations or services which VSRI did not hereby expressly contract to perform;

3) Excluding VSRI's obligations hereunder pertaining to the performance of Services, the claims against VSRI are found to result from the Town's failure to maintain or design, construct and repair public roadways;

4) The Town, without the express written permission of VSRI, which permission shall not be unreasonably withheld, compromises or settles a claim against the Town that arises out of or allegedly arises out of VSRI's performance of the Services hereunder; or

5) The Town, its employees, contractors, officers or agents are seeking recovery from VSRI's Worker's Compensation benefits.

B. The Town's indemnification obligations shall not apply to reimburse VSRI for any claims, court costs or attorney's fees where VSRI, without the express written permission of the Town, which permission shall not be unreasonably withheld, compromises or settles a claim against it that arises out of or allegedly arises out of the Town's acts or omissions related to the Services performed by VSRI hereunder.

C. The Town further expressly denies indemnification of VSRI for the willful and wanton conduct of VSRI, its employees, contractors, officers and agents.

7. INSURANCE.

A. VSRI shall obtain, and maintain at all times during the term of this Agreement, insurance in the following kinds and amounts:

1) Standard Workers' Compensation and Employer Liability as required by State statute, including occupational disease, covering all employees on or off the work site, acting within the course and scope of their employment.

2) General, Personal Injury, and Automobile Liability (including bodily injury, personal injury, and property damage) minimum coverage:

- i. Combined single limit of \$600,000 written on an occurrence basis.
- ii. Any aggregate limit will not be more than \$1,000,000.
- iii. If any aggregate limits are reduced below \$600,000 because of claims made or paid during the required policy period, VSRI shall promptly obtain additional insurance to restore the full aggregate limit.

3) The Town shall be named as an additional insured on the aforementioned liability policies.

4) The insurance shall include provisions preventing cancellation without thirty (30) days prior notice to the Town.

5) The Town understands, acknowledges and agrees that the liability coverage provided to the Town as a named additional insured thereunder is limited to and is for the sole purpose of covering those claims, including court costs and attorney's fees, against the Town for injuries which lie in tort or could lie in tort (whether that may be the type of action or form of relief chosen by the claimant) and arising out of or resulting from those circumstances set forth above in Section 5.A for which VSRI is herein obligated to indemnify the Town, and in no other circumstance shall the Town bring a claim or be entitled to coverage under such liability policies.

8. GOVERNMENTAL IMMUNITY. Nothing in this Agreement shall be construed as waiving the rights and privileges of the Town under the Colorado Governmental Immunity Act with respect to any other person, entity or third parties. Further, it is expressly understood and agreed that enforcement of the terms and conditions of the Agreement, and all rights and actions relating to such enforcement, shall be strictly

reserved to the Town and VSRI. It is the express intention of the Town and VSRI that nothing contained in this Agreement shall give or allow any claim or right of action by any other third person. It is the express intention of the Town and VSRI that any person other than the Town and VSRI receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

9. NOTICES. All notices under this Agreement must be in writing and delivered to the notice address below (i) by registered, express, or certified mail or (ii) by courier or messenger service. Notice is deemed given on the date delivered or attempted but delivery is refused.

IF TO THE TOWN:

Joshua Weber  
Town of Keystone, Public Works Department  
1628 Sts. John Road, Keystone, CO 80435  
Email: jweber@keystoneco.gov

IF TO VSRI:

Vail Summit Resorts, Inc.  
Attn: Keystone Resort General Manager  
Road Maintenance, K40  
P.O. Box 38  
Keystone, CO 80435

with a copy to:

Legal Department, Box 1-88  
390 Interlocken Crescent, Suite 1000  
Broomfield, CO 80021  
Email: legalnotices@vailresorts.com

Either party may change its address for notices pursuant to a written notice which is given in accordance with the terms hereof.

10. THIRD PARTIES. This Agreement does not and shall not be deemed to confer upon any third party any right to claim damages or to bring suit, or other proceeding against either VSRI or the Town because of any term contained in this Agreement.

11. ASSIGNMENT AND SUBCONTRACTING. This Agreement is for personal services predicated upon VSRI's special abilities or knowledge, and VSRI shall not assign this Agreement in whole or in part nor shall VSRI subcontract any part of the Services to be provided hereunder without the Town's prior written consent.

12. ENTIRE AGREEMENT. This Agreement states the entire understanding of the Parties with respect to its subject matter and supersedes any and all prior agreements and understandings between the Parties with respect to its subject matter. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect whatsoever, unless embodied herein in writing.

13. MODIFICATION. This Agreement may be modified or amended only by a duly authorized written instrument executed by the Parties hereto.
14. PARAGRAPH HEADINGS. Paragraph headings are inserted for convenience only and in no way limit or define the interpretation to be placed upon this Agreement.
15. ATTORNEY'S FEES. If an action is brought to enforce this Agreement, the prevailing party shall be entitled to costs and reasonable attorney's fees.
16. SEVERABILITY. In case one or more of the provisions contained in the Agreement, or any application hereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained in the Agreement and the application thereof shall not in any way be affected or impaired thereby.
17. APPLICABLE LAW. At all times during the performance of this Agreement, the Town shall strictly adhere to all applicable federal, state and local laws, rules and regulations that have been or may hereafter be established, and all work performed under this Agreement shall comply with federal, state and local laws, rules and regulations. This Agreement shall be interpreted in all respects in accordance with the laws of the State of Colorado.
18. WAIVER. A Party's waiver of any breach or failure to enforce any of the terms, covenants or conditions or other provisions of this Agreement at any time shall not in any way affect, limit, modify or waive that Party's right thereafter to enforce or compel strict compliance with every term, covenant, condition or other provision of this Agreement.
19. ANNUAL APPROPRIATION/FUND AVAILABILITY. Payment pursuant to this Agreement, whether in whole or in part, is subject to and contingent upon the continuing availability of Town funds for purposes hereof. In the event that said funds, or any part thereof, become unavailable as determined by the Town, either Party may terminate this Agreement in accordance with the provisions of Paragraph 4 herein.

[SIGNATURES ON THE FOLLOWING PAGE]



In Witness Whereof the Parties hereto have executed this Agreement with the effective date of the Agreement being January 1, 2025.

TOWN OF KEYSTONE

VAIL SUMMIT RESORTS, INC.

BY: \_\_\_\_\_

BY: \_\_\_\_\_

**EXHIBIT A**  
**SCOPE OF WORK: SERVICES AGREEMENT FOR**  
**YEAR-ROUND ROAD MAINTENANCE**

The Town shall pay VSRI for VSRI's provision of regular road maintenance services on specified roads and rights-of-way, which are listed below, for the term defined in this Agreement. The specific services to be provided by VSRI include:

- Snow plowing in accordance with the Priority Map attached hereto as Exhibit A-1;
- Road sanding services including provision of material for sanding;
- Cutting back the snowpack along rights-of-way;
- Hauling snow to prescribed locations; and
- Repairing potholes (1) if VSRI deems such repair necessary to prevent damage to equipment or buses or (2) at the Town's request and subject to VSRI's agreement, with associated costs for labor and materials to be charged to the Town over and above the Contract Amount set forth in the Agreement.

The following roads and mileages are the subject of this Agreement:

- Soda Ridge Road (CR 4) – 1.0 miles
- East and West Keystone Rd. – 1.5 miles
- Bear Tree Ct (CR 162) – 0.03 miles
- Bristlecone Ct (CR 168) – 0.04 miles
- Porcupine Ct. (CR 163) – 0.03 miles
- Appaloosa Ct. (CR 167) – 0.04 miles
- Lenawee Lane (CR 164) – 0.09 miles
- Last Chance Lane (CR 166) – 0.09 miles
- Wild Irishman Rd. (CR 165) – 0.48 miles
- Saw Whiskers Cit. (CR 169) – 0.15 miles
- Saw Whiskers Dr. (CR 170) – 0.17 miles
- Elk Crossing Ln (CR 180) – 0.3 miles
- Elk Dr (CR157) – 0.07 miles
- Elk Cir (CR 154) – 0.68 miles
- River Overlook Ct (CR 198) – 0.08 miles
- Independence Road West (CR 257) – 0.34 miles
- Oro Grande Road – 0.5 miles

Daily conditions/needs for Services shall be communicated to the following VSRI personnel:  
primary contact: []; secondary contact: Brayden Hicks (210) 823-5455.

**EXHIBIT A-1**  
**SERVICE AREA PRIORITY MAP**





LEGEND

- 1st Priority
- 2nd Priority
- 3rd Priority





## **Keystone Town Council Agenda**

A Regular Town Council Meeting of the Keystone Town Council was held on November 12, 2024, at 7:00 p.m. at 1628 Sts. John Rd, Keystone, CO 80435. Full and timely notice of the meeting had been posted and a quorum of the body was present.

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

Mayor Riley called the meeting to order at 7:01 p.m. The roll was called, and it was found there were present and participating at that time the following members:

Councilmember Gretchen Davis, Councilmember Jonathan Hagenow, Councilmember Carol Kerr, Councilmember Dan Sullivan, Councilmember Aaron Parmet, Councilmember Valerie Thisted, and Mayor Ken Riley.

### **II. APPROVAL OF AGENDA**

Mayor Riley presented the agenda.

Councilmember Hagenow moved to approve the agenda. Councilmember Davis seconded.

By hand vote, the motion passed unanimously, and the agenda was approved as presented.

### **III. COMMUNICATIONS TO COUNCIL**

Mayor Riley opened the floor for public comment.

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

#### **IV. CONSENT**

##### **A. FIRST READING OF ORDINANCES**

- 1. Ordinance 2024-O-14, An Ordinance of Town Council of the Town of Keystone, Colorado, Implementing The Voter-Approved 2% Lodging Tax And Providing Penalties For The Violation Thereof**

##### **B. RESOLUTIONS**

##### **C. MEETING MINUTES**

- 1. October 22, 2024 – Meeting Minutes**

##### **D. EXCUSED ABSENCES**

##### **E. OTHER**

- 1. TOK24-014: Class 2 Site Plan Amendment 04 - Kindred Resort at Keystone**
- 2. TOK24-015: Class 2 Sign Permit for Steep & Snowbird business located at 2311 US Hwy 6, Gateway Building**

Mayor Riley presented the consent agenda.

Councilmember Parmet moved to remove Ordinance 2024-O-14, Implementing the Voter Approved 2% Lodging Tax and Providing Penalties for the Violation Thereof, from the consent agenda and place it on the discussion agenda under consideration of ordinances.

Councilmember Hagenow seconded.

By hand vote, the motion passed unanimously, and Ordinance 2024-O-14 was removed from the consent agenda for discussion.

Councilmember Parmet moved to approve the remainder of the consent agenda. Councilmember Hagenow seconded.

By hand vote, the motion passed unanimously, and the remainder of the consent agenda was approved as presented.

## **V. DISCUSSION**

### **A. CONSIDERATION OF ORDINANCES**

#### **1. [First Reading] Ordinance 2024-O-14, An Ordinance of Town Council of the Town of Keystone, Colorado, Implementing the Voter-Approved 2% Lodging Tax And Providing Penalties For The Violation Thereof**

Town Clerk Madeleine Sielu read the title of Ordinance 2024-O-14, An Ordinance of Town Council of the Town of Keystone, Colorado, Implementing the Voter-Approved 2% Lodging Tax And Providing Penalties For The Violation Thereof, into the record for consideration on first reading.

Mayor Riley recognized Town Manager John Crone and Town Attorney Jennifer Madsen to present Ordinance 2024-O-14.

Councilmember Kerr moved to approve Ordinance 2024-O-14 on first reading, scheduling second reading, consideration, and public hearing on November 26, 2024, with two amendments. First, to clarify that the lodging tax is levied a) on the purchase price of the lodging; and b) on the date of the lodging stay. Second, to revise the language in Section 8, so that it is identical to the ballot language for the spending of revenue from the lodging tax fund. Councilmember Parmet seconded.

By hand vote, the motion passed unanimously, and Ordinance 2024-O-

14 was approved on first reading and scheduled for second reading, consideration, and public hearing on November 26, 2024.

**2. Ordinance 2024-O-12, An Ordinance of Town Council of the Town of Keystone, Colorado, Adopting by Reference The 2024 Edition Of The Model Traffic Code Of Colorado Promulgated By The Colorado Department Of Transportation With Amendments, And Setting Forth In Full The Penalty Provisions For Violations Thereof**

Town Clerk Madeleine Sielu read the title of Ordinance 2024-O-12, An Ordinance of Town Council of the Town of Keystone, Colorado, Adopting by Reference The 2024 Edition Of The Model Traffic Code Of Colorado Promulgated By The Colorado Department Of Transportation With Amendments, And Setting Forth In Full The Penalty Provisions For Violations Thereof, into the record for consideration of second reading.

Mayor Riley recognized Town Manager John Crone and Town Attorney Jennifer Madsen to present Ordinance 2024-O-12.

Following staff presentation, Mayor Riley opened the floor for public comment on Ordinance 2024-O-12.

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

Councilmember Sullivan moved to adopt Ordinance 2024-O-12.  
Councilmember Parmet seconded.

By roll call, the result was:

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



Nays: (0)

Absent: (0)

The motion passed, and Ordinance 2024-O-12 was adopted.

**3. Ordinance 2024-13, An Ordinance of Town Council of the Town of Keystone, Colorado, Designating the Site Selection of Arterial Highways, Interchanges, and Collector Highways, the Site Selection and Construction of Major New Domestic Water and Sewage Treatment Systems and Major Extension of Existing Domestic Water and Sewage Treatment Systems, and the Site Selection and Construction of Major Facilities of a Public Utility as Matters of State Interest, and Enacting the Town of Keystone Areas and Activities of State Interest Governing the Designation, Permitting, Regulation, and Administration of Matters of State Interest, and Providing Penalties for Violations Thereof**

Town Clerk Madeleine Sielu read the title of Ordinance 2024-O-13, An Ordinance of Town Council of the Town of Keystone, Colorado, Designating the Site Selection of Arterial Highways, Interchanges, and Collector Highways, the Site Selection and Construction of Major New Domestic Water and Sewage Treatment Systems and Major Extension of Existing Domestic Water and Sewage Treatment Systems, and the Site Selection and Construction of Major Facilities of a Public Utility as Matters of State Interest, and Enacting the Town of Keystone Areas and Activities of State Interest Governing the Designation, Permitting, Regulation, and Administration of Matters of State Interest, and Providing Penalties for Violations Thereof, into the record for consideration of second reading.

Mayor Riley recognized Town Manager John Crone and Town Attorney Jennifer Madsen to present Ordinance 2024-O-13.

Following staff presentation, Mayor Riley opened the floor for public comment on Ordinance 2024-O-13.

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

Councilmember Kerr moved to adopt Ordinance 2024-O-13.  
Councilmember Sullivan seconded.

By roll call, the result was:

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

Nays: (0)

Absent: (0)

The motion passed, and Ordinance 2024-O-13 was adopted.

## **B. RESOLUTIONS**

### **1. Resolution 2024-68, A Resolution of Town Council of the Town of Keystone, Colorado, Approving Amended Town Council Bylaws**

Mayor Riley recognized Town Manager John Crone and Town Attorney Jennifer Madsen to present on Resolution 2024-68, Approving Amended Town Council Bylaws.

Councilmember Sullivan moved to approve Resolution 2024-68,  
Councilmember Kerr seconded.

Councilmember Thisted made the following statement for the record: "I concede this battle because we all know once an item has made the Town Hall agenda, it's cooked. However, I do have a desire to vehemently reinforce my opposition on the record. These changes undermine the original intent, integrity and proposition sold to voters

when the Charter was drafted and approved. I continue to feel gas lit by the members of the Charter Commission serving on this council who are supporting this obvious assault to the original intent of the Charter. This move stands to pose potential unintended consequences that threaten the integrity of a resident council. All of this for very self-serving justifications. It's disappointing that the council doesn't have a higher level of accountability to our constituents. This and other moves by this council suggest ominous course is charted for our new town."

By roll call, the result was:

Ayes: Councilmember Davis, Councilmember Hagenow, Councilmember Kerr, Councilmember Sullivan, and Mayor Riley (5)

Nays: Councilmember Thisted (1)

Absent: (0)

Councilmember Parmet refused to vote on this item.

The motion passed, and Resolution 2024-68 was approved.

**2. Resolution 2024-70, A Resolution of Town Council of the Town of Keystone, Colorado, Authorizing Intergovernmental Agreement for Continuation of Services by Summit County and Consenting to Enforcement Of Summit County Regulations**

Mayor Riley recognized Town Manager John Crone and Community Development Director Lindsay Hirsh to introduce Resolution 2024-70, Authorizing Intergovernmental Agreement for Continuation of Services by Summit County and Consenting to Enforcement of Summit County Regulations.

Councilmember Kerr moved to approve Resolution 2024-70.

Councilmember Davis seconded.

By hand vote, the motion passed unanimously, and Resolution 2024-70 was approved.

**3. Resolution 2024-71, A Resolution of Town Council of the Town of Keystone, Colorado, Approving Maintenance of Certain Roads**

Mayor Riley recognized Town Manager John Crone to introduce Resolution 2024-71, Approving Maintenance of Certain Roads.

Councilmember Hagenow moved to approve Resolution 2024-71.  
Councilmember Sullivan seconded.

By hand vote, the motion passed unanimously, and Resolution 2024-71 was approved.

**C. OTHER**

**VI. PLANNING MATTERS**

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

Town Manager John Crone reported on the following matters: an upcoming meeting with several stakeholders throughout the County on Emergency Evacuation; meeting with the Summit County Housing Authority staff; meeting with the Public Works Director and Colorado Department of Transportation on safety at the Rasor Dr intersection; the consideration Intermountain Transportation Planning Region split will be re-considered for a vote soon; the Town received notice that they were awarded a grant from the Department of Local Affairs for completion of the comprehensive plan. Discussion of this and the Planning Commissions recommendation of the contractor for the plan will be discussed at an upcoming meeting; continued meetings with local homeowners' associations in Keystone; there will be a Town holiday party hosted on December 5, 2024; roads assessment will be postponed to 2025 due to the onset of winter road conditions; and a local meeting with Summit County Mayors, Managers, and Commissioners.

**VIII. REPORT OF MAYOR AND COUNCIL**

Mayor Riley provided an update on local homeowners' association meetings and the Summit County Mayors, Managers, and Commissioners meeting.

Councilmembers Kerr and Hagenow provided an update on the most recent Coffee with Council meeting. They indicated that there was positive discussion with members of the community on resilience and the future of Keystone. Upcoming meetings of Coffee with Council will be held on December 2 and January 6. The meeting on January 6 will be held in the evening time.

Councilmember Parmet provided information about trail closures announced in open space areas in or near Keystone and their potential impacts on residents.

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

Mayor Riley proposed a staff direction to amend bylaws to allow for public comment at the beginning of work sessions. With consensus, Council directed staff to bring back amendments to the bylaws to reflect this change to the next meeting.

Mayor Riley discussed the idea of hosting a strategic planning retreat in January 2025. With consensus, Council directed the Town Manager to find appropriate timing for a retreat.

**X. SCHEDULED MEETINGS**

**XI. EXECUTIVE SESSION**

Councilmember Hagenow moved to enter an Executive Session pursuant to C.R.S. Section 24-6-402(4)(b) and (4)(e)(I) to receive legal advice concerning a negotiation of a contract for law enforcement services as well as to determine positions relative to the negotiation of the contract for law enforcement services, develop strategies for such negotiations, and instruct negotiators accordingly. Councilmember Sullivan seconded.

By hand vote, the motion passed unanimously, and Town Council entered Executive Session at 8:12 p.m.

The Executive Session concluded at 9:02 p.m.

## **XII. ADJOURNMENT**

Seeing no further business being discussed, the meeting was adjourned at 9:02 p.m.

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers  
THROUGH: John Crone, Town Manager,  
Jennifer Madsen, Town Attorney  
FROM: Andrew Collins, Planner  
Lindsay Hirsh, Community Development Director  
DATE: December 10, 2024 – Town Council Meeting  
SUBJECT: [Public Hearing] TOK24-012 – Setback Variance Request,  
for a Single-Family Residence on Lot 38, Loveland Pass  
Village

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### **Executive Summary:**

A Class 4 variance request for a proposed single-family residence located at 0236 Rasor Drive (0.11-acre lot), to allow a 20' front yard setback (a 5' front yard variance), and a 15' rear yard setback (a 10' rear yard variance); Zoned R-2: Lot 38 Loveland Pass Village Subdivision.

The Town Council is sitting as the board of adjustment for variance matters. The variance is a quasi-judicial decision applying the criteria under the Town of Keystone Land Use Code. The criteria for the decision are set forth on page 11.

### **Recommendation:**

Staff recommends that Council approve or approve with conditions TOK21-012 Setback Variance request with the findings contained herein.

## General Background on Setbacks:

A setback requirement in a land development code is a regulation that establishes the minimum distance a structure must be set back from property boundaries, streets, other structures, or natural features. Its purpose is to ensure proper spacing, promote safety, and preserve the character of an area.

More specifically, the purposes of setback requirements are generally:

1. Maintain community safety: Setbacks aim to provide space for utilities, sidewalks, and emergency access; reduce risks from fire spread between buildings; ensure safe sightlines for drivers at intersections or driveways.
2. Promote aesthetic and neighbor character: Setbacks aim to help create consistent building lines, contributing to a visually pleasing streetscape; and prevents overcrowding and ensures structures are proportionate to lot size.
3. Preserve privacy and sunlight: Setbacks aim to enhance privacy to create space between neighboring properties; and work to protect buildings from excessively block natural light or airflow.
4. Natural resource protection: Setbacks aim to protect natural features like wetlands by requiring structures to be set back from these areas; and reduce soil erosion or flooding risks in environmentally sensitive zones.
5. Facilitate infrastructure development: If needed, setbacks may be helpful to reserve space for future road widening, sidewalks, or utility installations.

## Background:

<b>Existing Zoning:</b>	R-2
<b>Proposed Use:</b>	Single-Family Residential: 2,664 SF home with a 1,096 SF footprint
<b>Total site area:</b>	0.11 acres / 4,720 square feet
<b>Adjacent land uses:</b>	
<b>East:</b>	Residential Lot 45, Loveland Pass Village
<b>West:</b>	Razor Drive / Residential Lots 15 and 16, Loveland Pass Village
<b>North:</b>	Residential Lot 39, Loveland Pass Village
<b>South:</b>	Residential Lot 37, Loveland Pass Village

Based on the submitted information, there are no wetlands or slopes in excess of 30% on the subject property.

Vicinity Map:





Picture of Existing Property from Rasor Drive:



## **History:**

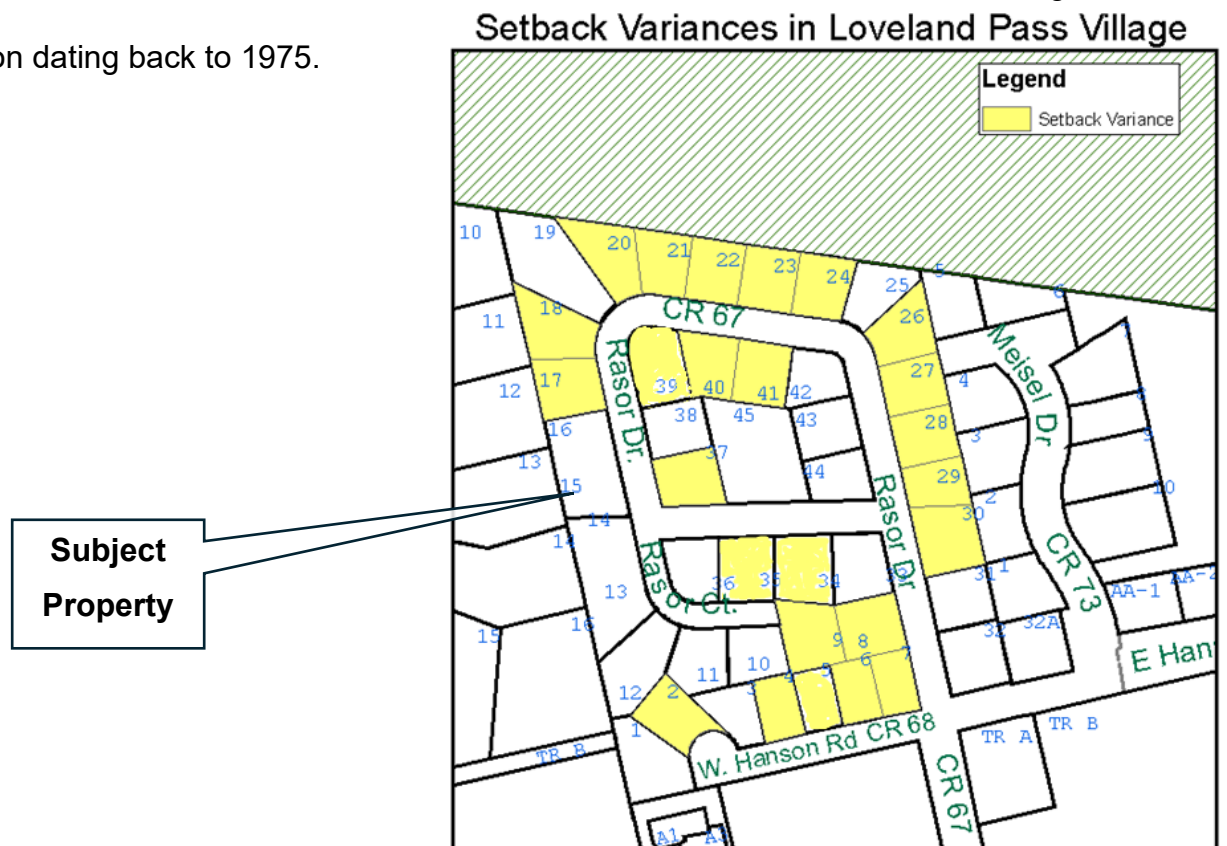
The Loveland Pass Village subdivision was recorded under Reception Number 91804 on June 3, 1960. The plat created 45 residential lots on approximately 7 acres. In 1969, the County adopted zoning regulations and Loveland Pass Village was zoned Residential 2 (R-2). The Town of Keystone subsequently adopted and maintained the same zoning regulations in 2024. R-2 zoning allows for approximately two units per acre with a minimum lot size of 20,000 square feet. The setbacks in R-2 are 25 feet both for the front and the rear property lines, and 15 feet on the sides. The average lot in Loveland Pass Village is approximately one-tenth acre (~4,000 sq. ft.); accordingly, all of the lots in Loveland Pass Village became legally nonconforming<sup>1</sup> with respect to minimum lot size

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<sup>1</sup> Under the Land Use Code Sec. 14101.01, a legal non-conforming parcel is one that was in existence on or before June 2, 1969, and the size of which became nonconforming because of the adoption of the

as a result of the County's initial adoption of zoning, and subsequently they remain legally nonconforming under the Town Land Use Code.

In addition to the relatively small lot sizes in this subdivision, another factor that has affected development of the lots in this neighborhood, is that Loveland Pass Village was not connected to central sewer until 1989. Accordingly, each development site had to accommodate both a residence and an on-site septic system on one-tenth of an acre. For comparison, current County regulations require that new lots be at least 1 acre in size in order to be served by on-site septic. As a result, there have been numerous setback variances approved over the years in Loveland Pass Village in order accommodate single-family homes, additions to homes, as well as single-family homes with septic systems. There have been 25 lots with setback variances in the Loveland Pass Village subdivision dating back to 1975.



zoning regulations on June 2, 1969. A property owner may develop a legal nonconforming parcel provided that the property owner complies with the Land Use Code.

The following table shows the variances granted based on the information provided in previous County BOA reports, as well as research of available records:

<b>BOA Case #</b>	<b>Lot #</b>	<b>Approval Date</b>	<b>Setback Variance Granted</b>	<b>Resulting Setbacks Granted</b>	<b>Lot Size (acres)</b>
BOA #80-12	Lot 2	8/13/1980	House - 15' rear	10' rear	0.14
BOA #04-08	Lot 2	10/20/2004	Garage - 14' side setback variance	1' side	0.14
BOA #03-05	Lot 4	6/18/2003	House - 16' rear, 5' side	9' rear, 10' side	0.08
PLN #09-029	Lot 5	6/17/2009	House addition - 14' rear, 13' side, 7' side	11' rear, 2' side, 8' side	0.08
BOA #75-14	Lot 6	11/26/1975	Undocumented	Undocumented	0.08
BOA #92-02	Lot 7	5/20/1992	Undocumented	Undocumented	0.08
BOA #87-01	Lot 8	4/15/1987	Undocumented	Undocumented	0.12
BOA #84-10	Lot 8	9/12/1984	Undocumented	Undocumented	0.12
BOA #90-16	Lot 9	1/16/1991	Undocumented	Undocumented	0.12
BOA #84-09	Lot 9	9/12/1984	Undocumented	Undocumented	0.12
BOA #03-02	Lot 17	5/21/2003	House - 10' rear	15' rear	0.12
BOA #78-13	Lot 18	8/29/1979	Undocumented	Undocumented	0.15
BOA #79-01	Lot 20	3/21/1979	House - 20' rear, 10' side	5' rear, 5' side	0.15
BOA #76-12	Lot 21	1/6/1977	House- 19' rear, 5' side	6' rear, 10' side	0.11
PLN# 21-099	Lot 21	2/16/2022	Garage - 10' side	Garage 5' side, existing house 6.1' rear, 9.7' side	0.11
BOA #77-04	Lot 22	5/20/1977	Undocumented	Undocumented	0.11
BOA #80-06	Lot 23	8/13/1980	House- 18' rear	7' rear	0.11
PLN #16-104	Lot 23	10/19/2016	House addition - 8.5' rear	16.5' rear	0.11
BOA #78-20	Lot 24	9/27/1978	Undocumented	Undocumented	0.1
BOA #97-20	Lot 26	2/18/1998	House - 5' front, 13' rear, 8' sides	20' front, 12' rear, 7' sides	0.12
BOA #98-16	Lot 27	2/17/1999	House- 17' rear	8' rear	0.11
BOA #06-07	Lot 27	11/7/2006	House - front 6.5', side 7', rear 13'	front 18.5', rear 12' , side 8'	0.11
BOA #76-8	Lot 28	8/30/1976	Undocumented	Undocumented	0.11
BOA #78-01	Lot 29	5/3/1978	Undocumented	Undocumented	0.11
BOA #79-07	Lot 29	7/11/1979	Undocumented	Undocumented	0.11
BOA #75-09	Lot 30	8/27/1975	Undocumented	Undocumented	0.12
PLN #09-114	Lot 34	1/20/2010	House - 13' rear, 4' sides	12' rear, 11' sides	0.13



PLN #13-018	Lot 35	5/15/2013	Garage side 5.2'; Existing House 21.5' rear, 6.5' side	Garage side 9.8'; House rear 4.5', side 8.5'	0.12
BOA #98-01	Lot 37	2/19/1998	House addition - 6' front, 19' rear, 5' sides	19' front, 6' rear, 10' side setback	0.11
PLN #16-126	Lot 39	1/18/2017	Garage and deck - 9' rear	16' rear	0.13
BOA #97-06	Lot 40	5/21/1997	House - 5' front, 5' side	20' front, 10' sides	0.1
BOA #01-05	Lot 41	7/18/2001	House - 11.5' front, 7' side	13.5' front, 8' side	0.11
BOA #97-05	Lot 41	5/21/1997	House addition- 15' rear	10' rear	0.11
BOA #86-08	Lot 41	8/20/1986	Undocumented	Undocumented	0.11

## Proposal:

The applicant seeks to construct a single-family home on Lot 38 of Loveland Pass Village with a ground floor garage, and a driveway and parking off of Rasor Drive. The proposed building footprint area is approx. 1,096 SF and the total living area is approx. 2,665 SF. Lot 38 is currently vacant with no structure built on it. Due to the constrained and small lot-size, the applicant is requesting variances to the setback requirements of *Chapter 3, Zoning Regulations, of the Town's Land Use Code (Figure 3.6, Minimum Setback Requirements)* – to accommodate a front setback of 20-feet from Rasor Drive property line, and rear setback of 10-feet from the rear property line (bordering Lot 45 to the east). The side setbacks will be compliant with the code requirement of 15'.

## Setback Variance Request:

	<u>Code Setback Requirement</u>	<u>Proposed Setback</u>
Front Setback:	25-ft	20-ft
Rear Setback:	25-ft	15-ft

The applicant's submittal materials may be found attached to this report as well as online here: <https://keystone.colorado.gov/pz-notices>

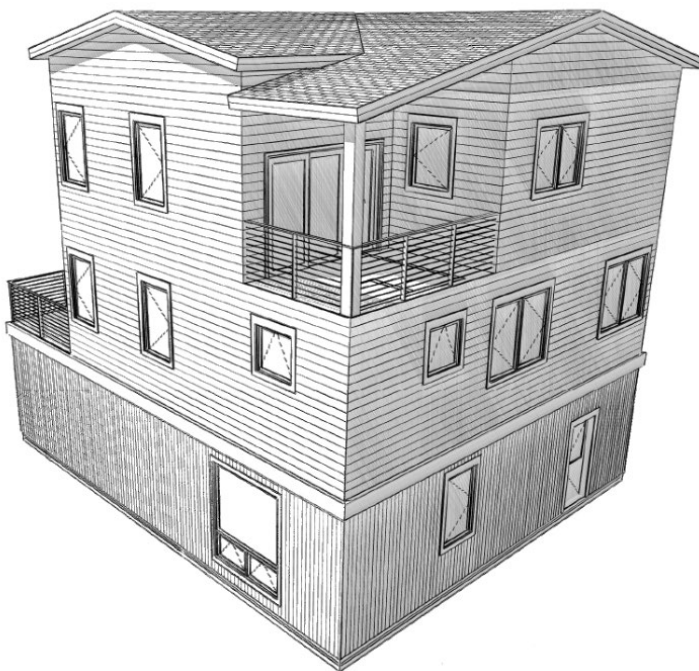
**Site Plan with setback variance areas highlighted:**



**Front (West) & North Side View:**



**Rear (East) & South Side View:**



## **Discussion:**

Historically the Summit County Board of Adjustment (BOA) found that a developable footprint area of approximately 1,200 square feet for a residential dwelling (and 400 square feet for a garage) was a reasonable use in the subdivision, and found that the R-2 setbacks were a hardship on these small Loveland Pass Village lots. The proposed building footprint of this residence on Lot 38 is approximately 1,096 SF, and is consistent with the past variance approval decisions in Loveland Pass Village. Without a variance, the developable area of the subject lot is only approximately 869 SF.

### Adjacent Properties Context:

- Lot 45 is a large lot located to the east of the subject property, and does not have any structures located directly behind the proposed home on Lot 38.
- Lot 39 (the adjacent property directly to the north) was granted a setback variance resulting in a 16' rear setback for a garage with deck addition in 2016. The existing house on Lot 39 already encroached into the front and side setbacks, and was presumably legally non-conforming.
- Lot 37 (the adjacent property to the south) was granted setback variances resulting in a 19' front setback, a 6' rear setback, and 10' side setbacks in 1998.

The proposed variance request for Lot 38 is consistent with the other variances that have historically been granted in the past by the County, including for lots directly adjacent to the subject property. In addition, the proposed front and rear setbacks would not appear to negatively impact the adjoining lots.

## **Criteria for Decision/Findings**

Section 12503.01 of the Town Land Use Code, states that “the following criteria and standards shall be met and findings made by the Town Council to approve variances to



development regulations and standards (except variances to minimum lot size requirements)”:

1. The strict application of the Town’s Zoning Regulations would result in peculiar and exceptional practical difficulties to, or exceptional and undue hardship upon, the property owner in the development of the property because of special circumstances applicable to the property such as size, shape, topography or other extraordinary or exceptional physical conditions.
2. The variance can be granted without substantial detriment to the public health, safety and welfare.
3. The variance can be granted without substantial impairment of the intent of the Town's Zoning Regulations.
4. Granting the variance does not constitute a grant of special privilege in excess of that enjoyed by other property owners in the same zoning district.
5. Reasonable use of the property is not otherwise available without granting of a variance and the variance being granted is the minimum necessary to allow for reasonable use.
6. The parcel for which the variance is being granted was not created in violation of Town zoning or subdivision regulations, or in violation of Colorado State Statutes.

### **Criterion 1 - Hardship**

The subject property is unusually small for the R-2 Zoning district standards that require a min. 20,000 SF lot size. As previously discussed, this lot along with many others in Loveland Pass Village, are legally nonconforming with lot sizes of approx. 0.11-acre / 4,800 SF. This fact results in peculiar and exceptional practical difficulties when applying the R-2 setbacks to the lot. Based on the constrained shape and size of the lot, it is staff’s opinion that an undue hardship would exist without the granting of a setback variance. This is also consistent with the historical interpretation made by the County BOA for similar properties in this subdivision.

## **Criterion 2 – Substantial Detriment**

The proposed front and rear yard setback variances, and subsequent home, will not cause substantial detriment to the public health, safety and welfare in any fashion that staff can identify. Staff has provided adjacent properties notice of the requested variance and this public hearing. Staff has not received negative comment regarding the requested variance. In addition, the case was referred to partner agencies, and no referral agency expressed any concern with the proposed variance to the setbacks. This includes Summit Fire and EMS, Summit County Building Department, Snake River WWTP, and the Snake River Water District.

## **Criterion 3 – Consistent with Intent of the Zoning Regulations**

Per Section 3000, Purpose and Intent, Town of Keystone Land Use Code, *The purpose and intent of these regulations are to ensure compatibility of land uses, efficient and economical use of land, and adequate light and air in development projects. They are also intended to prevent development of areas subject to environmental hazards, and encourage development projects that are functional, exhibit good design and aesthetics, and protect the County's natural resources and scenic beauty.*

Granting a variance for this proposal will not substantially impair the intent of the Town's Zoning regulations and the purpose of setback regulations. The proposed setback variance and single-family residence is a compatible residential land use of the neighborhood and the R-2 zone, it will allow for adequate light and air as it will be within the 35' height limit for the R-2 zone. The proposed single-family home will also be required to comply with all other development and zoning regulations at time of permit. In addition, the proposed home is not located within environmental hazard areas, and does not impair the Town's natural resources and scenic beauty.

## **Criterion 4 – Special Privilege**

Granting the setback variance for the proposed single-family residence would not constitute a grant of special privilege, as numerous setback variances for homes have already been approved in this R-2 zoned neighborhood. Previously there have been

setback variances approved in Loveland Pass Village on 25 lots, including variances used to reduce the setbacks of the smaller lot sizes to accommodate single-family residences with up to a 1,200 SF footprint area.

#### **Criterion 5 – Minimum Necessary for Reasonable Use**

As stated above, historically, the County's Board of Adjustment determined that an approximate 1,200 SF building footprint was a reasonably sized use for a single-family home in the R-2 zone, and has granted setback variances in this neighborhood to allow such reasonable use. That determination was based on the County BOA's analysis that the 1,200 area dimension would generally allow for a reasonable sized single-family home on similar sized lots of approximately one-tenth of acre, while maintaining adequate setbacks to the property lines. This determination goes back to at least 1997, based on County staff reports. These prior County BOA decisions are not binding on the Town Council related to its decision on this matter. However, the prior decisions may be evidence that the setback variance requests provide for reasonable use of lots in Loveland Pass Village; are consistent with the intent of zoning regulations; and do not create a special privilege.

The proposed setback variance will accommodate an approximate 1,096 square foot building footprint, for a single-family home that will be required to meet all other standards of the Land Use Code. When the standard R-2 setbacks are applied to the constrained lot size, there is no area on the lot to build the proposed house footprint without encroaching into the setbacks. Therefore, the requested setback variance is the minimum necessary to accommodate the 1,096 SF footprint as proposed.

#### **Criterion 6 – Legally Created Parcel**

This parcel was legally created via the subdivision plat for Loveland Pass Village recorded at Reception Number 91804 in June 1960, which established this lot at approximately 4,838 SF in size. The subsequent adoption of the R-2 zoning district for these lots by Summit County (and then the Town of Keystone), rendered the lots as legally non-conforming in respect to the 20,000 SF lot size requirement for the R-2 zone. Therefore, the parcel was not created in violation of the Town's regulations.

**Compliance with Any Previous Plans Still in Effect/Conditions:**

There are no previous plans or conditions that are still in effect.

**Alternatives:**

Approve or Deny the Variance.

**Financial Considerations:**

N/A

**Previous Council Actions:**

N/A

**Suggested Motion:**

Staff recommends that the Town Council approve TOK24-012, a Class 4 variance request for a proposed single-family residence located at 0236 Rasor Drive (0.11-acre lot), to allow a 20' front yard setback (a 5' front yard variance), and a 15' rear yard setback (a 10' rear yard variance); Zoned R-2, located at Lot 38 of Loveland Pass Village Subdivision, with the findings as attached in the resolution.

I move to APPROVE RESOLUTION 2024-73 APPROVING TOK24-012, a Class 4 variance request for a proposed single-family residence located at 0236 Rasor Drive (0.11-acre lot), to allow a 20' front yard setback (a 5' front yard variance), and a 15' rear yard setback (a 10' rear yard variance); Zoned R-2, located at Lot 38 Loveland Pass Village Subdivision.

**Alternative Motion:**

I move to DENY Resolution 2024-73 and to direct the Town Attorney to draft a resolution denying the variance request in TOK24-012.

**Attachments:**

- Applicant Project Narrative
- Applicant Project Drawings
- Applicant Existing Survey Addendum
- Applicant Addendum
- Loveland Pass Village Subdivision Plat
- Draft Resolution 2024-73, Approving TOK24-012, a Class 4 Variance Request for a Proposed Single-Family Residence Located at 0236 Rasor Drive (0.11-acre lot), to Allow a 20' Front Yard Setback (a 5' front yard variance), and a 15' Rear Yard Setback (a 10' rear yard variance); Zoned R-2, Located at Lot 38 Loveland Pass Village Subdivision.
- Public Comments Received by December 6, 2024
- Notice of Continuance Due to Meeting Cancellation of 11.26.2024

Date: December 05, 2024

To: Town of Keystone  
Community Development Dept  
Attn: Lindsay Hirsh

Re: Stout Residence  
236 Rasor Dr.  
Keystone, CO 80435

### **Variance Application Addendum**

I would like to present some additional information to support this variance request and place the proposed variance in context with the neighborhood's character and history.

The owners, Randy and Edie Stout, have owned property in Loveland Pass Village since 1978 when they purchased Lot 40. Their 2 kids learned to ski at Keystone in the 1990s and frequently return to give their own children that same experience. The Stouts are building this home to make room for their expanding family. Both Randy and Edie currently work at the Keystone Nordic Center (Edie since 1989 and Randy since 2006). The new home will be their residence when they are working and allow for their kids and grandkids to join them for family vacations.

This home is not intended to be a short term rental. They have not applied for STR licenses at their current home or on this lot. If they were to ever apply for such a license in the future, it would likely be for their Lot 40 property and would be subject to the same STR regulations applied to everyone else. The Stouts have been a part of the LVP community for over 4 decades and are very sensitive to the community concerns and would not propose a home that would exacerbate those issues.

Some additional information on the proposed residence and variance:

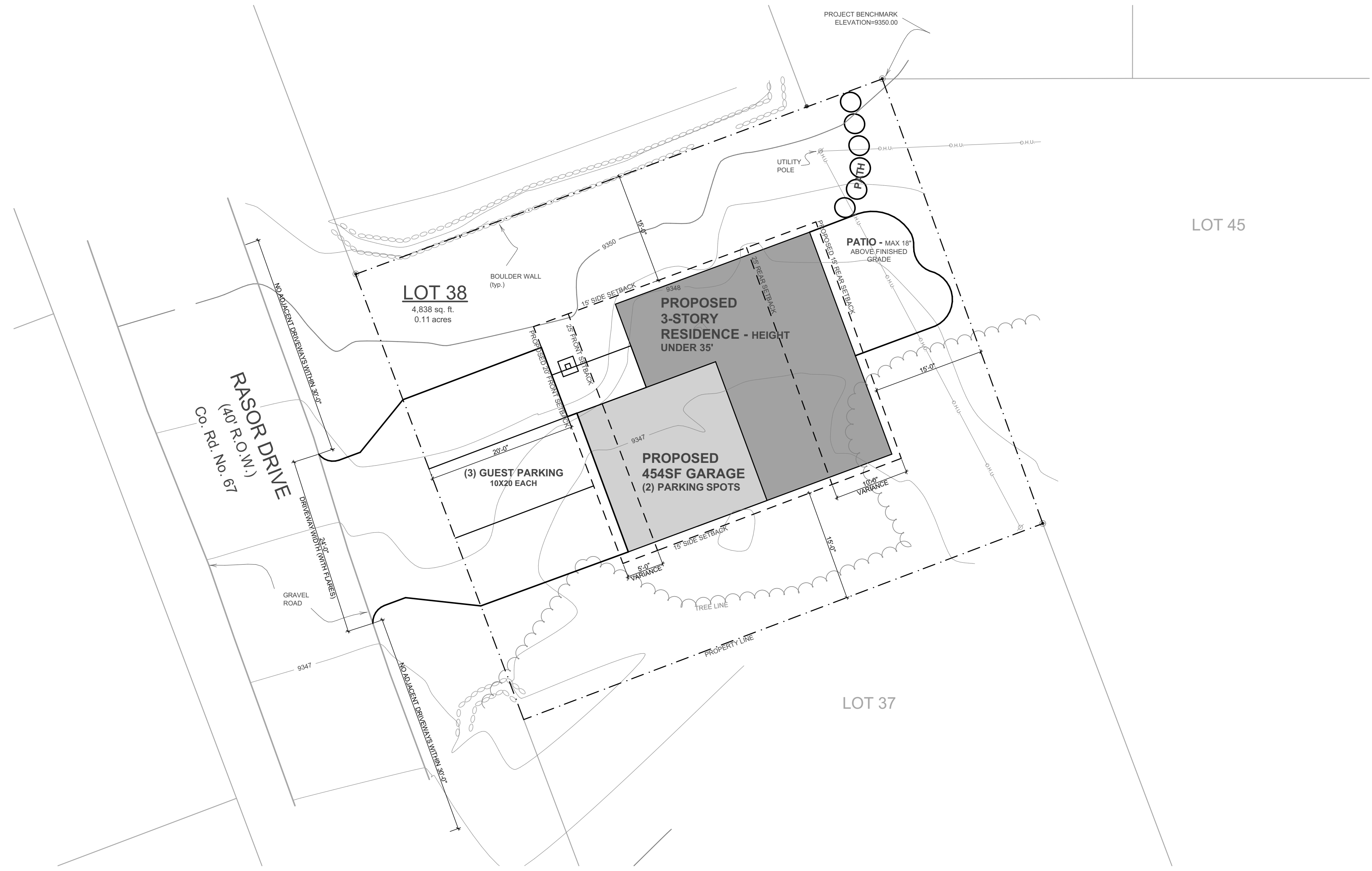
- The proposed variance does not encroach on existing setbacks towards any existing, neighboring homes
- The proposed footprint for the home takes up 22.6% of the lot (1,096 SF footprint on a 4,838 SF lot)
- The proposed 2,665 SF home is an appropriate size for the neighborhood. Existing homes in the neighborhood range from 1,700 SF to 3,500 SF, placing this home right in the middle of home sizes
- The proposed 2,665 SF home is an appropriate size for the lot. Without the variance, if the home was built to the existing setbacks, 3 stories up (under the existing height limit), the square footage would be 2,605 SF. But the home would be a solid cube without variation or design...the exact type of home neighbors have expressed concern about.
- The variance allows for a more appropriate design: the front variance is only used for garage and deck space, allowing the front façade of the house to be located over six feet *inside* the *existing* front setback, so the main volume of the home is further from the street than it would be if no variance is granted and the home was built to the existing setbacks.
- The total footprint of the variance is 511 SF. The footprint of the variance granted to the neighboring lot to the north (Lot 39) is 568 SF

Sincerely,

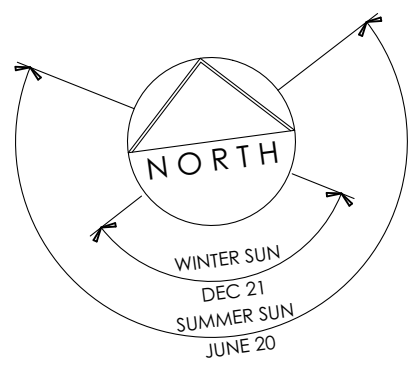
A handwritten signature in black ink, appearing to read "Bobby Craig". The signature is fluid and cursive, with a large, sweeping "C" at the end.

Bobby Craig, AIA

FILE: G:\AArchProjects\2024\2025\2413 - Stout Residence\Drawings\Act1 Drawings\2413 - STOUT RESIDENCE.v8 (resub).pln PLOT DATE: 10/22/2024



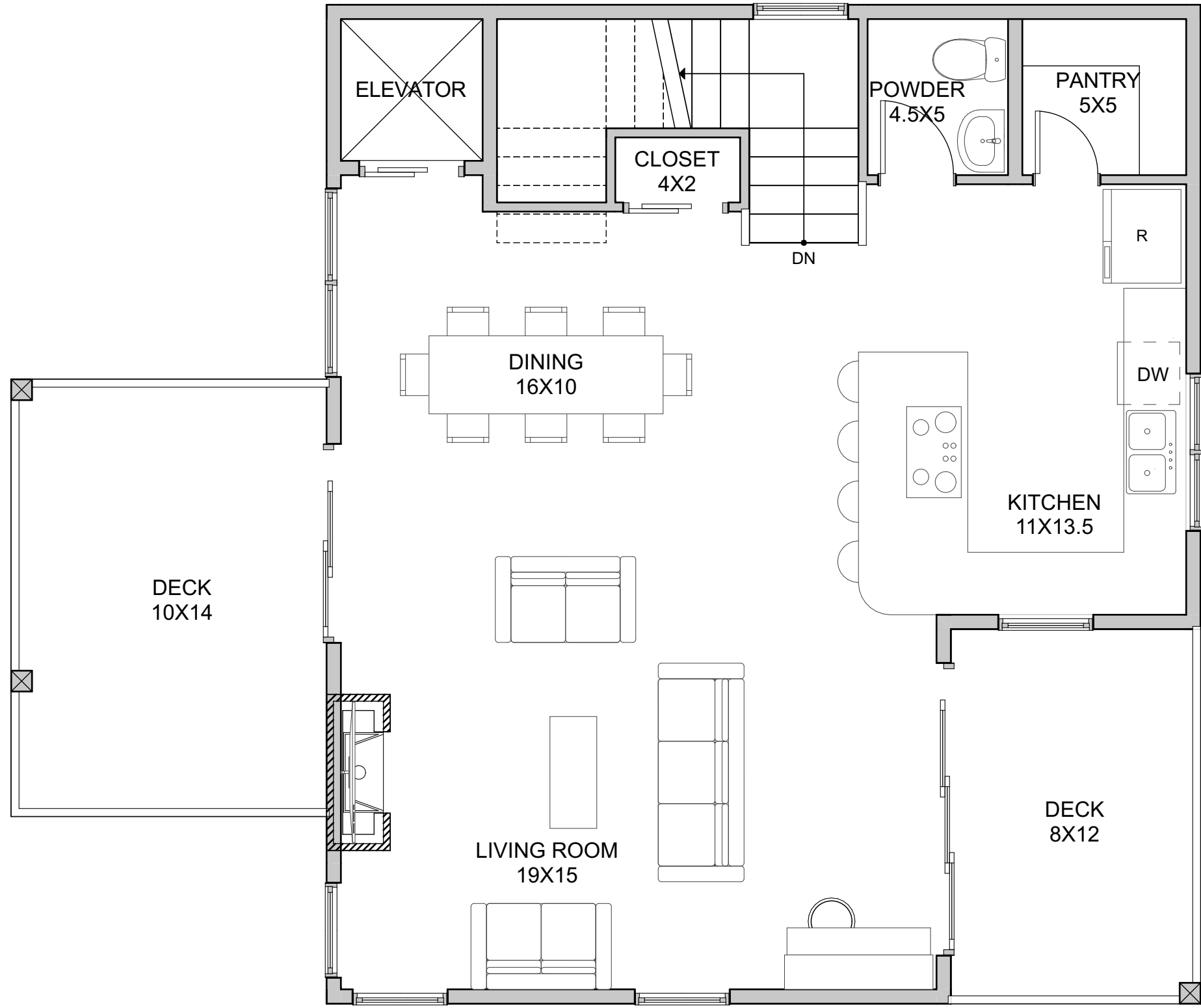
1 SITE PLAN  
A-1 SCALE: 1" = 10'



**STOUT RESIDENCE**

**236 RASOR DR**  
KEYSTONE, CO

SITE PLAN	
JOB	2413
DWN BY	NJ
ISSUE	
09/26/24 - VARIANCE APP	
10/22/24 - VARIANCE APP RESUB	
SHEET	
A-1	

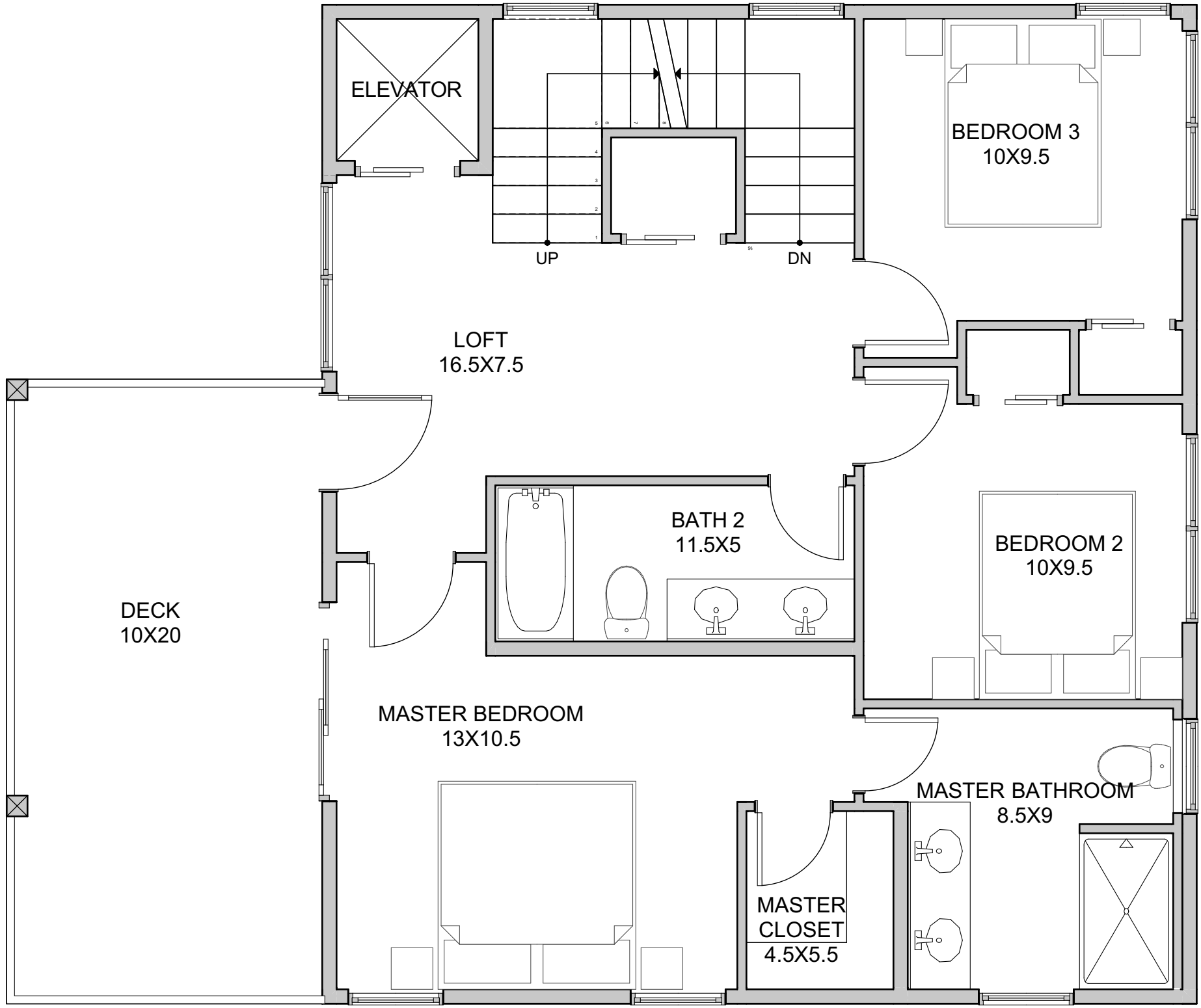


1  
A-2

UPPER FLOOR

SCALE: 1/4" = 1'-0"

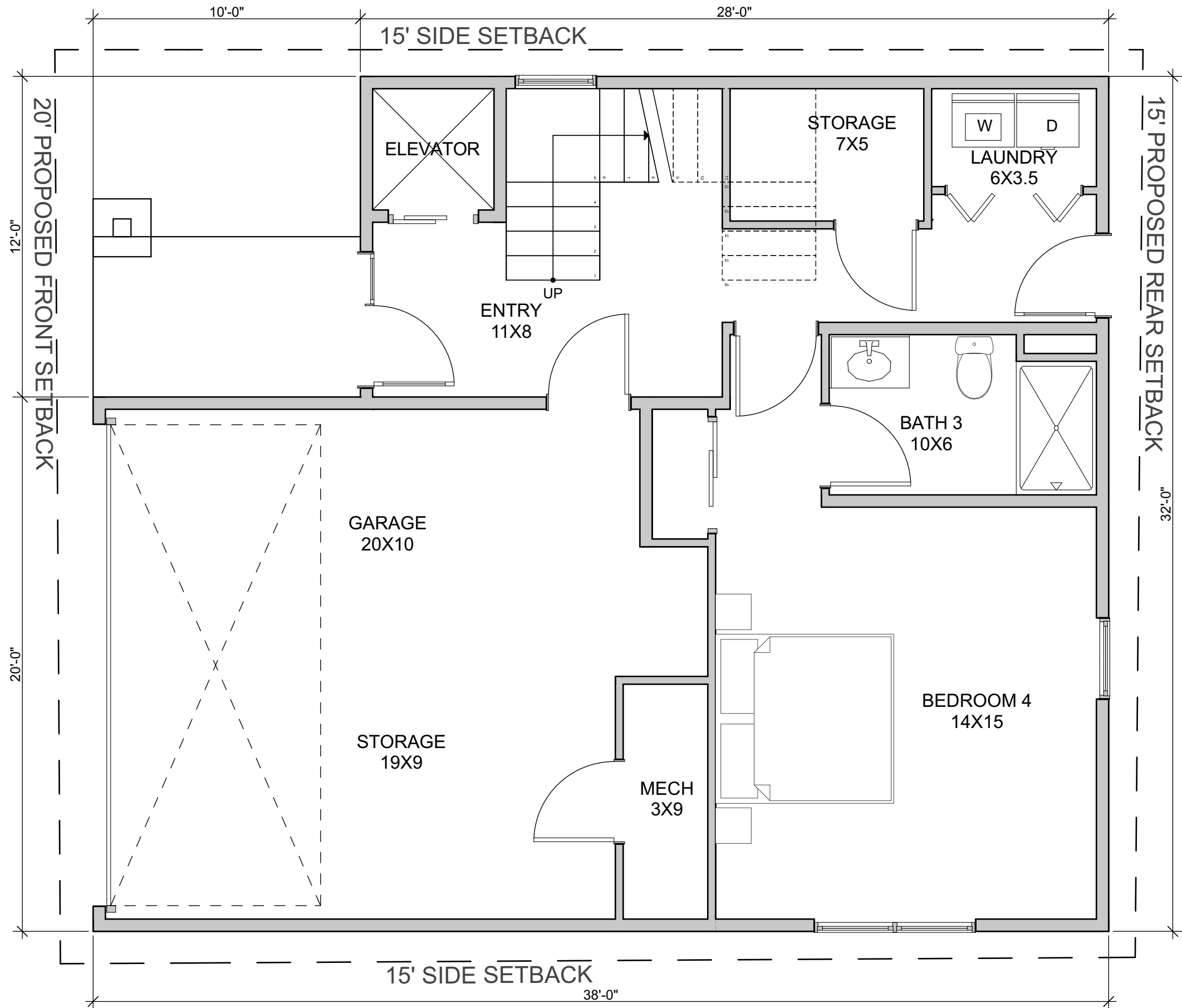
BUILDING AREA CALCULATIONS			
	FINISHED	UNFINISHED	TOTAL
LOWER FLOOR	642	454	1,096
MAIN FLOOR	866	-	866
UPPER FLOOR	703	-	703
TOTAL:	2,211	454	2,665
NOTES: UNFINISHED INCLUDES GARAGE & MECH			



2  
A-2

MAIN FLOOR

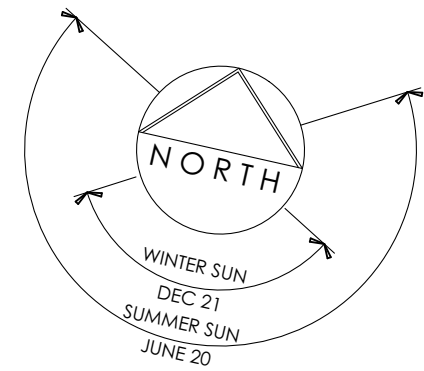
SCALE: 1/4" = 1'-0"



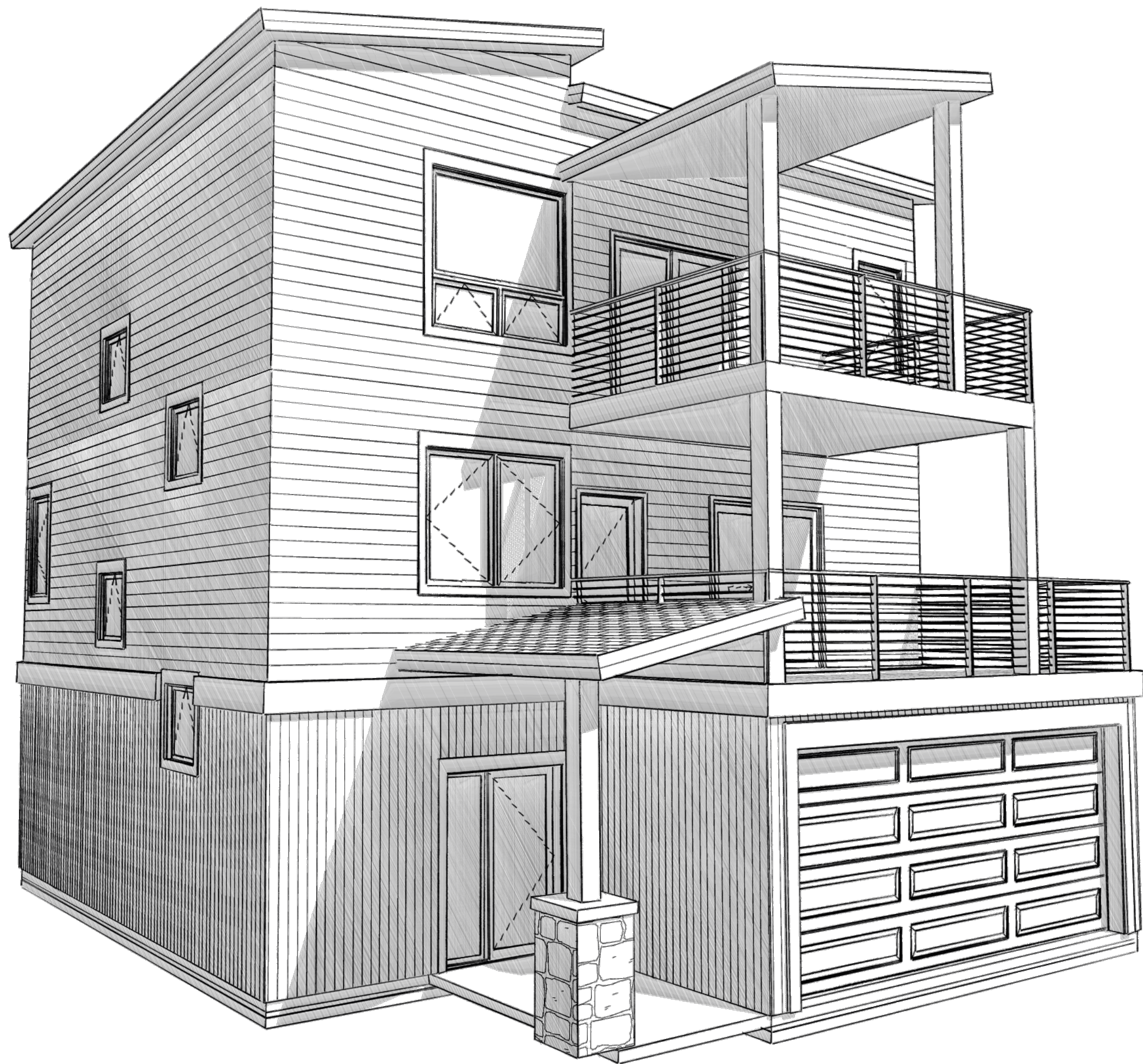
3  
A-2

LOWER FLOOR

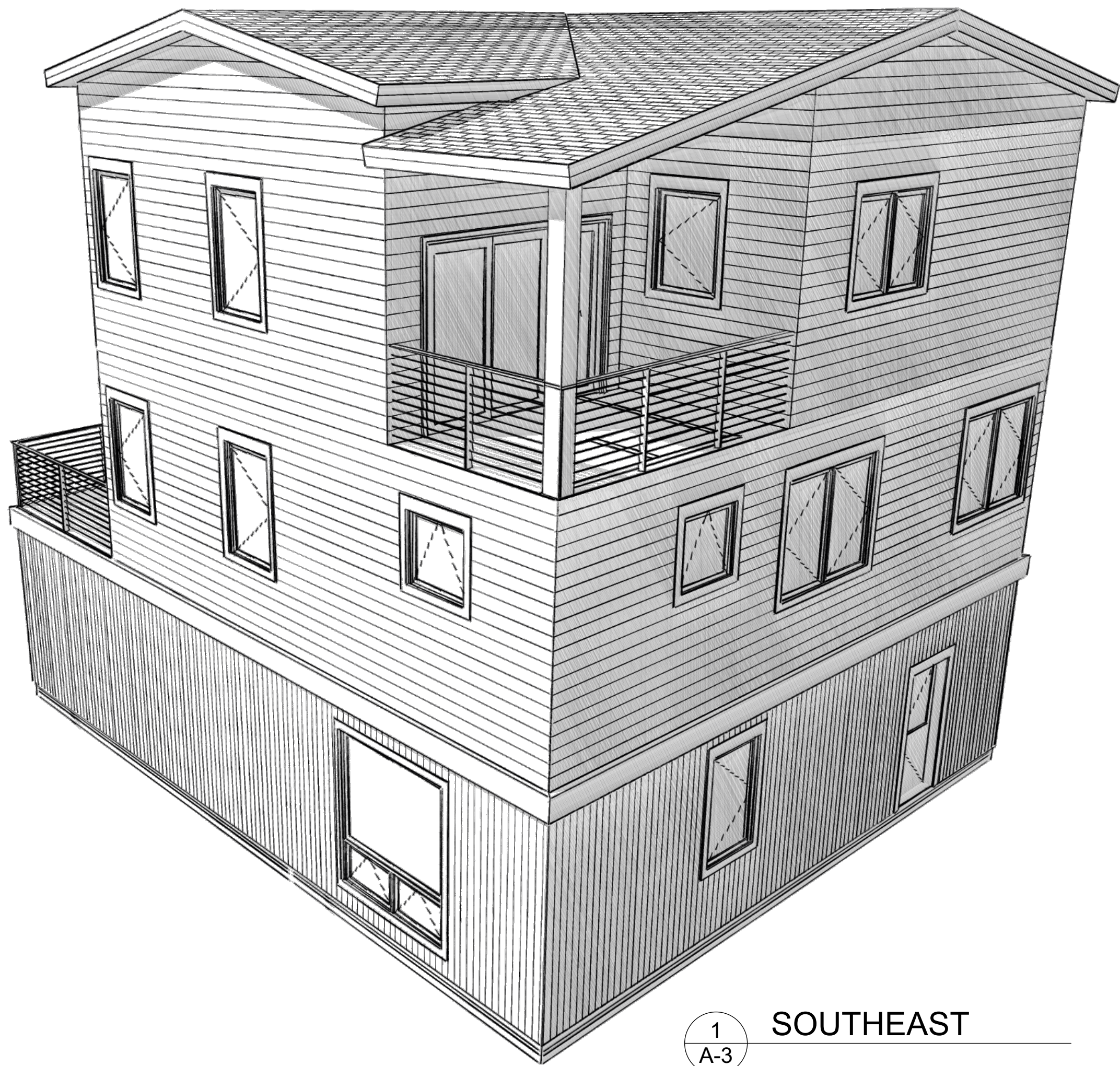
SCALE: 1/4" = 1'-0"



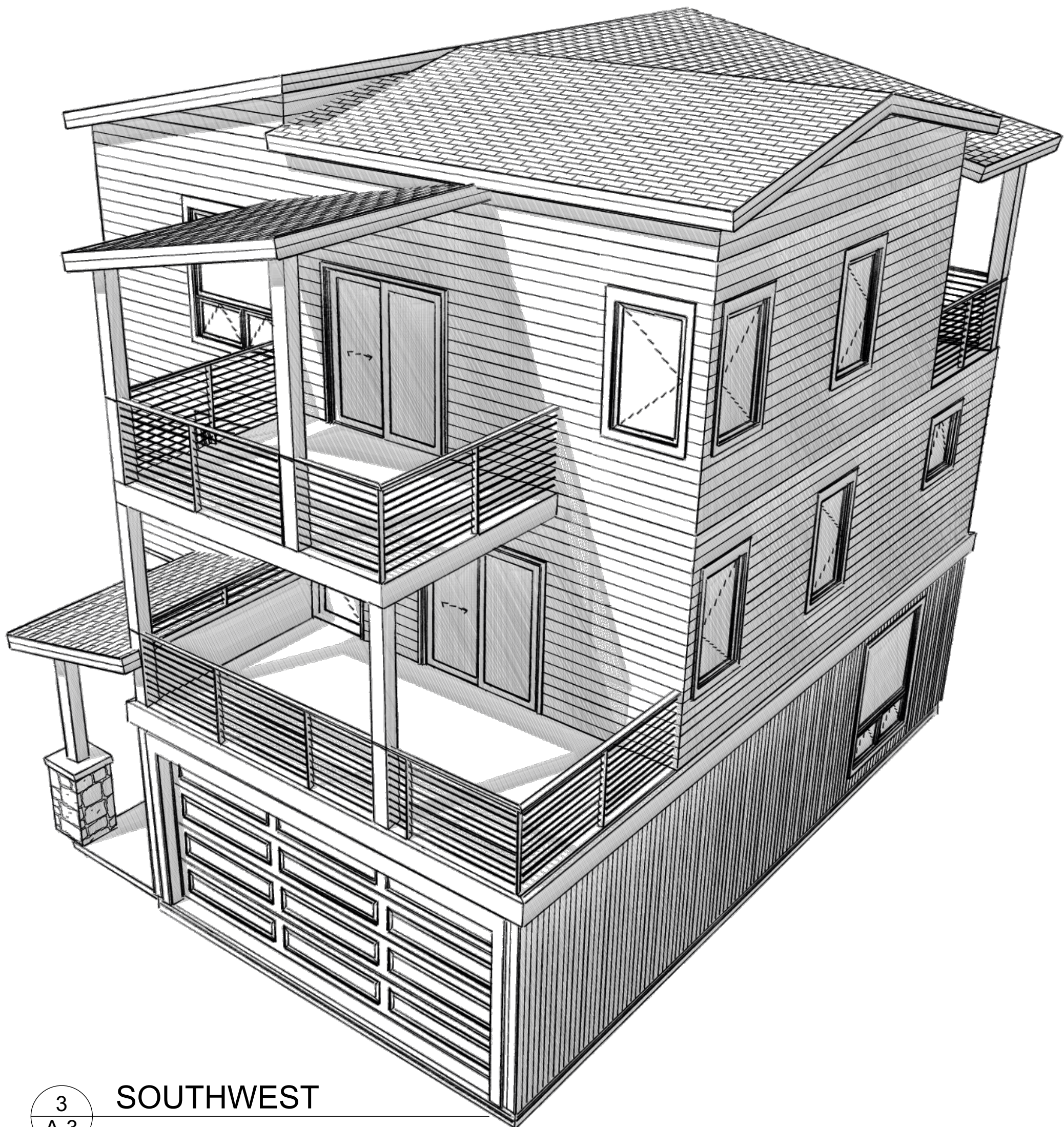




2  
A-3  
NORTHWEST



1  
A-3  
SOUTHEAST



3  
A-3  
SOUTHWEST



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## STOUT RESIDENCE

236 RASOR DR  
KEYSTONE, CO

### CONCEPTUAL PERSPECTIVES

JOB 2413  
DWN BY NJ  
ISSUE  
09/26/24 - VARIANCE APP  
10/22/24 - VARIANCE APP RESUB

SHEET

A-3





ARAPAHOE  
ARCHITECTS

Date: September 26, 2024

To: Town of Keystone  
Community Development Dept  
Attn: Lindsay Hirsh

Re: Stout Residence  
236 Rasor Dr.  
Keystone, CO 80435

### **Variance Application Project Narrative**

We are seeking a variance on the setback requirements for this lot to accommodate a single family residence. A 5' variance is requested on the front setback (resulting in a 20' front setback) and a 10' variance on the rear setback (resulting in 15' rear setback).

The 15 total feet of setback variance requested is in keeping with approved variances on other lots in the subdivision (Lot 2: 14 feet, Lot 4: 26 feet, Lot 17 & 41: 15 feet). This variance also maintains a minimum setback of 15' on all sides, whereas previous setback variances for Lots in the subdivision have allowed setbacks to be reduced to 10' or less (Lot 2: 1' front setback, Lot 4: 9' rear and 10' side setbacks, Lot 17 & 41: 10' side setback). The proposed total square footage of the residence (2,665 sf) is also in line with the total square footage of the residences on these lots (Lot 2: 2,300 sf, Lot 4: 1,727 sf, Lot 17: 3,452 sf, and Lot 41: 3,297 sf).

The lot was legally created prior to the current setback requirements being enacted. Strict adherence to the current setback requirements on this lot would result in undue hardship in the development of the property for its original intended use as a single family residence.

This variance allows for a more appropriate design for a residence in the neighborhood by allowing variation in the volume of the façade. Without this variance, the only solution for a viable 2,000 sf residence would be to build out to the existing setbacks, 3 stories up, creating a solid cube without any variation in the façade.

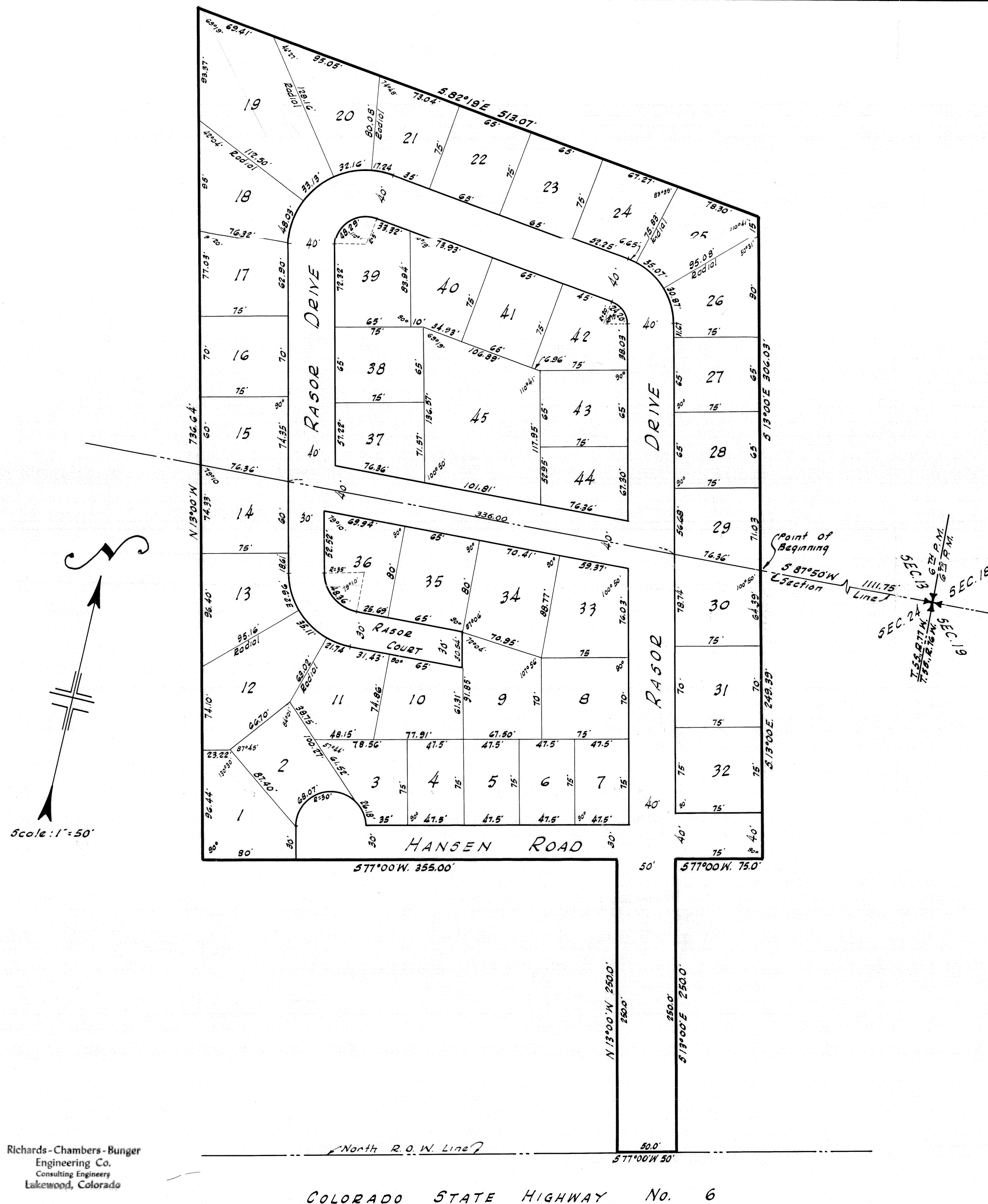
The total square footage for the project is 2,665 sf, of which 454 sf is unfinished (garage and mechanical) and 2,211 sf is finished. Proposed water supply is Snake River Water District. Proposed sewer disposal is a connection to Snake River Waste Water Treatment Plant. Gas and electric utility services will be provided by Xcel.

The project will comply with all other applicable sections of the Town of Keystone development code.

Sincerely,



# LOVELAND PASS VILLAGE



## DEDICATION

KNOW ALL MEN BY THESE PRESENTS:

That we the undersigned being the owners of a tract of land lying in the Southeast 1/4 of Section 13 and in the Northeast 1/4 of Section 24, Township 5 South, Range 77 West of the 6th Principal Meridian, Summit County, Colorado, more particularly described as follows:

Commencing at the Northeast corner of said Section 24; thence South 87°50' West, 1111.75 feet along the Section line common to said Section 13 and 24 to the true point of beginning; thence South 13°00' East, 249.33 feet; thence South 77°00' West, 7500 feet; thence South 13°00' East, 250.0 feet; thence South 77°00' West, 5000 feet; thence North 13°00' West, 250.00 feet; thence South 77°00' West, 355.00 feet; thence North 13°00' West, 736.64 feet; thence South 82°18' East, 513.07 feet; thence South 13°00' East, 306.03 feet to the true point of beginning. Containing 7.406 acres more or less, have laid out, subdivided, and platted, the same into lots and roads under the name and style of LOVELAND PASS VILLAGE, and do hereby dedicate and convey to Summit County in the simple, for public use, the platted roads as shown hereon.

Raymond E. Rosor  
Owners and Subdividers

Ramall Rosor  
Owners and Subdividers

STATE OF COLORADO } ss  
COUNTY OF JEFFERSON }

The foregoing instrument was acknowledged before me this 9th day of May A.D. 1960 by Raymond E. Rosor and Rama E. Rosor.

Witness my hand and official seal.

My commission expires: March 2, 1963

Kenneth E. Richards  
Notary Public

## ENGINEER'S CERTIFICATE

I, J. Russell Chambers, a registered Professional Engineer and Land Surveyor in the State Of Colorado, do hereby certify that the plat and survey of LOVELAND PASS VILLAGE was made by me and under my supervision and that both are accurate to the best of my knowledge.

Dated this 9th day of May A.D. 1960.

J. Russell Chambers  
Registered Professional Engineer And Land Surveyor

## ATTORNEY'S OPINION

I, Robert A. Theobald, being an Attorney-at-Law duly licensed to practice before courts of record of Colorado, do hereby certify that I have examined the titles of all lands herein dedicated and shown upon the within plat as a public way and that title to such lands is in the dedicators free and clear of all liens and encumbrances.

Dated this 9th day of May A.D. 1960.

Robert A. Theobald  
Attorney-at-Law

## COUNTY CLERK AND RECORDER'S ACCEPTANCE

Accepted for filing in the office of the CLERK and RECORDER of SUMMIT COUNTY this 3 day of June A.D. 1960.

Reception Number 91804 Time 10:30 A.M.

Harriet Freeman  
County Clerk and Recorder

By: Deputy County Clerk

Richards-Chambers-Bunger  
Engineering Co.  
Consulting Engineers  
Lakewood, Colorado

#91804

A TOPOGRAPHIC MAP OF  
**LOT 38, LOVELAND PASS VILLAGE**  
SUMMIT COUNTY, COLORADO

LOT 41

LOT 39

LOT 40



LOT 45

GRAPHIC SCALE



( IN FEET )  
1 inch = 10 ft.

DATE OF FIELD SURVEY: 06/19/2024  
CONTOUR INTERVAL=1 FOOT

LEGEND

- FOUND REBAR & YELLOW PLASTIC CAP
- FOUND #4 REBAR
- UTILITY PEDESTAL
- Ø UTILITY POLE



NOTE: ACCORDING TO COLORADO LAW, YOU MUST COMMENCE ANY LEGAL ACTION BASED UPON ANY DEFECT IN THIS SURVEY WITHIN THREE YEARS AFTER YOU FIRST DISCOVER SUCH DEFECT. IN NO EVENT MAY ANY ACTION BASED UPON ANY DEFECT IN THIS SURVEY BE COMMENCED MORE THAN TEN YEARS FROM THE DATE OF THE CERTIFICATION SHOWN HEREON.

Drawn LLB/GAW/ESH	Dwg 22005TP	Project 22005
Checked JJK	Date 06/21/2024	Sheet 1 of 1
<b>RANGELAND SURVEYING, INC.</b> ENGINEERS & SURVEYORS		
P.O. Box 589 Silverthorne, CO 80498 970-468-6281		



# **Town Council**

December 10, 2024

## **Case #TOK24-012**

Variance Request for 0236 Rasor Dr, Lot 38, Loveland Pass Village



## Variance Request:

**Location:** Lot 38, Loveland Pass Village  
Subdivision, 0236 Rasor Drive

**Zoned:** R-2 (Residential-2, 20k SF lot size min.)

**Lot Size:** 0.11-acre lot (4,838 SF)

**Proposed:** Single-Family residence

**Applicant:** Bobby Craig, Arapahoe Architects



# Town of Keystone





View of subject property from Razor Drive



View along north property line





View towards north property line



View towards south property line



# Setback Variance Request

- 5' Front yard setback Variance request
- 10' Rear setback Variance request

## Code Setback Requirement

Front Setback: 25-ft

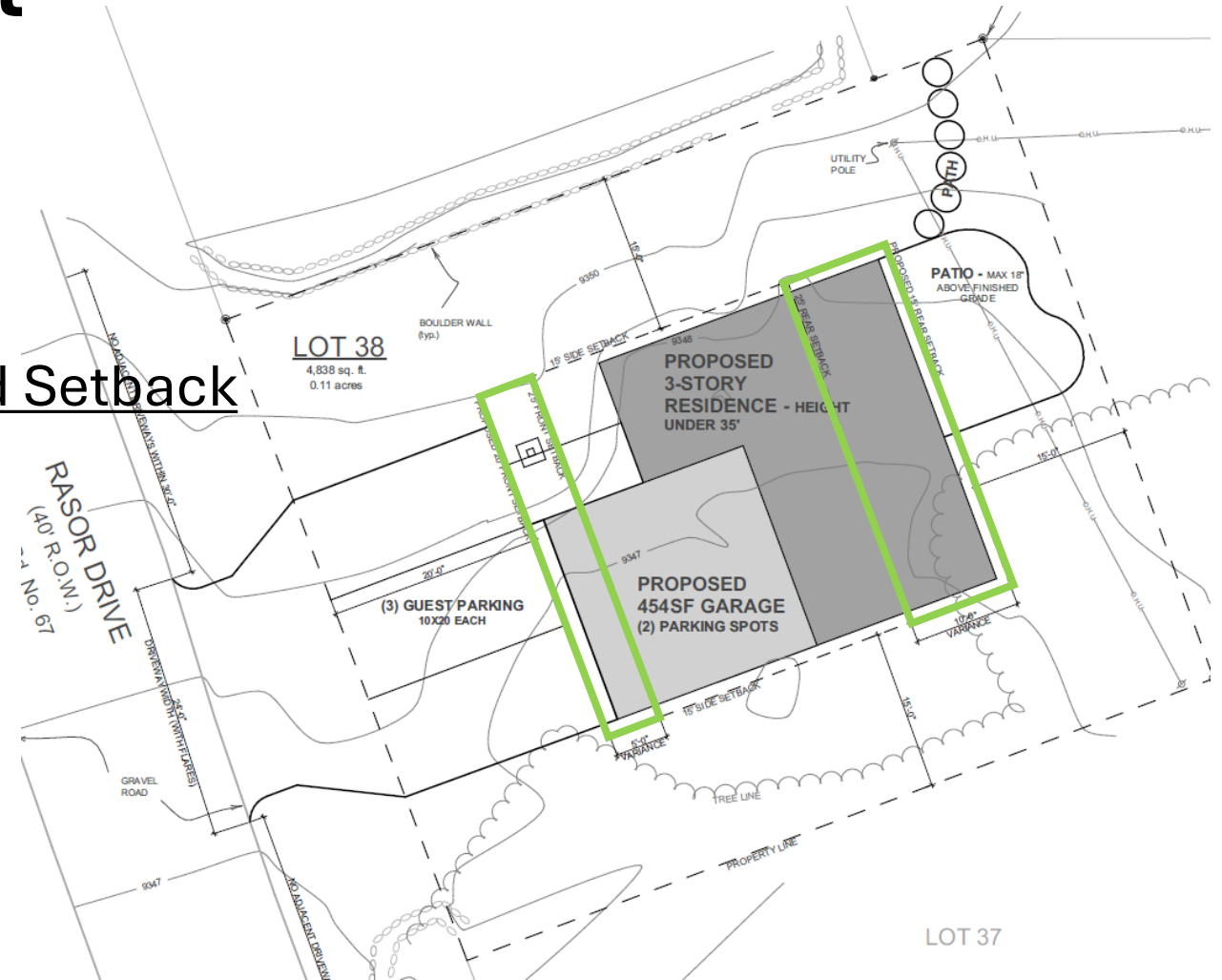
Rear Setback: 25-ft

- 15' side setbacks per Code (unvaried)

## Proposed Setback

20-ft

15-ft



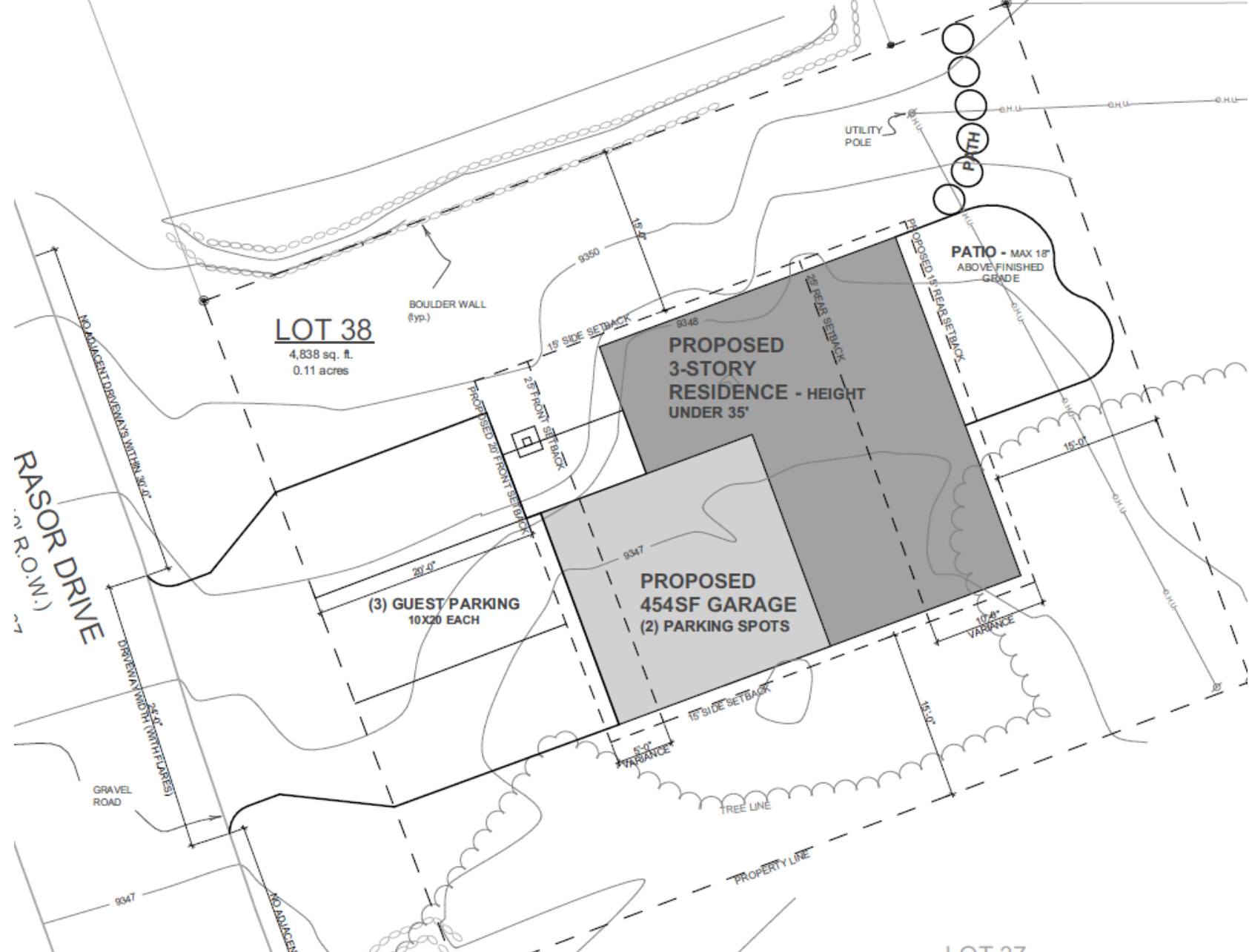
# Site Plan

**Zoned R-2; Single-Family residence**

**0.11-acre lot (4,838 SF)**

**Footprint Area: 1,096 SF proposed**

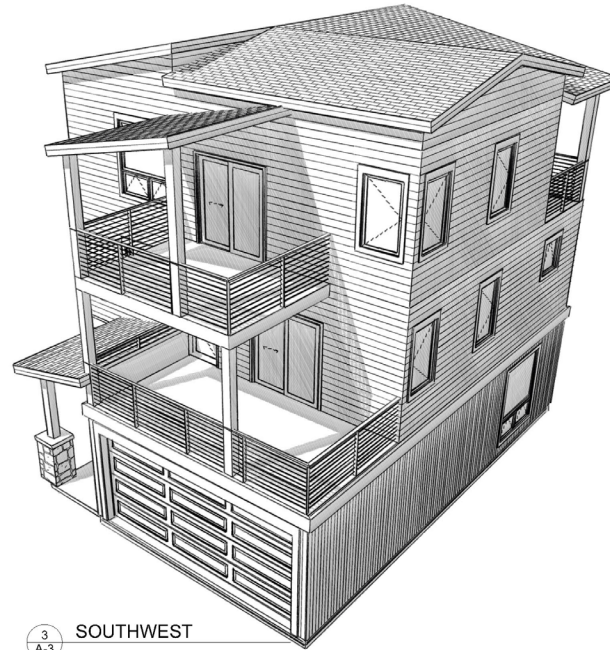
**Total SF Area: 2,665 SF proposed**



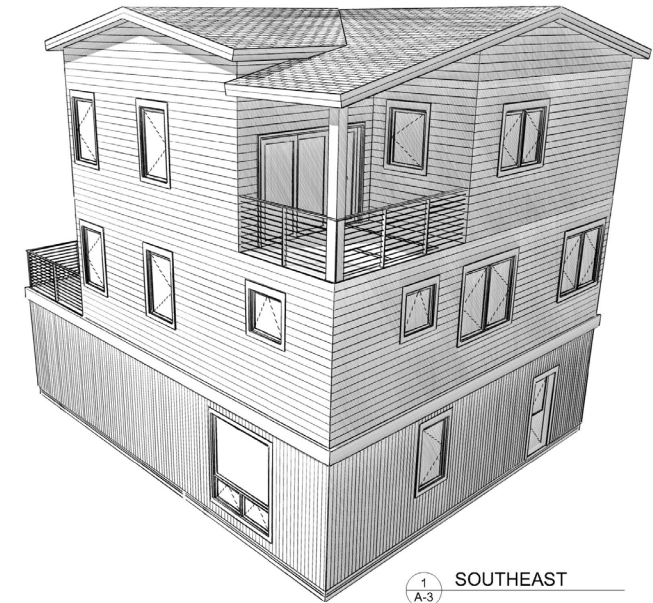
# Perspective Images Views



2  
A-3 NORTHWEST



3  
A-3 SOUTHWEST



1  
A-3 SOUTHEAST



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ARCHITECTS

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STOUT RESIDENCE  
236 RASOR DR  
KEystone, CO

CONCEPTUAL  
PERSPECTIVES

JOB 2413  
DRAWN BY NJ  
ISSUE  
08/2024 - VARIANCE APP.  
10/2024 - VARIANCE APP PRELIM

SHEET

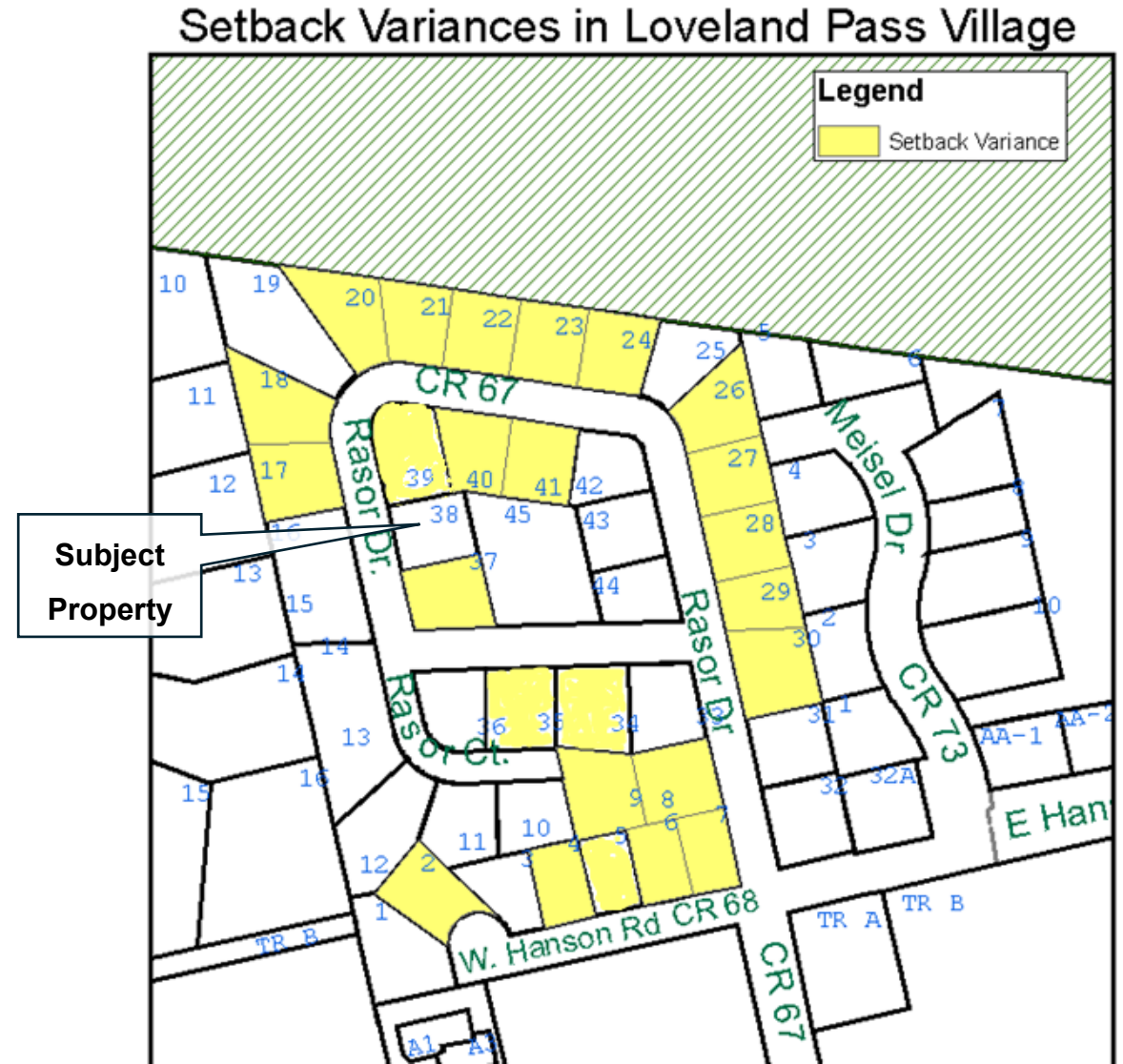
Town of Keystone



# Background & History

- LPV platted in 1960 before zoning was in-place (approx. 4k-6K SF lot sizes)
- Zoned R-2 by the County in 1969 (required 20k SF lots size)
  - All lots became legally non-conforming (legally established approx. 4k-6K SF lots) despite zoning requiring 20k SF lots
- Town of Keystone carried over and adopted the same zoning in 2024
- **Per records, 25-lots in LVP have received setback variances over the years for homes, additions, and garages**

**Historically, County BOA:** Setbacks for R-2 are designed for 20k SF lots. Lots less than 20k SF in area may warrant reduced setbacks to accommodate homes up to 1,200 SF footprint.



# Setback Variance Approvals

BOA Case #	Lot #	Approval Date	Setback Variance Granted	Resulting Setbacks Granted	Lot Size (acres)
BOA #80-12	Lot 2	8/13/1980	House - 15' rear	10' rear	0.14
BOA #04-08	Lot 2	10/20/2004	Garage - 14' side setback variance	1' side	0.14
BOA #03-05	Lot 4	6/18/2003	House - 16' rear, 5' side	9' rear, 10' side	0.08
PLN #09-029	Lot 5	6/17/2009	House addition - 14' rear, 13' side, 7' side	11' rear, 2' side, 8' side	0.08
BOA #75-14	Lot 6	11/26/1975	Undocumented	Undocumented	0.08
BOA #92-02	Lot 7	5/20/1992	Undocumented	Undocumented	0.08
BOA #87-01	Lot 8	4/15/1987	Undocumented	Undocumented	0.12
BOA #84-10	Lot 8	9/12/1984	Undocumented	Undocumented	0.12
BOA #90-16	Lot 9	1/16/1991	Undocumented	Undocumented	0.12
BOA #84-09	Lot 9	9/12/1984	Undocumented	Undocumented	0.12
BOA #03-02	Lot 17	5/21/2003	House - 10' rear	15' rear	0.12
BOA #78-13	Lot 18	8/29/1979	Undocumented	Undocumented	0.15
BOA #79-01	Lot 20	3/21/1979	House - 20' rear, 10' side	5' rear, 5' side	0.15
BOA #76-12	Lot 21	1/6/1977	House- 19' rear, 5' side	6' rear, 10' side	0.11
PLN# 21-099	Lot 21	2/16/2022	Garage - 10' side	Garage 5' side, existing house 6.1' rear, 9.7' side	0.11
BOA #77-04	Lot 22	5/20/1977	Undocumented	Undocumented	0.11
BOA #80-06	Lot 23	8/13/1980	House- 18' rear	7' rear	0.11
PLN #16-104	Lot 23	10/19/2016	House addition - 8.5' rear	16.5' rear	0.11
BOA #78-20	Lot 24	9/27/1978	Undocumented	Undocumented	0.1
BOA #97-20	Lot 26	2/18/1998	House - 5' front, 13' rear, 8' sides	20' front, 12' rear, 7' sides	0.12
BOA #98-16	Lot 27	2/17/1999	House- 17' rear	8' rear	0.11
BOA #06-07	Lot 27	11/7/2006	House - front 6.5', side 7', rear 13'	front 18.5', rear 12' , side 8'	0.11

BOA Case #	Lot #	Approval Date	Setback Variance Granted	Resulting Setbacks Granted	Lot Size (acres)
BOA #76-8	Lot 28	8/30/1976	Undocumented	Undocumented	0.11
BOA #78-01	Lot 29	5/3/1978	Undocumented	Undocumented	0.11
BOA #79-07	Lot 29	7/11/1979	Undocumented	Undocumented	0.11
BOA #75-09	Lot 30	8/27/1975	Undocumented	Undocumented	0.12
PLN #09-114	Lot 34	1/20/2010	House - 13' rear, 4' sides	12' rear, 11' sides	0.13
PLN #13-018	Lot 35	5/15/2013	Garage side 5.2'; Existing House 21.5' rear, 6.5' side	Garage side 9.8'; House rear 4.5', side 8.5'	0.12
BOA #98-01	Lot 37	2/19/1998	House addition - 6' front, 19' rear, 5' sides	19' front, 6' rear, 10' side setback	0.11
PLN #16-126	Lot 39	1/18/2017	Garage and deck - 9' rear	16' rear	0.13
BOA #97-06	Lot 40	5/21/1997	House - 5' front, 5' side	20' front, 10' sides	0.1
BOA #01-05	Lot 41	7/18/2001	House - 11.5' front, 7' side	13.5' front, 8' side	0.11
BOA #97-05	Lot 41	5/21/1997	House addition- 15' rear	10' rear	0.11
BOA #86-08	Lot 41	8/20/1986	Undocumented	Undocumented	0.11

## Denials\*

BOA Case #	Lot #	Denied Date	Setback Variance Requested	Resulting Setbacks Requested	Lot Size (acres)
BOA #77-03	Lot 9*	7/5/1977	Undocumented	Undocumented	0.12

\* Lot 9 later received Variance approvals in 1984 and 1991

# CRITERIA FOR REVIEW

Section 12503.01 of the Town Land Use Code, states that “the following criteria and standards shall be met and findings made by the Town Council to approve variances to development regulations and standards (except variances to minimum lot size requirements)”:

**1.** The strict application of the Town’s Zoning Regulations would result in peculiar and exceptional practical difficulties to, or exceptional and undue hardship upon, the property owner in the development of the property because of special circumstances applicable to the property such as size, shape, topography or other extraordinary or exceptional physical conditions.

- Based on the constrained shape and size of the approx. 4,800 SF lot, it is staff’s opinion that an undue hardship would exist without the granting of a setback variance to the R-2 setbacks that are intended for 20,000 SF lots.

# CRITERIA FOR REVIEW

2. The variance can be granted without substantial detriment to the public health, safety and welfare.
  - The proposed setback variances, and subsequent home, will *not* cause substantial detriment to the public health, safety and welfare that staff can identify. The case was referred to partner agencies, and no referral agency expressed any concern with the proposed variance to the setbacks.

# CRITERIA FOR REVIEW

**3.** The variance can be granted without substantial impairment of the intent of the Town's Zoning Regulations.

- The proposed setback variance and single-family home is a compatible residential land use of the neighborhood and the R-2 zone, it will allow for adequate light and air.
- The proposed single-family home will be required to comply with all other development and zoning regulations at time of permit. The proposed home is not located within environmental hazard areas, and does not impair the Town's natural resources and scenic beauty.



# CRITERIA FOR REVIEW Cont'd

4. Granting the variance does not constitute a grant of special privilege in excess of that enjoyed by other property owners in the same zoning district.
- The variance would *not* constitute a grant of special privilege as previously there have been 25 documented lots of similar size and zoned R-2, in the Loveland Pass Village neighborhood with similar setback variances that have been granted.
  - Variances have previously been granted for homes, additions, garages, and some variances have also included decks. Existing homes, garages, and decks encroach into setbacks on other lots.

# CRITERIA FOR REVIEW Cont'd

**5.** Reasonable use of the property is not otherwise available without granting of a variance and the variance being granted is the minimum necessary to allow for reasonable use.

- Historically, a 1,200 SF building footprint was deemed a reasonable sized use for a single-family home in the R-2 zone by the County. This determination goes back to at least 1997, but is not binding upon Town Council.
- The proposed setback variance will accommodate a 1,096 square foot building footprint, for a single-family home that will be required to meet all other standards of the Land Use Code.
- There is no area to build the proposed footprint without encroaching into the setbacks, due to the constrained lot size. Therefore, the requested setback variance is the minimum necessary to accommodate the 1,096 SF footprint house as proposed.

# CRITERIA FOR REVIEW Cont'd

**6.** The parcel for which the variance is being granted was not created in violation of Town zoning or subdivision regulations, or in violation of Colorado State Statutes.

- This parcel was legally created via the subdivision plat for Loveland Pass Village recorded in June 1960, which established this lot at approximately 4,838 SF in size, prior to the creation of the R-2 zoning district.

# Suggested Motion

Staff recommends that the Town Council **approve** TOK24-012, a Class 4 variance request for a proposed single-family residence located at 0236 Rasor Drive (0.11-acre lot), with the findings as attached in the resolution.

I move to APPROVE RESOLUTION 2024-71 APPROVING TOK24-012, a Class 4 variance request for a proposed single-family residence located at 0236 Rasor Drive (0.11-acre lot), to allow a 20' front yard setback (a 5' front yard variance), and a 15' rear yard setback (a 10' rear yard variance); Zoned R-2, located at Lot 38 Loveland Pass Village Subdivision.

## Alternative Motion:

I move to DENY Resolution 2024-71 and to direct the Town Attorney to draft a resolution denying the variance request in TOK24-012.

**From:** [Patti Banks](#)  
**To:** [Lindsay Hirsh](#); [Andrew Collins](#)  
**Subject:** Fw: Objection to lot 38 variance  
**Date:** Monday, November 25, 2024 7:27:09 PM

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## **Statement to the Keystone Town Council**

**From:** Patti and Tommy Banks, Residents of Loveland Pass Village

**Subject:** Objection to the Variance Request for Lot 38 (Front Variance and 2 deck variances)

Dear Members of the Keystone Town Council,

We are writing to formally object to the variance request for Lot 38, specifically the proposed front variances with decks. This request, if approved, would significantly impact the character and well-being of our neighborhood.

Under the criteria for Descions and finding for approval variances it states:  
Reasonable use of this property is not otherwise available without granting of a variance being granted is the minimum necessary to allow reasonable use. The plans for this house is for over 2600 square feet including **4** bedrooms, **3** decks, a **2** car garage and an **elevator**. Would these plans be minuim necessary to allow reasonable use on our small LPV lots? We believe not.

As far as We can fiquire, there have only been 4 front variances allowed in Loveland Pas village period. One of our neighbors wanted to apply for front variances on two different houses, in 2010 and 2013 and the Summit Planning Dept said that front variances were not being approved, due to snow removal interference. We are wondering how many other people tried to apply for a front vareince and were told that they were not longer being approved.

We object to the 2 front decks variances. These 2 decks built outside the setbacks would not be nessassary for reasonable use, and would impact our nieghborhood with outside noise levels increasing. Bigger decks, more noise. Sadly this has been a pattern in LPV.

We want Eddi and Randy to be able to build their house and we want it to fit reasonably into their small lot.

Thank you for considering our concerns.

Patti and Tommy Banks

**From:** [Lindsay Hirsh](#)  
**To:** [Andrew Collins](#)  
**Subject:** Fw: variance approval  
**Date:** Tuesday, November 26, 2024 8:47:55 AM

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My name is Julie Olsen, full time Loveland Pass Village Keystone resident, home owner, and business owner.

I am not able to be at the meeting tonight as I will be on the road.

I am concerned about the request for a set back variance on a home being built in Loveland Pass Village. The lot, as you have probably heard, is .11 acres. Pinched between 2 long standing, modest homes, the owners would like to develop a large home that, with the variance, would take up almost every last square foot of the lot.

Our neighborhood has been here before the ski area was here. Mountain cabins were built back when people wanted a small, functional escape to the mountains. Our small, private neighborhood has small lots. Over the years, variances have been given to build large homes. A few of these sit tall, square, white and awkward-obviously just built to fill every square inch they could squeeze out of the variance they were given. These houses fill small spaces in an otherwise quaint, quiet neighborhood of homey, lived in and sometimes worn out homes.

There is no reason for a variance to be requested except for needing to build something that is too big for the lot. The owners of the lot knew the size of the lot when they purchased it. There have always been homes on either side of the lot, so they also knew that space allowance was tight and close to their neighbors. I understand there have been variances given in the past, but some of these homes are the big, square, ugly, homes that take away from the neighborhood's character.

This variance would also allow them to build a big deck (or 3?) that would hold enough people to create noise nuisance for the whole neighborhood-and a noise problem for the closest neighbors.

I would like to see our neighbors be able to build a house but would love to see them build a home for their family to live in that is warm, welcoming, appropriate size for the lot it is

meant for.

Two more items:

\*Please prioritize setting residential zones for Keystone ASAP.

\*Immediately PAUSE all new development until Keystone's infrastructure is dealt with and we have a Master Plan.

I truly appreciate your consideration to not approve.

Julie

Sent from the top of a mountain somewhere-

Julie Olsen  
970-389-0114

Sent from My iPhone.  
Please excuse brvty and tipos.  
Thank you.

**To:** Andrew Collins; Lindsay Hirsh

**Subject:** Proposed variance

**Date:** Wednesday, December 4, 2024 9:23:31 AM

Hi Andrew

Please disregard the previous Email I sent to you. This is the copy I meant to send and would like it in the Town Council package.

**Public Statement on Proposed Variance: Lot 38. LPV**

My name is Kathy Rogg, a 35 year resident of Loveland Pass Village living at 277 Razor Dr, Lot 35. I oppose the variance request for Lot 38. The report claims the variance “will not cause substantial detriment to the public health, safety, and welfare of our neighborhood”. I strongly disagree. I have informally expressed concerns verbally. I'm presenting them formally now.

The report says the variance is the "minimum necessary for reasonable use of the property,” yet the proposed house would be among the largest in Loveland Pass Village, with 2,665 square feet of living space including four bedrooms, three decks, and an elevator, and 454 sq ft. garage\storage space-- over 3100 Sq Ft. Our neighborhood is defined mostly by modest homes where we live comfortably in much smaller spaces.

A big concern is noise. This variance includes a two-story front deck and another on the back. No other front variances in our neighborhood have included two-story decks. There is already substantial noise from the deck on a variance on Lot 39, STR, property next to Lot 38. We been



told by the owners that Lot 38 will be a STR. We can't expect renters to limit deck use or keep noise levels down. Variances for expansive decks like these shouldn't be granted automatically in a quiet neighborhood with houses so close together. A front variance with a two-story deck would be an exception—and exceptions shouldn't set the rule.

The report shows many variances granted in LPV. However, 25 were for houses built well before our sewer system. They needed space for a house leach field on a .1 acre lot. Also, the report omits explanations for those denied or modified at the staff level. Many were automatically granted for rebuilding existing footprints. Lot 38 would be new construction, not from an existing footprint and no need for a leach field

For over 20 years, front variances haven't been granted in LPV to have room for clearance for snow removal on our road. The County planning office told me in person in 2010 when I was planning to build a new home on Lot 34, and again in 2013 when I rehabilitated my home on Lot 35, -- that front variances would be denied. A single exception was made in LPV in 2006 for Lot 27 where a huge capstone boulder limited space. There's no comparable reason to make an exception for Lot 38. The report claims reasonable use of the property is impossible without a variance. Even if true, it doesn't justify granting this specific request in full. The Council has the authority to conditionally approve by the requiring the owners to modify any part of the proposal. For example, you can deny the two-story front decks vertically on the Second and third floors above the variance.

I would like the Stouts to be able to build house suitable to the lot size. I ask the Council to consider this variance request carefully, recognizing it would set a harmful precedent, disrupt the quiet of our neighborhood, and diverge from established practices.

Respectfully submitted, Kathy Rogg

Dr. Jeremy R. Deem  
Jennifer P. Kagan  
206 Rasor Drive  
Keystone, CO 80435

10/17/2024

Town of Keystone Community Development Department,

I submit this letter regarding the following proposal:

Land Use Application: TOK24-012

Project Name: Class 4 - Lot 38 Loveland Pass Village Subdivision

Description: Class 4 – Variance to the front and rear setbacks for a single-family dwelling

We are the owners of 206 Rasor Drive, Lot 39 Loveland Pass Village Subdivision, the property bordering, and immediately to the north of the property with the proposed variance. We have owned the property since 2007, and have lived there, and have been members of the community since 2015. We know that we will not be the last owners of our property, so we advance this letter to you today not for only in our own names, but in the spirit of all residents and owners within Loveland Pass Village today and into the future.

We are disheartened at the proposal by Bobby Craig, Arapahoe Architects, and vehemently oppose the requested variances, for the following reasons:

1. Our primary opposition to the variances stems from the applicant's defiance of the reasoning behind the zoning regulations in Loveland Pass Village. Some may argue to the affect that our neighborhood was zoned incorrectly. This argument holds no weight, as the zoning accounted for the existence of many pre-existing homes in the neighborhood prior to zoning. As the neighborhood at that time already approached overcrowding, the zoning established at that time addressed the issue by restricting all new construction into the future. Purchasers of lots without existing structures into the future would be, were, and are aware of the zoning regulations. They are aware of the overcrowding in the neighborhood, and that the zoning regulations are existent as a means to allow owners to build on their lots, without detracting from the character of, and crowding within, the neighborhood. Bobby Craig and the owners of Lot 38 are aware of the reasoning behind the zoning, and submit their variance as an affront to both of these factors.
2. In a similar vein of reasoning, we were aware of the zoning guidelines within the neighborhood when we purchased our property in 2007. We knew that Lot 39 sat vacant, and assumed that someday, a residential structure would be built upon the lot. We also made our purchase with a likewise assumption that the proposed structure would fall within the guidelines of the zoning within the neighborhood, and also assumed that the proposers of said request would understand, and respect, the reasoning behind the zoning guidelines. Obviously, while the first of our assumptions have proven correct – that a residential structure will be built upon the lot – our secondary and tertiary assumptions have proven to be wildly inaccurate. This variance proposal abhorrently flies in the face of a respectful request. We wholeheartedly support the construction and future existence of a structure in accordance with the zoning regulations,

including front, back, sides, and height, but this structure appeals for the maximum on all regulatory size limitations, and then goes on to request two sizeable variances, totaling approximately 1300 square feet of living space. This strikes us as wholly untenable in the spirit of moderation, respect, and maintenance of the character of the neighborhood.

3. We support the addition of a two-car garage. The addition of a garage in our environment has been shown to be practicable accommodation, and has been supported not only in our neighborhood, but across Summit County for many years. A few properties within Loveland Pass Village have received variances for the addition of two-car garages. These variances, however, were granted to support the addition of the garage without the loss of pre-existing living space in homes that were smaller in square footage secondary to their being constructed in eras well prior to reasonable contemporary expectations. As there is no pre-existing home at Lot 38, these accommodations are entirely non-applicable. As there is plenty of space to construct a residence on the lot, and within reasonable contemporary expectations, without breaking the regulatory guidelines, no argument exists for the addition of residential space on the lot, garage or otherwise. This is especially true if the structure utilizes the full advantage of the three-story, 35-foot maximum envelope, which the proposal, with or without variances, does.

We submit this letter as much for current residents and visitors and ourselves, as we do for future residents and visitors to Loveland Pass Village. We hope that our lines of reasoning make sense. Please let us know if you have any questions.

While we are traveling during the meeting on Tuesday, November 26, we plan to attend virtually.

Respectfully,

Dr. Jeremy R. Deem

Jennifer P. Kagan


I, Town Clerk, Madeleine Sielu, affirm that the following notice has been posted verifying the continuation of public hearing items for the cancelled Town Council Meeting on November 26, 2024, to the Town Council Meeting on December 10, 2024.

“Both the Keystone Town Council Work Session and Regular Meeting scheduled for today, November 26, 2024, beginning at 4:00 p.m. and 7:00 p.m. respectively, have been cancelled due to inclement weather. All agenda items will be postponed and expected to be scheduled for the next regularly scheduled meeting on December 10, 2024.

Please note that the scheduled public hearings on the below items have been continued to the Regular Meeting on December 10, 2024, at 7:00 p.m.

- TOK24-012, A Class 4 Variance for a Proposed Single-Family Residence Located at 0236 Razor Drive, Lot 38, Loveland Pass Village Subdivision, to Allow a 20' Front Yard Setback (a 5" Front Yard Variance), and a 15' Rear Yard Setback (a 10' rear yard variance), zoner R-2: Applicant: Bobby Craig.
- Ordinance 2024-O-14, An Ordinance of Town Council of the Town of Keystone, Colorado, Implementing the Voter-Approved 2% Lodging Tax and Providing Penalties for the Violation Thereof”

The above notice was posted in the following locations on the website on November 26, 2024:

1. The Public Notices webpage: <https://keystone.colorado.gov/public-notice>
2. News alerts: <https://keystone.colorado.gov/news-article/keystone-town-council-meeting-cancelled-november-26-2024>
3. Events calendar: <https://keystone.colorado.gov/events/cancelled-town-council-work-session> and <https://keystone.colorado.gov/events/cancelled-town-council-regular-meeting>

Notice was posted on the front door of Town Hall on November 26, 2024.

Notice was posted on the Teams meeting link on November 26, 2024.

Madeleine Sielu      11/26/2024 @ 12:39 p.m.  
Signed, Madeleine Sielu, Town Clerk      Date and Time

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

**RESOLUTION 2024-73**

**A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO  
APPROVING TOK24-012, A CLASS 4 VARIANCE FOR A PROPOSED SINGLE-  
FAMILY RESIDENCE LOCATED AT 0236 RASOR DRIVE, LOT 38, LOVELAND PASS  
VILLAGE SUBDIVISION, TO ALLOW A 20' FRONT YARD SETBACK (A 5' FRONT  
YARD VARIANCE), AND A 15' REAR YARD SETBACK (A 10' REAR YARD  
VARIANCE), ZONED R-2. APPLICANT: BOBBY CRAIG, ARAPAHOE ARCHITECTS**

WHEREAS, the applicants have applied to the Town Council for a variance from the 25' front setback and from the 25' rear setback to allow for a single-family residence to be located 20 feet from the front property line, and 15 feet from the rear property line; on Lot 38, Loveland Pass Village, a 0.11 acre parcel zoned R-2, and;

WHEREAS, the Town Council reviewed the application at a public hearing on December 10, 2024, with public notice as required by law and considered the evidence and testimony presented at the hearing; and;

WHEREAS, the Town Council finds that the variance request with the evidence presented at the hearing meets the variance criteria as set forth in Section 12503.01 of the Town Land Use Code as set forth below.

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

Section 1. The Town Council finds and determines as follows:

1. The strict application of the Town's zoning regulations would result in peculiar and exceptional practical difficulties, or exceptional and undue hardship upon the property owner in the development of the single-family home on the property, because the small lot size relative to the R-2 setbacks necessitates a reasonable sized home as proposed, to encroach into the required setbacks.

2. The variance can be granted without substantial impairment to the public health, safety, and welfare as there are no public safety concerns associated with the proposed home.

3. The variance can be granted without substantial impairment to the intent of the Town's Zoning Regulations because the proposed single-family home is a compatible use with the R-2 residential neighborhood and is not located in an environmental hazard zone.

4. Granting the variance would not constitute a grant of special privilege since there have been numerous setback variances approved in Loveland Pass Village Subdivision, including for homes with footprint areas of up to 1,200 square feet.

5. Granting the variance would constitute the minimum necessary allowance for the reasonable use of a single-family home with a footprint area of approximately 1,096 square feet; and such reasonable use would not otherwise be available without granting of the variance.

6. The parcel for which the variance is being granted was not created in violation of Town zoning or subdivision regulations or in violation of Colorado State Statutes because the subject property was legally created via the plat for Loveland Pass Village Subdivision, recorded under Reception Number 91804 in 1960, prior to the adoption of the Town's zoning regulations in 2024.

Section 2. A request for a variance from the 25' front setback and from the 25' rear setback to allow a single-family residence to be located 20 feet from the front property line, and 15 feet from the rear property line; on Lot 38, Loveland Pass Village, a 0.11 acre parcel zoned R-2, is hereby approved.

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

**ADOPTED by a vote of\_\_in favor and\_\_against, this\_\_\_\_day of\_\_\_\_\_, 2024.**

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

ATTEST:

Approved as to Form:

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

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

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers  
THROUGH: John Crone, Town Manager  
FROM: Jennifer Madsen, Town Attorney  
DATE: December 10, 2024 – Town Council Meeting  
SUBJECT: [SECOND READING AND PUBLIC HEARING] Ordinance  
2024-O-14, Implementing The Voter-Approved 2% Lodging  
Tax And Providing Penalties For The Violation Thereof and  
Declaring an Emergency

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### **Executive Summary:**

On November 5, 2024, the Keystone voters who voted in the election overwhelmingly approved a ballot issue to impose a 2% lodging tax. The tax will be effective on January 1, 2025. To implement that tax, it is recommended that Town Council adopt an ordinance related to the process for the collection of the lodging tax.

This ordinance was approved on first reading with amendments. The amendments are addressed in more detail below.

Because the November 26, 2024, meeting was cancelled due to inclement weather, this ordinance is drafted as an emergency ordinance to take effect on January 1, 2025.

### **Recommendation:**

Staff recommends that Council approve Ordinance 2024-O-14 on second reading.

### **Background:**

Draft Ordinance No. 2024-O-14 implements the voter-approved 2% lodging tax within the Town of Keystone, to be effective starting January 1, 2025. Here is an overview of its



main elements:

1. Purpose: The tax is levied on short-term lodging rentals to fund capital infrastructure, highway safety, maintenance, and public safety. A special fund is created named the Lodging Tax Fund [Section 8].
2. Scope and Definitions:
  - The lodging tax applies to any person renting out accommodations such as hotels, motels, condos, and similar facilities [Definition of “lodging” in Section 3].
  - It defines key terms such as "lodging," "marketplace facilitator," and "vendor" [Section 3].
3. Collection and Remittance:
  - Vendors must collect the tax from purchasers and remit it to the town monthly [Section 7].
  - Marketplace facilitators are responsible for collecting and remitting the tax for sales made on their platforms [Section 7].
  - Vendors must maintain records for three years for auditing purposes [Section 6]. The three-year time frame is consistent with the statute of limitations for unpaid tax.
4. Exemptions [Section 5]:
  - Lodging for continuous stays of 30 days or more.
  - Transactions involving the U.S. Government, the State of Colorado, and qualified 501(c)(3) organizations.
5. Enforcement and Penalties [Section 13]:
  - Penalties for non-compliance include fines, interest on unpaid taxes, and potential audits.
  - Violations are subject to additional fines and legal proceedings, including liens on property and potential public auctions for unpaid taxes.
6. Administration:
  - The Town Manager (or designee) is empowered to oversee tax collection, audit records, and enforce compliance.
  - Confidentiality of tax information is protected, except for audits or as

required by law. This confidentiality is consistent with state law.

7. Appeals and Disputes:

- Vendors may appeal tax assessments within 10 days and must present their case in writing to the Town Manager. The Town Manager issues a decision on the assessment and the vendor can appeal that decision to the district court.

In sum, the ordinance ensures compliance with the lodging tax by setting detailed rules for tax collection, recordkeeping, and penalties for violations.

**Amendments to Ordinance 2024-O-14 from the first reading draft are:**

Section 8 to be identical to ballot question. Revised Section 8 to read as follows:

There is hereby established a Lodging Tax Fund. The revenue derived from the lodging tax shall be deposited in the Lodging Tax Fund. The revenues in the Lodging Tax Fund shall only be spent on capital infrastructure, projects, Highway 6 safety, maintenance (such as improvements to streets and trails), and public safety.

Section 4 revised to clarify that the lodging tax is levied on the date of the lodging stay.

Revised Section 4 to read as follows:

Effective January 1, 2025, there is hereby levied and shall be collected and paid a lodging excise tax of two percent (2%) by every person for a lodging stay. The two percent (2%) lodging tax is levied on the purchase price paid or charged for such lodging.

The lodging excise tax shall be paid and collected on all lodging stays occurring on or after January 1, 2025, regardless of the date the person reserved the lodging stay.

A lodging stay definition is added to Section 3.

*Lodging stay* means the act of occupying or using lodging.

A WHEREAS clause was added to clarify the intent is that the lodging tax is to be paid based on a lodging stay and for all stays on or after January:

**WHEREAS**, the effective date of the lodging tax is January 1, 2025, and all stays

on or after January 1, 2025, shall pay the 2% lodging tax;

### **Alternatives:**

Town Council may provide alternative direction on implementation of the lodging tax ordinance.

### **Financial Considerations:**

The financial considerations relate to the approval of the lodging tax. There are no financial considerations regarding the adoption of this ordinance other than administrative staff time in collecting the lodging tax.

### **Previous Council Actions:**

Town Council discussed the lodging session during work session in June, July and August of 2024 and adopted a resolution sending the 2% lodging tax to the voters for the November 5 election. Council approved the ordinance on first reading with amendments.

### **Next steps:**

If approved on second reading, the ordinance will be effective on January 1, 2025.

### **Suggested Motions:**

*Note: The emergency ordinance will need approval of  $\frac{3}{4}$  of the members of Town Council per the Town of Keystone Home Rule Charter Section 6.6.*

Approval:

I move to APPROVE Ordinance 2024-O-14, Implementing The Voter-Approved 2% Lodging Tax And Providing Penalties For The Violation Thereof And Declaring An Emergency

Denial:

I move to DENY Ordinance 2024-O-14, Implementing The Voter-Approved 2% Lodging Tax And Providing Penalties For The Violation Thereof And Declaring An Emergency

**Attachment:**

- Ordinance 2024-O-14, Implementing The Voter-Approved 2% Lodging Tax And Providing Penalties For The Violation Thereof and Declaring An Emergency

**TOWN OF KEYSTONE  
ORDINANCE NO. 2024-O-14**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE,  
COLORADO, IMPLEMENTING THE VOTER-APPROVED 2% LODGING TAX,  
PROVIDING PENALTIES FOR THE VIOLATION THEREOF, AND DECLARING AN  
EMERGENCY**

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

**WHEREAS**, under the Taxpayer's Bill of Rights, Article X, Section 20(4) of the Colorado Constitution ("TABOR"), governmental entities are required to obtain voter approval in advance for any tax rate increase; and

**WHEREAS**, by Resolution 2024-58, the Town Council ("Council") approved the submittal to the registered voters of the Town of Keystone a ballot question regarding the imposition of a lodging tax of two percent (2%) on short-term rental lodging within the Town of Keystone, with proceeds of such tax to be used for capital improvements and public safety; and

**WHEREAS**, on November 5, 2024, a majority of the qualified electors the Town of Keystone casting ballots in the election voted in favor of the 2% lodging tax on short-term; and

**WHEREAS**, the effective date of the lodging tax is January 1, 2025, and all stays on or after January 1, 2025, shall pay the 2% lodging tax; and

**WHEREAS**, in accordance with that mandate, the Town Council implements regulations for a lodging tax on short-term lodging in the Town; and

**WHEREAS**, the Town Council determines, based on the evidence and testimony presented at the public hearing, that the adoption of this emergency ordinance will further the health, safety, and welfare of the inhabitants of the Town and that the effective date of January 1, 2025, is for the best interests of the immediate preservation of financial security of the community and its citizens.

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

Section 1. Findings. The above and foregoing recitals are incorporated herein by reference and adopted as findings and determinations of the Town Council of the Town of Keystone.

Section 2. Legislative Intent. The legislative intent of the Town Council in enacting this Ordinance is that every person who, for consideration, leases or rents any



hotel room, motel room or other accommodation located in the Town shall pay, and every person who furnishes for lease or rental any such accommodation shall collect, the tax imposed by this Ordinance.

Section 3. Definitions. For purposes of this Ordinance, the following words shall have the following meanings:

*Lodging* means rooms or accommodations for overnight use furnished by any person or the representative of any person to any person who for consideration uses, possesses, occupies or has the right to use, possess or occupy any such room or accommodation in a hotel, condominium hotel, apartment hotel, condominium, lodging house, motel, motor hotel, guest house, guest ranch, resort, mobile home, mobile home park, auto court, inn, trailer court, trailer park or hotel, under any concession, permit, lease, contract, license to use or other similar arrangement.

*Lodging stay* means the act of occupying or using lodging.

*Marketplace* means a physical or electronic forum, including, but not limited to, a store, a booth, an internet website, a catalog, or a dedicated sales software application, where the remote sale of lodging within the town is offered.

*Marketplace facilitator* means

1. A person who:
  - a. Contracts with a marketplace seller or multichannel seller to facilitate for consideration, regardless of whether or not the consideration is deducted as fees from the transaction, the remote sale of lodging within the town through the person's marketplace;
  - b. Engages directly or indirectly, through one (1) or more affiliated persons, in transmitting or otherwise communicating the offer or acceptance between a purchaser and the marketplace seller or multichannel seller; and
  - c. Either directly or indirectly, through agreements or arrangements with third parties, collects payment from the purchaser on behalf of the seller.
2. *Marketplace facilitator* does not include a person that exclusively provides internet advertising that does not otherwise meet this definition.

*Marketplace seller* means a person, regardless of whether or not the person is engaged in business in the town, which has an agreement with a marketplace facilitator and offers the remote sale of lodging within the town through a marketplace owned, operated, or controlled by a marketplace facilitator.

*Multichannel seller* means a vendor that offers for the remote sale of lodging within the town through a marketplace owned, operated, or controlled by a marketplace facilitator, and through other means.

*Purchase or Sale* means the furnishing for consideration by any person of lodging within the Town.

*Purchaser* means any person exercising the taxable privilege of purchasing lodging.

*Tax* means either the tax payable by the vendor, or the aggregate amount of taxes due from the vendor, during the period for which the vendor is required to pay the occupation tax on the provision of lodging under this Ordinance.

*Taxpayer* means the vendor obligated to pay the tax under the terms of this Ordinance.

*Vendor* means a person making sales of or furnishing lodging to a purchaser in the Town, and includes, but is not limited to, a marketplace facilitator, a marketplace seller, or multichannel seller.

Section 4. Levy of tax. Effective January 1, 2025, there is hereby levied and shall be collected and paid a lodging excise tax of two percent (2%) by every person for a lodging stay. The two percent (2%) lodging tax is levied on the purchase price paid or charged for such lodging.

The lodging excise tax shall be paid and collected on all lodging stays occurring on or after January 1, 2025, regardless of the date that the person reserved the lodging stay.

Section 5. Exempt Transactions. The following entities and transactions are exempt from the duty to pay tax under this Ordinance but not the duty to collect and remit the tax levied hereby:

- (1) All lodging as defined in this Ordinance furnished to any person who resides continuously for a period of thirty (30) consecutive days or more in rooms or accommodations or has the right to reside pursuant to any written concession, permit, contract, license to use or other written arrangement.
- (2) The United States Government, the State of Colorado, its departments and institutions and the political subdivisions thereof including the city, when acting in their governmental capacities and performing governmental functions and activities; and
- (3) Charitable, religious, and eleemosynary organizations that have received from the Internal Revenue Service status under Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization, while in the conduct

of their regular charitable, religious or eleemosynary functions and activities.

Section 6. Collection of tax.

- (a) Every vendor making sales to a purchaser in the Town, which are taxable under the provisions of this Ordinance, at the time of making such sales is required to collect the tax imposed by section 4 from the purchaser.
- (b) The tax to be collected as provided by subsection (a) of this section shall be stated and charged separately from the sale price and shown separately from the sale price on any record thereof at the time when the sale is made or at the time when evidence of the sale is made or at the time when evidence of the sale is issued or employed by the vendor; provided, that when added such tax shall constitute a part of such purchase price or charge and shall be a debt from the purchaser to the vendor until paid and shall be recoverable at law in the same manner as other debts. The tax shall be paid by the purchaser to the vendor, as trustee for and on account of the town, and the vendor shall be liable for the collection thereof and on account of the town.
- (c) Taxes paid on the amount of gross sales which are represented by accounts which are found to be worthless and are actually and properly charged off as bad debts for the purpose of the income tax imposed by the laws of the state may be credited upon a subsequent payment of the tax herein provided; but if any such accounts are thereafter collected by the taxpayer, a tax shall be paid upon the amount so collected.
- (d) With respect to sales of lodging within the town made by marketplace sellers in or through a marketplace facilitator's marketplace, a marketplace facilitator has all the liabilities, obligations, and rights under this Ordinance.
- (e) The burden of proving that any transaction is exempt from the tax shall be upon the vendor.
- (f) It shall be the duty of every vendor to maintain, keep and preserve suitable records of all sales made by the vendor and such other books or accounts as may be required by the Town Manager or designee in order to determine the amount of the tax for which the vendor is liable under the Ordinance. It shall be the duty of every such vendor to keep and preserve for a period of three (3) years all such books, invoices and other records and the same shall be open for examination by the Town Manager or designee.

Section 7. Vendor responsible for payment of tax.

- (a) Amount: Every vendor shall add the tax imposed by section 4 to the purchase price or charge for lodging, and the vendor shall be liable and responsible to the town

for the payment on a monthly basis of an amount equivalent to such tax on all gross taxable sales, and also liable and responsible to the town for any collection in excess of that equivalent amount. Every vendor shall on its return round each calculation, as directed on such form as the finance director may require, to the nearest whole dollar and remit the rounded amount. In rounding under this section, any amount of forty-nine cents (\$0.49) or less shall be rounded down, and any amount of fifty cents (\$0.50) or higher shall be rounded up.

- (b) Returns: Every vendor shall on or before the twentieth (20) day of each month make a return to the Town Manager or designee for the preceding calendar month and remit to the finance director simultaneously therewith the total amount due the town as provided by subsection (a) of this section. Returns of the vendor, or the vendor's duly authorized agent, shall contain such information and be made in such a manner and upon such forms as the finance director may prescribe, and the finance director may, by regulation duly adopted, extend the time up to one (1) year for making returns and paying the tax due.

(c)

1. A marketplace facilitator engaged in business in the town is required to collect and remit lodging tax on all taxable sales of lodging within the town made by the marketplace facilitator, or facilitated by it for marketplace sellers or multichannel sellers to customers in the town, whether or not the marketplace seller for whom sales are facilitated would have been required to collect lodging tax had the sale not been facilitated by the marketplace facilitator.
2. A marketplace facilitator shall assume all the duties, responsibilities, and liabilities of a vendor. Marketplace facilitators shall be liable for the lodging taxes collected from marketplace sellers or multichannel sellers. The town may recover any unpaid lodging taxes, penalties, and interest from the marketplace facilitator that is responsible for collecting on behalf of marketplace sellers or multichannel sellers.
3. The liabilities, obligations, and rights set forth under this section are in addition to any duties and responsibilities the marketplace facilitator has under this Ordinance if it also offers lodging within the town for sale through other means.
4. A marketplace seller, with respect to sale of lodging within the town made in or through a marketplace facilitator's marketplace, does not have the liabilities, obligations, or rights of a vendor under this section if the marketplace seller can show that such sale was facilitated by a marketplace facilitator:
  - i. With whom the marketplace seller has a contract that explicitly provides that the marketplace facilitator will collect and remit lodging

tax on all sales of lodging within the town subject to tax under this Ordinance; or

- ii. From whom the marketplace seller requested and received in good faith a certification that the marketplace facilitator is registered to collect lodging tax and will collect lodging tax on all sales of lodging within the town subject to tax under this Ordinance made in or through the marketplace facilitator's marketplace.
  5. If a marketplace seller makes a sale that is not facilitated by a licensed marketplace facilitator in a marketplace, the marketplace seller is subject to all of the same licensing, collection, remittance, filing and recordkeeping requirements as any other vendor.
  6. With respect to any sale of lodging within the town, the town shall solely audit the marketplace facilitator for sales of lodging within the town made by marketplace sellers or multichannel sellers but facilitated by the marketplace. The town will not audit or otherwise assess tax against marketplace sellers or multichannel sellers for sales facilitated by a marketplace facilitator.
- (d) All sums of money paid by the purchaser to the vendor as taxes imposed by this Ordinance shall be and remain public money, the property of the Town, in the hands of vendor, and the vendor shall hold the same in trust for the sole use and benefit of the town until paid to the Town Manager as herein provided. The vendor shall be in violation of this Ordinance for failure to pay such taxes.

Section 8. Lodging Tax Fund created. There is hereby established a Lodging Tax Fund. The revenue derived from the lodging tax shall be deposited in the Lodging Tax Fund. The revenues in the Lodging Tax Fund shall only be spent on capital infrastructure, projects, Highway 6 safety, maintenance (such as improvements to streets and trails), and public safety.

Section 9. Audit of records.

- (a) For the purpose of ascertaining the correct amount of the occupation tax on the provision of lodging due from any person engaged in such business in the Town under this Ordinance, the Town Manager, or designee, or an authorized agent may conduct an audit by examining any relevant books, accounts and records of such person.
- (b) All books, invoices, accounts and other records shall be made available within the Town limits and be open at any time during regular business hours for examination by the Town Manager, or designee, or an authorized agent. If any taxpayer refuses to furnish any of the foregoing information voluntarily when requested, the Town Manager may issue a subpoena to require that the taxpayer or its representative



attend a hearing or produce any such books, accounts and records for examination.

- (c) Any exempt organization or person claiming exemption under the provisions of this Ordinance is subject to audit in the same manner as any other person engaged in the lodging business in the Town.

Section 10. Tax overpayments and deficiencies.

An application for refund of tax monies paid in error or by mistake shall be made within three (3) years after the date of payment for which the refund is claimed. If the Town Manager or designee determines that within three (3) years of the due date, a vendor overpaid the occupation tax on the provision of lodging, the Town shall process a refund or allow a credit against a future remittance from the same taxpayer. If at any time the Town Manager or designee determines the amount paid is less than the amount due under this Ordinance, the vendor shall pay the difference together with the interest within ten (10) days after receiving written notice and demand. The Town Manager may extend that time for good cause.

Section 11. Tax information confidential.

- (a) All specific information gained under the provisions of this Ordinance that is used to determine the tax due from a taxpayer, whether furnished by the taxpayer or obtained through audit, shall be treated by the Town and its officers, employees or legal representatives as confidential unless otherwise required by law. Except as directed by judicial order or as provided in this Ordinance, no Town officer, employee, or legal representative shall divulge any confidential information. If directed by judicial order, the officials charged with the custody of such confidential information shall be required to provide only such information as is directly involved in the action or proceeding. Any Town officer or employee who knowingly divulges any information classified herein as confidential, in any manner, except in accordance with proper judicial order, or as otherwise provided in this Ordinance or by law, shall be guilty of a violation hereof.
- (b) The Town Manager or designee may furnish to officials of any other governmental entity who may be owed sales tax any confidential information, provided that said jurisdiction enters into an agreement with the Town to grant reciprocal privileges to the Town.
- (c) Nothing contained in this Section shall be construed to prohibit the delivery to a taxpayer or their duly authorized representative a copy of such confidential information relating to such taxpayer, the publication of statistics so classified as to prevent the identification of particular taxpayers, or the inspection of such confidential information by an officer, employee, or legal representative of the Town.

Section 12. Forms and regulations.

The Town Manager or designee shall have the authority to adopt, amend, alter, and repeal administrative rules and regulations as may be necessary for the proper administration of this Ordinance and the collection and enforcement of the tax obligations imposed hereby. The Town Manager or designee is also authorized to prescribe forms to aid in the making of returns, the ascertainment, assessment and collection of said occupation tax on the provision of lodging, and in particular and without limiting the general language of this Ordinance, to prescribe:

- (1) A form of report on the provision of lodging to be supplied to all vendors;
- (2) The records which vendors providing lodging are to keep concerning the tax imposed by this Ordinance.

Section 13. Enforcement and penalties.

- (a) It shall be unlawful for any person to intentionally, knowingly, or recklessly fail to pay the tax imposed by this Ordinance, or to make any false or fraudulent return, or for any person to otherwise violate any provisions of this Ordinance. Each day, or portion thereof, that any violation of this Ordinance continues shall constitute a separate offense.
- (b) A penalty in the amount of ten percent (10%) of the tax due or the sum of ten dollars (\$10.00), whichever is greater, shall be imposed upon the vendor and become due if the tax is not remitted as required by this Ordinance, and one and one-half percent (1.5%) interest shall accrue each month on the unpaid balance. The Town Manager is hereby authorized to waive, for good cause shown, any penalty assessed.
- (c) If any part of a deficiency is due to negligence or intentional disregard of regulations, but without intent to defraud, there shall be added ten percent (10%) of the total amount of the deficiency together with interest from the vendor required to file a return. If any part of the deficiency is due to fraud with the intent to evade the tax, then there shall be added fifty percent (50%) of the total amount of the deficiency together with interest and in such case, the whole amount of the unpaid tax, including the additions, shall become due and payable ten (10) days after written demand by the Town Manager.
- (d) If any vendor fails to make a return and pay the tax imposed by this Ordinance, the Town may make an estimate, based upon available information of the amount of tax due and add the penalty and interest provided above. The Town shall mail notice of such estimate, by certified mail and regular mail, to the vendor at the address as indicated in the Town records. Such estimate shall thereupon become an assessment, and such assessment shall be final and due and payable from the

taxpayer to the Town Manager ten (10) days from the date of mailing of the notice; provided, however, that within the ten-day period such delinquent taxpayer may petition the Town Manager for a revision or modification of such assessment and shall, within such ten-day period, furnish the Town Manager with a written appeal petition and include the documents, facts and figures showing the correct amount of such taxes due and owing.

- (e) Such appeal petition shall be in writing and the facts and figures submitted shall be submitted either in writing or orally and shall be given by the taxpayer under penalty of perjury. After review of the petition, the Town Manager may modify such assessment in accordance with the facts submitted in order to effectuate the provisions of this Ordinance. Such assessment shall be considered the final order of the Town Manager, and may be reviewed under the Rule 106(a)(4) of the Colorado rules of Civil Procedure, provided that the taxpayer gives written notice to the Town Manager of such intention within ten (10) days after of the final order of assessment.

Section 14. Tax constitutes lien.

- (a) The tax imposed by this Ordinance, together with the interest and penalties herein provided and the costs of collection which may be incurred, shall be and, until paid, remain a first and prior lien superior to all other liens on all the tangible personal property of a taxpayer within the Town and may be foreclosed by seizing under distraint warrant and selling so much thereof as may be necessary to discharge the lien. Such distraint warrant may be issued by the Town Manager whenever the taxpayer is in default in the payment of the tax, interest, penalty or costs. Such warrant may be served and the goods subject to such lien seized by the Summit County Sheriff or any duly authorized employee of the Town. The property so seized may be sold by the agency seizing the same or by the Town Manager at public auction after ten (10) days have passed following an advertised notice in a newspaper published in the Town, in the same manner as is prescribed by law in respect to executions against property upon judgment of a court of record, and the remedies of garnishment shall apply.
- (b) Whenever the business or property of a taxpayer subject to this Ordinance is placed in receivership, bankruptcy or assignment for the benefit of creditors, or seized under distraint for taxes, all taxes, penalties and interest imposed by this Ordinance, and for which the taxpayer is in any way liable under the terms of this Ordinance, shall be a prior and preferred lien against all the property of the taxpayer, except as to other tax liens which have attached prior to the filing of the notice. No sheriff, receiver, assignee or other officer shall sell the property of any person subject to this Ordinance under process or order of any court, without first ascertaining from the Town the amount of any taxes due and payable under this Ordinance and, if there are any such taxes due, owing and unpaid, it shall be the duty of such officer to first pay the amount of the taxes out of the proceeds of such sale before making payment of any monies to any judgment creditor or other

claimants of whatsoever kind or nature, except the costs of the proceedings and other preexisting tax liens as above provided.

- (c) The tax imposed by this Ordinance shall be, and remain, a first and prior lien superior to all other liens on the real property and appurtenant premises at which the taxable transactions occurred.

Section 15. Recovery of unpaid tax.

- (a) The Town may also treat any such taxes, penalties, costs or interest due and unpaid as a debt due the Town from the taxpayer.
- (b) In case of failure to pay the taxes, or any portion thereof, or any penalty, costs or interest thereon, when due, the Town may recover at law the amount of such taxes, penalties, costs, the reasonable value of any attorney's time or the reasonable attorney's fees charged, plus interest, in any county or district court of the county wherein the taxpayer resides or had a principal place of business (at the time the tax became due) having jurisdiction of the amount sought to be collected.
- (c) The return of the taxpayer or the assessment made by the Town shall be prima facie proof of the amount due.
- (d) Such actions may be actions in attachment, and writs of attachment may be issued to the Summit County Sheriff, and in any such proceeding no bond shall be required of the Town Manager, nor shall any sheriff's deputy require of the Town an indemnifying bond for executing the writ of attachment or writ of execution upon any judgment entered in such proceedings. The Town may prosecute appeals in such cases without the necessity of providing bond therefor.
- (e) The Town may certify the amount of any delinquent tax, plus interest, penalties and the costs of collection, as a charge against the property at which the taxable transaction occurred to the Summit County Treasurer for collection in the same manner as delinquent ad valorem taxes.

Section 16. Hearings, subpoenas and witness fees.

- (a) Hearings before the Town pursuant to the provisions of this Ordinance shall be held in accordance with this Ordinance and rules and regulations promulgated by the Town. Any subpoena issued pursuant to this Ordinance may be enforced by the Municipal Judge pursuant to Section 13-10-112(2), C.R.S. The fees of witnesses for attendance at hearings shall be the same as the fees of witnesses before the district court, such fees to be paid when the witness is excused from further attendance. When the witness is subpoenaed at the instance of the Town, such fees shall be paid in the same manner as other expenses under the terms of this Ordinance, and, when a witness is subpoenaed at the instance of any party to any such proceeding, the Town may require that the cost of service of the subpoena and the fee of the witness be borne by the party at whose instance the witness is summoned. In such case, the Town, at its discretion, may require a deposit to cover the cost of such service and witness fees. A subpoena issued as aforesaid shall be served in the same manner as a subpoena issued out of a court of record.
- (b) The Municipal Judge, upon the application of the Town, may compel the attendance of witnesses, the production of books, papers, records or memoranda, and the giving of testimony before the Town's duly authorized hearing officers, by an action for contempt, or otherwise, in the same manner as production of evidence may be compelled before the Court.

Section 17. Depositions.

The Town or any party in an investigation or hearing before the Town Manager may cause the deposition of witnesses residing within or without the State to be taken in the manner prescribed by law for like depositions in civil actions in courts of this State and to that end compel the attendance of witnesses and the production of books, papers, records or memoranda.

Section 18. Statute of limitations.

- (a) Except as otherwise provided in this Section, the taxes for any period, together with interest thereon and penalties with respect thereto, imposed by this Ordinance shall not be assessed, nor shall notice of lien be filed, or distraint warrant be issued, or suit for collection be instituted, or any other action to collect the same be commenced, more than three (3) years after the date on which the tax was or is payable. Nor shall any lien continue after such period, except for taxes assessed before the expiration of such three-year period, notice of lien with respect to which has been filed prior to the expiration of such period.
- (b) In case of a false or fraudulent return with intent to evade taxation, the tax, together with interest and penalties thereon, may be assessed, or proceedings for the collection of such taxes may be commenced at any time.

- (c) Before the expiration of such period of limitation, the taxpayer and the Town Administrator may agree in writing to an extension thereof, and the period so agreed on may be extended by subsequent agreements in writing.

Section 19. Should any one or more sections or provisions of this Ordinance or of the Code provisions enacted hereby be judicially determined invalid or unenforceable, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance or of such Code provision, the intention being that the various sections and provisions are severable.

Section 20. Any and all Ordinances or Codes or parts thereof in conflict or inconsistent herewith are, to the extent of such conflict or inconsistency, hereby repealed; provided, however, that the repeal of any such Ordinance or Code or part thereof shall not revive any other section or part of any Ordinance or Code provision heretofore repealed or superseded.

Section 21. Codification. This ordinance may be codified and numbered for purposes of codification without the need for further approval by the Town Council.

Section 22. Emergency declaration; January 1, 2025, effective date. Pursuant to the Town of Keystone Home Rule Charter Section 6.6, the Town Council hereby finds, determines, and declares that an emergency exists, and that this Ordinance is necessary for the immediate preservation of the public health, safety and welfare and the financial well-being of the Town. The Town of Keystone voters approved the implementation of a lodging tax with a January 1, 2025, effective date. Absent passage of this Ordinance as an Emergency Ordinance, there may be confusion in the collection and implementation of the lodging tax on January 1, 2025. Upon passage by a  $\frac{3}{4}$  affirmative vote of the members of the Town Council, this Ordinance shall become effective on January 1, 2025.

INTRODUCED, READ AND PASSED AS AN ORDINANCE, ON FIRST READING, AND SCHEDULED FOR PUBLIC HEARING ON \_\_\_\_\_, 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.

ATTEST:

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

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

APPROVED AS TO FORM:

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

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers  
THROUGH: John Crone, Town Manager  
Lindsay Hirsh, Community Development Director  
FROM: Jennifer Madsen, Town Attorney  
DATE: December 10, 2024  
SUBJECT: [PUBLIC HEARING/EMERGENCY ORDINANCE] Ordinance  
2024-O-15, Moratorium on Natural Medicine uses

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### **Executive Summary:**

An overview of Colorado's new natural medicine landscape was provided to Council at the [October 22 work session](#). At that meeting, Staff discussed with Council the option of a moratorium on natural medicine uses. Since that meeting, Staff, working with the Town Attorney, has further considered the appropriateness of a moratorium and Staff and the Town Attorney recommend that the Town Council adopt an ordinance putting a moratorium on the operation of natural medicine businesses, uses, and services until February 1, 2026, to allow for the completion of the comprehensive plan and to study the uses and potential impacts.

### **Recommendation:**

Staff and the Town Attorney recommend that Council approve Ordinance 2024-O-15, as an emergency ordinance.

### **Background:**

In 2022, Colorado voters approved the [Natural Medicine Health Act](#) (the "NMHA") through a statewide ballot measure ([Proposition 122](#)). The NMHA decriminalized the personal use, possession and growth of certain natural medicines, such as psilocybin and psilocin, for individuals over the age of 21. The NMHA also established a regulating framework for

the use of these substances in therapeutic settings, including the creation of licensed healing centers where natural medicines can be administered under the supervision of trained facilitators. State decriminalization and legalization of natural medicine is a recent development. In November 2020, Oregon voters passed ballot measure 109 and Oregon became the first state to create a state-legal, regulated market for psychedelic psilocybin products. Colorado became the second state when voters approved of the decriminalization in November 2022.

The first phase of Colorado's legalization and licensing regime focuses on psilocybin, a naturally occurring psychedelic compound found in more than 200 species of mushrooms that grow naturally around the world. Other substances related to mushrooms and in the state definition of natural medicine will be the focus of future roll out of licensing and state regulations in coming years.

**Licensing requirements:** The NMHA, as amended in 2023 by SB-23-290, creates occupational licensing requirements for facilitators that are to be administered by the Colorado Department of Regulatory Agencies (DORA) (such as requirements for training and experience) and business licensing requirements for healing centers, products manufacturers, cultivation faculties, and testing facilities that are to be administered by the Colorado Department of Revenue (DOR Natural Medicine Division).

**Local government role:** As discussed on October 22, the NMHA provides that a local government may not prohibit the provision of "natural medicine services" within its boundaries so long as the provider is a "licensed facilitator" as defined by state law. A local jurisdiction may not prohibit the establishment or operation of state-licensed natural medicine businesses within the jurisdiction.

These restrictions do not prohibit a local jurisdiction from imposing a moratorium to study the uses and potential regulations. In addition, local governments retain the ability to reasonably regulate the time, place, and manner of the operation of state-licensed natural medicine businesses (such as healing centers).

The State anticipates accepting applications for natural medicine businesses in the first quarter of 2025 and intends to issue licensing at the beginning of 2025. This means that any local regulations need to be in place before the issuance of these licenses.

**Recommendation of moratorium on Natural Medicine uses:** Town Staff and the Town Attorney recommend that Town Council put in place a moratorium on natural medicine uses. A moratorium is appropriate because the Town was recently incorporated and is working on its first comprehensive plan. The comprehensive plan process will allow for consideration of reasonable and appropriate locations for the natural medicine uses. In addition, the moratorium will allow for Town Staff to research the implications and impacts of natural medicine uses. The ordinance puts in place a moratorium on natural medicine uses until February 2026. This will allow sufficient time for adoption of the comprehensive plan. If natural medicine regulations are adopted prior to February 2026, Town Council may lift the moratorium.

The natural medicine moratorium was discussed with the Planning & Zoning Commission and the Commission recommended that Town Council approve the ordinance.

### **Alternatives:**

Town Council may provide alternative direction on natural medicine regulations.

### **Financial Considerations:**

None.

### **Next steps:**

The ordinance will be effective immediately. Town Staff will begin working on the comprehensive plan and will monitor the state's natural medicine regulations and implementation.

### **Suggested Motions:**

*Note: The emergency ordinance will need approval of  $\frac{3}{4}$  of the members of Town Council per the Town of Keystone Home Rule Charter Section 6.6.*

Approval:

I move to APPROVE Ordinance 2024-O-15 Imposing a Temporary Suspension on Natural Medicine Uses and Healing Center Facilities to Allow for Study, Review, and Regulation Development, Declaring an Emergency, and Providing for an Immediate Effective Date.

Denial:

I move to DENY Ordinance 2024-O-15 Imposing a Temporary Suspension on Natural Medicine Uses and Healing Center Facilities to Allow for Study, Review, and Regulation Development, Declaring an Emergency, and Providing for an Immediate Effective Date.

**Attachment:**

- Ordinance 2024-O-15 Imposing a Temporary Suspension on Natural Medicine Uses and Healing Center Facilities to Allow for Study, Review, and Regulation Development, Declaring an Emergency, and Providing for an Immediate Effective Date

**TOWN OF KEYSTONE  
ORDINANCE NO. 2024-O-15**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE,  
COLORADO, IMPOSING A TEMPORARY SUSPENSION ON NATURAL MEDICINE  
USES AND HEALING CENTER FACILITIES TO ALLOW FOR STUDY, REVIEW, AND  
REGULATION DEVELOPMENT, DECLARING AN EMERGENCY, AND PROVIDING  
FOR AN IMMEDIATE EFFECTIVE DATE**

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

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

**WHEREAS**, in 2022, Colorado voters approved the Natural Medicine Health Act (the “NMHA”) through a statewide ballot measure Proposition 122, which decriminalized the personal use, possession, and cultivation of certain natural medicines, such as psilocybin and psilocin, for individuals over 21 years of age; and

**WHEREAS**, the NMHA also established a framework for using these substances in therapeutic settings, including the creation of licensed Healing Centers where natural medicines may be administered under the supervision of trained facilitators; and

**WHEREAS**, under the NMHA, local governments may reasonably regulate the time, place, and manner of the operation of state-licensed natural medicine businesses and uses; and

**WHEREAS**, the Town was incorporated in February 2024 and is beginning to develop its first comprehensive plan, with the goal to contract for this work by the end of 2024 and to adopt the comprehensive plan by the end of 2025; and

**WHEREAS**, the Town’s Land Use Code does not currently include zoning regulations addressing Healing Centers and Natural Medicine facilities and operations; and

**WHEREAS**, the Colorado Department of Regulatory Agencies and the Department of Revenue have recently issued regulations regarding the licensing and operation of natural medicine services, which the Town must thoroughly review to understand these uses and assess what additional regulations, if any, may be appropriate for the Town; and

**WHEREAS**, a comprehensive plan is essential for analyzing community needs and potential impacts related to natural medicine and Healing Center facilities; and



**WHEREAS**, the Planning & Zoning Commission considered this temporary moratorium and recommended approval of this Ordinance; and

**WHEREAS**, the Town Council finds that a temporary suspension on the operation of Natural Medicine and/or Healing Center facilities in the Town is necessary to allow sufficient time for this analysis, public engagement, and the development of appropriate local regulations, ensuring the protection of public health, safety, and welfare; and

**WHEREAS**, the Town Council has determined that a temporary suspension through February 1, 2026, is a reasonable and necessary period to complete the comprehensive plan and to properly evaluate and implement any regulations; and

**WHEREAS**, the Town Council further finds that no individual or entity will be unduly prejudiced by this temporary suspension; and

**WHEREAS**, the Town Council desires to institute this temporary suspension effective immediately to ensure that natural medicine uses are appropriately regulated in the Town.

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

Section 1. Findings. The above and foregoing recitals are incorporated herein by reference and adopted as findings and determinations of the Town Council of the Town of Keystone.

Section 2. Imposition of Temporary Suspension. A temporary suspension is hereby imposed until February 1, 2026, on the operation and submission, acceptance, processing, and approval of any application for the establishment of a business that cultivates, processes, or dispenses natural medicine and the establishment of any business, occupation, or operation for Healing Centers or Natural Medicine in the Town. The Town Clerk and Town Staff are directed to refuse to accept for filing, and not to process or review any application related to natural medicine during the temporary suspension period.

Section 3. Adoption of Definition of "Natural Medicine". For purposes of this moratorium ordinance, the Town of Keystone adopts the definition of "Natural Medicine" from Proposition 122, C.R.S. § 12-170-104.

Section 4. Staff to Investigate and Prepare Proposed Regulations. Before the expiration of the temporary suspension imposed by this Ordinance, Town Staff, will work on completing the comprehensive plan and will investigate, review and analyze potential natural medicine regulations. Such investigation, review and analysis shall be completed promptly and with due diligence, and submitted to the Planning and Zoning Commission and Town Council for consideration. The Town Council declares that it will give due and timely consideration to the adoption of any proposed regulations.

Section 5. Should any one or more sections or provisions of this Ordinance or of the Code provisions enacted hereby be judicially determined invalid or unenforceable, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance or of such Code provision, the intention being that the various sections and provisions are severable.

Section 6. Any and all Ordinances or Codes or parts thereof in conflict or inconsistent herewith are, to the extent of such conflict or inconsistency, hereby repealed; provided, however, that the repeal of any such Ordinance or Code or part thereof shall not revive any other section or part of any Ordinance or Code provision heretofore repealed or superseded.

Section 7. Emergency declaration; effective date. Pursuant to the Town of Keystone Home Rule Charter Section 6.6, the Town Council hereby finds, determines, and declares that an emergency exists, and that this Ordinance is necessary for the immediate preservation of the public health, safety and welfare and the financial well-being of the Town. Absent passage of this Ordinance as an Emergency Ordinance, the Town may risk the operation of natural medicine uses in the Town. Upon passage by a  $\frac{3}{4}$  affirmative vote of the members of the Town Council, this Ordinance shall become effective immediately upon adoption.

READ, PASSED AND ADOPTED WITH A ROLL CALL VOTE OF \_\_\_\_ IN FAVOR AND \_\_\_\_ OPPOSED AS AN EMERGENCY ORDINANCE, AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2024.

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

ATTEST:

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

APPROVED AS TO FORM:

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

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers  
THROUGH: John Crone, Town Manager  
FROM: Jennifer Madsen, Town Attorney  
DATE: December 10, 2024 – Town Council Meeting  
SUBJECT: Resolution 2024-74, Approving Amended Town Council Bylaws

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### **Executive Summary:**

Town Council provided direction to amend its bylaws to allow for public comment at work sessions. Resolution 2024-74 approves the amended Town Council Bylaws.

### **Background:**

Town Council adopted bylaws on April 9, 2024. At the November 12 meeting, Town Council provided direction on the changes to the bylaws to allow for public comment at work session meetings. Paragraph 2.4.c. is revised to allow for public comment. This revision is consistent with Council's public comment resolution. The changes to Paragraph 2.4.c are underlined:

A study or work session shall *customarily* be limited to the presentation of information to the Town Council and to Town Council's discussion of such information. Public comment will be permitted at the start of work sessions and must pertain to topics listed on the work session agenda. Each individual's comment is limited to three minutes, with a total public comment period not to exceed thirty (30) minutes. Public comment is intended solely for presenting opinions or information to the Town Council and is not designed for dialogue or

discussion. Therefore, Town Council will not engage in a debate, respond to questions, or participate in back-and-forth discussions with the speaker during this time.

### **Alternatives:**

Town Council could provide direction related to the amendments to the bylaws.

### **Financial Consideration:**

There is no financial impact of the amended bylaws.

### **Previous Council Actions:**

Discussions of this bylaws revisions occurred at the November 12 regular meeting.

### **Next Steps:**

If approved, the amended bylaws will be effective immediately.

### **Suggested Motions:**

APPROVE:

I move to APPROVE Resolution 2024-74, A Resolution Of Town Council Of The Town Of Keystone, Colorado Approving Amended Town Council Bylaws

DENY:

I move to DENY Resolution 2024-74, A Resolution Of Town Council Of The Town Of Keystone, Colorado Approving Amended Town Council Bylaws

**Attachments:**

- Resolution 2024-74, A Resolution Of Town Council Of The Town Of Keystone, Colorado Approving Amended Town Council Bylaws
- Amended Bylaws dated December 10, 2024
- [Resolution 2024-18 – Adopting a Policy Regarding Public Comment](#)

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

**RESOLUTION 2024-74**

**A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO**  
**APPROVING AMENDED TOWN COUNCIL BYLAWS**

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

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

WHEREAS, on April 9, 2024, the Town Council approved Town Council Bylaws; and

WHEREAS, Town Council desires to amend the bylaws to allow for public comment at work session meetings; and

WHEREAS, Town Council desires to approve amended Town Council Bylaws.

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

Section 1. The Town Council of the Town of Keystone hereby adopted the Town Council Bylaws dated April 9, 2024, to govern the conduct of meetings and the conduct of public business. Town Council approves amended Town Council bylaws dated December 10, 2024.

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

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

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

ATTEST:

Approved as to Form:

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

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



# **TOWN OF KEYSTONE, COLORADO**

## **TOWN COUNCIL BYLAWS**

<b>DATE OF POLICY/REVISIONS:</b>	<b>Original Enactment: April 9, 2024, Resolution No. 2024-32; amended on November 12, 2024, Resolution No. 2024-68, amended on December 10, 2024, Resolution No. 2024-74</b>
<b>SCHEDULED REVIEW AND REVISION:</b>	<b>As deemed necessary or desired by the Town Council or upon recommendation of the Town Manager or Town Attorney.</b>
<b>ATTACHMENT(S):</b>	<b>None</b>
<b>AUTHORITY/REFERENCE(S):</b>	<b>Keystone Charter, Section 3.8.  Titles 29 and 31, C.R.S., and the Colorado Open Meetings Law, C.R.S. §§ 24-6-401 <i>et seq.</i>, as interpreted by the Colorado appellate courts.</b>

## TOWN COUNCIL BYLAWS

**These Bylaws** are intended to direct and assist the Town Council for the Town of Keystone, Colorado, in the conduct of meetings and the conduct of public business. These Bylaws and Procedures shall be interpreted consistently with the Keystone Home Rule Charter (“Charter”) and, in the event of a conflict between these Bylaws and Procedures and the Charter, the Charter shall govern and control.

References to “Councilmember,” “Councilmembers,” or “Town Council” shall include the Mayor unless the context provides otherwise.

### **I. Legislative Body & Officers.**

#### **1.1 Town Council**

The Town Council is the legislative and governing body of the Town.

#### **1.2 Mayor – Presiding Officer**

The Mayor shall be the Presiding Officer at all meetings of the Town Council. The Mayor is a member of the Town Council. The role of Presiding Officer may be assigned to another member of the Town Council in accordance with the Rules of Order.

#### **1.3 Mayor Pro Tem**

The Town Council shall elect one of its members to serve as Mayor Pro Tem in accordance with the Keystone Home Rule Charter. The process for nomination and election of the Mayor Pro Tem shall be determined by the Town Council which process may be established by Resolution.

#### **1.4 Temporary Chair**

- a. In the event of the absence, conflict of interest, or disability of both the Mayor and Mayor Pro Tem that would prevent them from attending any meeting of the Town Council, the Town Clerk shall call such meeting to order and shall call the roll. The Town Council shall then proceed to elect, by a majority vote of those present, a Councilmember to serve as the Temporary Chairperson for the meeting.
- b. The Temporary Chairperson shall serve as Presiding Officer until the arrival or the resolution of the conflict of interest of the Mayor or Mayor Pro Tem at which time the Temporary Chair shall relinquish the chair upon conclusion of the agenda item or other business then before the Town Council.

## **II. Town Council Meetings.**

### **2.1 Regular Meetings**

- a. The Town Council shall meet regularly at least once each month at a day and hour and place to be fixed by the Rules of Order of each Town Council adopted by Resolution. The intent is that the Town Council will conduct in person meetings, unless circumstances necessitate another form of meeting. The procedures for in person meetings and the circumstances necessitating another form of meeting shall be defined by the Rules of Order of the Town Council. (Charter § 3.1)
- b. For ease of administration, an approved schedule of meeting dates, times, and places for regular meetings may be administratively considered and approved for each calendar year by the Town Council. The Town Council reserves the authority to modify or adjust any previously approved meeting schedule or to change meeting days or times as may be needed for convenience or to accommodate holidays, anticipated lack of quorum, and other events or circumstances.
- c. When a regular meeting must be cancelled due to unforeseen or unanticipated circumstances, such as but not limited to emergency, adverse weather conditions, absence of quorum, or failure to post any required public notice, the Mayor, or the Mayor Pro Tem in the Mayor's absence, is authorized to instruct staff to cancel the regular meeting and the Mayor may reschedule the meeting to another date and time. The Town Clerk shall prepare a notice of the meeting cancellation and the rescheduled meeting and shall cause the notice to be delivered through reasonable and customary means, including by posting notice on public entry doors of the Keystone Center and posting on the Town's Website.

### **2.2 Special Meetings**

- a. Special meetings of the Town Council shall be called by the Town Clerk on the oral request of two (2) or more members of Town Council with at least twenty-four (24) hours' notice to each member of the Town Council and to the public, delivered in accordance with the Rules of Order of the Town Council and the requirements of this Charter and the Colorado Open Meetings Law. (Charter § 3.2)
- b. No business shall be conducted at a special meeting of the Town Council unless the business has been stated in the notice of such meeting; except that any business which may lawfully come before a regular meeting of the Town Council may be transacted at a special meeting if all members of the Town Council present consent thereto and all the Councilmembers absent file their written consent.
- c. Executive sessions may be held during any properly convened special meeting.

## 2.3 Emergency Meetings

- a. Emergency meetings of the Town Council shall be called by the Town Clerk on the oral request of two (2) or more members of Town Council with less than twenty-four (24) hours' notice. An emergency meeting may be called in the event of an immediate danger or threat to the public health, welfare, peace, safety or property for the purpose of preservation or protection of the public health, welfare, peace, safety or property. Unless it is impractical, all members of the Town Council shall be notified of such meeting and such meeting may be held if a Quorum consents. Maximum practical notice, including posted notice, shall be given to the public stating the purpose, time, place and manner of any such meeting. (Charter § 3.3)
- b. Any business which may lawfully come before a regular meeting of the Town Council may be transacted at an emergency meeting.
- c. Due to the emergency nature of the meeting, no Quorum of the Town Council is required although a Quorum is strongly desired wherever practicable. Where a Quorum does not attend the emergency meeting, the action of the Town Council at the emergency meeting will need to be ratified by the Town Council at the next meeting at which a Quorum is in attendance.

## 2.4 Study or Work Sessions

- a. The Town Council may hold study or work sessions as deemed necessary or desirable. Study or work sessions shall be called in the same manner as a Special Meeting or called by the Town Manager in consultation with the Town Clerk.
- b. No legally binding or formal action shall be taken at any such session. The Council may provide general administrative direction to the Town Manager by simple concurrence or consensus of the members of the Town Council.
- c. A study or work session shall *customarily* be limited to the presentation of information to the Town Council and to Town Council's discussion of such information. Public comment will be permitted at the start of work sessions and must pertain to topics listed on the work session agenda. Each individual's comment is limited to three minutes, with a total public comment period not to exceed thirty (30) minutes. Public comment is intended solely for presenting opinions or information to the Town Council and is not designed for dialogue or discussion. Therefore, Town Council will not engage in a debate, respond to questions, or participate in back-and-forth discussions with the speaker during this time.
- d. No Quorum shall be required at any study or work session.
- e. Executive sessions shall not be conducted during a study or work session.

## 2.5 Quorum

Where a quorum is required by these Bylaws, a majority of the members of the Town Council in office shall constitute a quorum for the transaction of business at all Town Council meetings. In the absence of members for a quorum for a regular meeting, a meeting may be rescheduled to a later date and time as permitted by Town Council's adopted Rules of Order.

## 2.6 Meetings to be Public

All meetings of the Town Council shall be open to the public except as permitted by law. At Town Council meetings, members of the public shall have a reasonable opportunity to be heard except for those meetings that are designated as study or work sessions. In compliance with the Colorado Open Meetings Law, the Town Clerk shall keep a record of the proceedings of each meeting. The intent is that, when feasible, Town Council will allow for a remote meeting option for the public's attendance and participation at open meetings. (Charter § 3.5) The Town Council may adopt a remote meeting policy to further define the public's attendance and participation through the remote meeting option.

## 2.7 Meeting Notice

The Town Council shall adopt a Resolution that establishes public notice and posting requirements in accordance with the Colorado Open Meetings Law including designating the Town official site for posting the agenda at least 24 hours in advance of the public meeting (except for emergency meetings as governed by Charter § 3.3) and such designation shall be deemed automatically readopted at the Town Council's first regular meeting of each calendar year unless otherwise determined by the Town Council. (Charter § 3.10)

## 2.8 Town Council Attendance and Absences

- a. All Town Councilmembers are expected to attend all regular, special, work and study session meetings unless excused from attendance in accordance with this section. Councilmembers are expected to attend Town Council meetings in person unless a different form of attendance is authorized or in person attendance is excused. (Charter § 3.9)
- b. Three (3) or more unexcused absences by a member of the Town Council in any one (1) calendar year shall constitute grounds for sanctions or removal.
- c. If a Councilmember is absent for both a work or study session on the same date, that absence is only counted as one and not two absences.
- d. Members of the Town Council who are absent from a meeting are encouraged to participate electronically, in accordance with the electronic participation policy. However, members participating electronically are not allowed to engage in or vote on quasi-judicial matters. The Mayor shall

strive to ensure that no more than three members of the Town Council participate electronically at any given time.

e. Excused Absences.

1. The Presiding Officer shall excuse an absence of the Mayor or any Councilmember from all or any portion of a meeting where:
  - (i) The Mayor or Councilmember contacted the Mayor, Town Manager, or Town Clerk *in advance* of the meeting regarding the reason for the absence; *and*
  - (ii) The reason for the absence is due to circumstances that were unforeseeable or unavoidable, such as but not limited to illness, family emergency, or work emergency. An excuse shall not be granted where the Mayor or Councilmember's absence is due to the person's desire to attend other meetings or functions unless the person's attendance at the meeting or function was: (i) requested or directed by the Town Council; or (ii) undertaken in the Councilmember's appointed role as Town Council representative to a board, commission, or body.
2. The Presiding Officer may excuse an absence of any Councilmember from a meeting or a portion of a meeting *subsequent to* the meeting where:
  - (i) The Councilmember's requested excuse was due to circumstances that were unforeseeable or unavoidable, such as but not limited to, accident, emergency, illness, or last-minute familial obligations; and
  - (ii) The circumstances surrounding the excuse did not permit the Councilmember to timely contact the Mayor, Town Manager, or Town Clerk prior to the meeting as provided by paragraph (B) above.
3. The Presiding Officer shall excuse up to two (2) absences of the Mayor or any Councilmember from all or any portion of a meeting for any reason. If advance notice is provided, an excused absence may be ratified by Town Council on the consent agenda.
4. The Presiding Officer shall excuse an absence of the Mayor or Councilmember from a special meeting if the absence is due to a commitment or conflict scheduled prior to the scheduling of the date of the special meeting and which absence the Mayor or Councilmember was unable to reschedule.



5. The Presiding Officer's decision regarding the recognition or denial of any absence shall be subject to appeal as provided by the Rules of Order.

## 2.9 Town Attorney

Unless otherwise excused by the Town Council, the Town Attorney or the Town Attorney's designated representative is expected to attend all regular, special, or emergency meetings of the Town Council and attend such other meetings and sessions of the Town Council as the Town Council may request. The Town Attorney may attend meetings by a remote meeting option.

## 2.10 Town Clerk, Written Minutes, and Official Record

- a. The Town Clerk, or the Town Clerk's designated representative, shall attend and shall keep written minutes of each regular or special meeting of the Town Council. Written meeting minutes may be a brief and concise summary or synopsis of actions taken by the Town Council, the titles of ordinances and resolutions considered, votes taken, and other action items and general topics of discussion. Meeting minutes need not record what was said during the meeting.
- b. The minutes shall record how each Councilmember voted on each question, except that where the vote was unanimous it shall only be necessary for the minutes to so state.
- c. The official record of a Town Council meeting shall be the Town's electronic recording of the meeting, if any, and in the absence of an electronic recording or in the event of recording equipment malfunction, the official record shall be the written meeting minutes.
- d. A Councilmember shall have the privilege of having his or her statement on any subject then under consideration by the Town Council entered into the written minutes. Such request must be made before the Presiding Officer puts the question to a vote and must be accompanied by the statement, "For the Record," to alert the Town Clerk of the need to include such remarks in the written minutes. A Councilmember's lengthy statement for the record is strongly encouraged to be submitted to the Town Clerk in writing prior to the meeting. At the Town Clerk's discretion, unwritten lengthy oral statements may be summarized in the written minutes with attribution to the speaker.
- e. Minutes of a previous meeting will not be read provided each member of Town Council has been provided access to a copy of the minutes in advance of the meeting at which the minutes are to be approved. Written minutes shall be initially set for approval on a consent agenda. Any Councilmember may request that the minutes be removed from the consent agenda for full discussion and consideration of proposed amendments or revisions by the Town Council prior to any motion for

approval. Every Councilmember may, at the member's option, vote to approve or reject the minutes of any meeting notwithstanding such member's absence from the meeting.

- f. At any time prior to the Town Clerk's certification of the minutes as approved by the Town Council, the Town Clerk may change the minutes to correct spelling or typographical errors, provided that such change does not alter the substance or meaning of the minutes.
- g. The Clerk of the meeting at which the minutes are approved shall sign the approved minutes.

#### 2.11 Agenda and Order of Business

- a. A regular meeting of the Town Council will have an established order of business generally along the following guidelines which may be modified by the Presiding Officer in accordance with the Rules of Order:
  - 1. Call to Order, Roll Call
  - 2. Approval of Agenda
  - 3. Recognitions, proclamations, and appointments
  - 4. Communications to Council
  - 5. Consent agenda (handling of routine business)
    - A. First Reading of Ordinances
    - B. Resolutions
    - C. Approval of Town Council Minutes
    - D. Excused Absences
  - 6. Discussion Business
    - A. Consideration of Ordinances (second reading/public hearing)
    - B. Resolutions
    - C. Other
  - 7. Planning Matters
  - 8. Reports
  - 9. Other Matters
  - 10. Adjournment

#### 2.12 Setting Agendas

The Mayor and the Town Manager have the task of setting the meeting agendas for regular and special meetings and for work sessions of the Town Council. In addition, two members of the Town Council may request that the Town Manager place an item on a meeting agenda.

#### 2.13 Requesting Future Agenda Items

Any Councilmember, the Town Manager, or the Town Attorney may request that the Town Council formally consider any Town business or other matter of public interest at a future

meeting by raising the request with the Town Council during any **regular** meeting. Upon confirmation by a consensus of the Town Council that the Town Council desires to entertain consideration or review of the proposed business or matter, the Presiding Officer shall instruct the Town staff to set the matter on the next available agenda or on the agenda of a specific meeting.

2.14 Adjournment of Regular Meetings by 9:00 p.m.

A Town Council regular meeting shall customarily adjourn at or before 9:00 p.m. Extending a regular meeting beyond 9:00 p.m. shall require approval of a motion to suspend the required adjournment requirement. A motion may propose to limit the agenda matters to be considered after 9:00 p.m. and/or set a later time for adjournment.

As an express condition of adjournment, the Town Council shall formally move to continue or postpone all agenda items that will not be considered following adjournment in accordance with the Rules of Order.

**III. Meeting Procedures.**

3.1 Parliamentary Rules/Rules of Order

- a. Bob's Rules of Order for Colorado Local Governments (Peak Nine Press 2023) shall be the parliamentary rules of order for meetings of the Town Council ("Rules of Order").
- b. The following additional rules shall be incorporated into the Rules of Order:
  - 1. A Councilmember shall not engage in the review or transmission of electronic mail or other forms of digital communications or be connected to the Internet during any quasi-judicial matter.
  - 2. Addressing the Town Council – Time Limitations.
    - (i) Councilmember's access to the floor when addressing the Town Council shall be limited in time as provided by the Rules of Order;
    - (ii) Guests, presenters, and speakers invited to present to the Town Council shall be limited in time as established or directed by the Presiding Officer; and
    - (iii) For all other persons wishing to address the Town Council (other than public hearings, see V. below), such persons shall be limited to three (3) minutes for any presentation unless the Presiding Officer establishes a different time limitation applicable to all such persons wishing to address the Town Council.
- c. Voting Methods.

1. A simultaneous voice vote or show of hands shall generally be used provided that an announcement is made regarding the result of the vote, including identification of Councilmember(s) voting on the non-prevailing side.
2. The Presiding Officer may direct a vote to be made by roll call. A roll call vote by voice shall be *required* for:
  - (i) All ordinances on final reading;
  - (ii) Any resolution appropriating or borrowing money;
  - (iii) Any resolution pertaining to new or existing taxes;
  - (iv) Any action concerning an initiative or referendum petition; and
  - (v) Conveyance of interests in real property.
3. Manner of Roll Call. When roll call voting is used, the roll call vote shall be taken in alphabetical order in a rotating manner, as follows: on the first roll call vote for the meeting, the Town Clerk will begin with the first Councilmember's name on the list; on the second vote, the Town Clerk will begin with the second Councilmember's name on the list and end with the first Councilmember name on the list, and continue to rotate the order in this manner. Such rotation will continue without interruption from meeting to meeting.

### 3.2 Meeting Decorum

- a. For regular and special meetings, each Councilmember shall be addressed as Mr./Ms. (last name) or Councilmember (last name); the Mayor shall be addressed as Mr./Ms. Mayor or Mayor (last name); Town staff, citizens, consultants, contractors shall be addressed as Mr./Ms. (last name). A less formal recognition of Councilmembers and others shall be acceptable for study or work sessions and executive sessions.
- b. At any regular or special meeting of the Town Council, any member of the public desiring to address the Town Council shall first secure the permission of, and be recognized by, the Presiding Officer.
- c. Each person addressing the Town Council shall be asked to provide his or her name and address for the record. All comments shall be addressed to the Presiding Officer and to the Town Council as a body and not to any particular Councilmember thereof or to other members of the audience.
- d. Actions which unreasonably disrupt a meeting shall be out of order. "Disrupt" shall mean evidently intended or designed to prevent, or reasonably preventing, the Town Council from conducting business. Disruptive actions may include, but not limited to: (i) constant or consistent shouting following the Presiding Officer's request to speak in a conversational voice; (ii) the use of horns, bells, or other sources of

unwanted and unnecessary sound or noise; (iii) repeated speaking or interruption of the meeting without first obtaining the floor or without being acknowledged by the Presiding Officer; or (iv) threats of harm or violence. Refusal to heed requests to cease disruption may subject the person to removal from the meeting.

- e. The use of amplified sound or noise in any meeting shall not be permitted unless approved by the Presiding Officer as a necessary part of a presentation by a speaker. The Town's use of methods to amplify the voices of the Councilmembers shall be permitted.
- f. To prevent obstructing the view and hearing of persons attending a meeting, posters, banners, signs, or other forms to display shall be permitted in meeting rooms provided that such items or materials are placed against and along the side perimeter walls of the room in a manner not to interfere with access or the safety of attendees. No posters, banners, signs, or other forms to display shall be located behind the Town Council dais. The Presiding Officer may designate the appropriate location(s) for posters, banners, signs, or other forms to display.

#### **IV. Procedure for Passage of Ordinances (Charter § 6.5)**

The procedure for the passage of an Ordinance, other than an Emergency Ordinance, shall be as follows:

- a. Introduction (first reading) of the Ordinance at any regular or special meeting and vote by the Town Council in accordance with the voting requirements established by the Charter to move the proposed legislation forward to the second reading. Introduction and first reading of the Ordinance may be by placement on the Town Council's consent agenda for such meeting.
- b. If the Ordinance is passed upon first reading, publicizing by title only and in accordance with the requirements, methods, and procedures for publicizing Ordinances as adopted by the Town Council by Ordinance.
- c. Consideration of the Ordinance on second reading at a meeting not earlier than six (6) days after the first reading.
- d. Public hearing on the Ordinance (See V. Below).
- e. Roll call vote of the Town Council on the Ordinance following the public hearing.
- f. Any ordinance may be amended before final passage by a roll call of the Town Council.
- g. After final passage, the Town Clerk shall publicize the Ordinance by title only with the statement that the full text is available for public inspection and acquisition in the office of the Town Clerk. Whenever possible, publicizing shall be within ten (10) days after final passage.

- h. Unless a later date is specified in the text of the Ordinance, an Ordinance other than an Emergency Ordinance shall take effect and be enforced thirty (30) days after final publication.

## **V. Public Hearings – Procedures.**

Public hearings required by law shall be conducted in general accordance with the following procedures. Deviations from these procedures that do not substantially affect the fairness and outcome of the hearing shall be permitted with or without approval of the Town Council.

- a. Town Clerk shall read the title or subject matter of the item into the record.
- b. The Presiding Officer, in the order indicated, will:
  - 1. Declare the public hearing open;
  - 2. Announce the public hearing procedures (if such procedures were not previously explained to the audience in a prior hearing during the same meeting);
  - 3. Establish, when determined to be necessary, reasonable time limits for the presentation to the Town Council of public comments and testimony during the hearing. Where no other time limits are established:
    - (i) Town staff or Town consultants shall not be limited except as directed by the Presiding Officer;
    - (ii) An applicant, permittee, or petitioner (or their representative) whose property or other legal rights are the subject of determination during the public hearing shall not be subject to time limitations provided that the applicant, permittee, or petitioner avoids redundant and duplicative testimony or presentation of evidence;
    - (iii) Scheduled speakers invited to present information to the Town Council shall not be subject to time limitations except as directed by the Presiding Officer; and
    - (iv) All other persons shall be limited to three (3) minutes;
  - 4. Ask for an introductory presentation by the Town Administration, if appropriate;
  - 5. Ask for the applicant's, permittee's, or petitioner's presentation, if appropriate;
  - 6. Provide opportunity for public presentation by those who are in favor of the matter, opposed to the matter, or who may have general questions regarding the pending matter.



7. Any person speaking or presenting any information at the hearing may be questioned by the Town Council and, with the consent of the Presiding Officer, by the Town Administration.
  8. The Presiding Officer will ask, at times during the hearing determined by the Presiding Officer, if any member of Town Council has any questions of, or desires any additional information from, anyone who has spoken or has presented information during the hearing. If such is the case, a member of Town Council may direct the question and/or request through the Presiding Officer to such individual and the response will be limited to the answer of the question, as stated.
- c. Cross-examination of persons providing testimony or evidence shall not be permitted.
  - d. The Presiding Officer may, on his/her own initiative or at the request of a Councilmember or the applicant, permittee, or petitioner, afford the applicant, permittee, or petitioner an opportunity to rebut or address statements or testimony presented by the general public or Town Administration. Rebuttal shall be limited only to subjects and matters raised during the hearing and is not intended to provide an opportunity for the applicant, permittee, or petitioner to present new evidence or information not offered during the main presentation. The Presiding Officer may, in the Officer's discretion, provide an opportunity for the general public to address issues, information, or matters newly raised during a rebuttal.
  - e. Following questions from Town Council, the Presiding Officer will declare the public hearing closed and the matter will be remanded to the Town Council for consideration.
  - f. Upon the closure of the public hearing, the Town Council will seek to avoid additional questioning of any hearing participant except as may be found necessary by the Presiding Officer to quickly clarify a factual question or resolve a factual matter of dispute between members of the Town Council. No additional unsolicited testimony shall be entertained or accepted by the Town Council. The public hearing may only be reopened for good cause shown by a majority vote of the quorum present and only for the sole purpose of receiving specifically identified and focused testimony. In the event a public hearing is reopened, all persons in attendance shall be provided an opportunity to provide testimony regarding the specifically identified matter for which the hearing was reopened.
  - g. The Town Council may, with leave of the Presiding Officer, request legal advice or direction from the Town Attorney at any time.

## **VI. Amendments.**

These Bylaws may be amended by a majority vote of Councilmembers present at a Town Council meeting at which a quorum exists. Any proposed amendments shall be submitted in writing to each member of Town Council at least two (2) weeks in advance of the Town Council meeting at which such amendments are to be considered.

ADOPTED BY THE TOWN COUNCIL ON APRIL 9, 2024; AMENDED ON NOVEMBER 12, 2024;  
AND SECOND AMENDMENT ADOPTED ON DECEMBER 10, 2024.

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers  
FROM: John Crone, Town Manager  
DATE: December 10, 2024 – Town Council Meeting  
SUBJECT: Fiscal Year 2025 Budget Approval

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### **Executive Summary:**

Final Fiscal Year (FY) 2025 Budget Packet for approval.

### **Background:**

Pursuant to our Town Charter, the Town Council must adopt a budget containing the following items:

#### **Section 10.7. Scope of Annual Budget.**

- (a) The budget adopted by the Town Council shall contain:
  - (1) an estimate of anticipated revenue from all sources for the ensuing year;
  - (2) an estimate of the general fund cash surplus at the end of the current fiscal year or of the deficit to be made up by appropriation;
  - (3) the estimate of expenditures for the operation of the departments, offices and agencies of the Town;
  - (4) debt service requirements for the ensuing fiscal year;
  - (5) an estimate of the sum required to be raised by any tax levy for the ensuing fiscal year and the rate of levy necessary to produce such sum; and
  - (6) a balance between the total estimated expenditures, including any deficit to be met and monies set aside for public improvements, and total anticipated revenue, plus any surplus.
- (b) All estimates shall be in detail showing revenues by source and expenditures by

This workshop will allow Council input before the final budget is presented for adoption on December 10, 2024.

### **Remaining Timeline**

#### **December 10 (No later than December 15, 2024) - Adoption**

The FY 2025 budget must be approved by December 15, or we will be forced to operate under the 2024 budget.

#### **January 31, 2025 – Certified copy of the adopted budget must be filed with the Division of Local Government**

#### **June 30, 2025 – Deadline for auditor to submit report to Town Council**

#### **July 31, 2025 – Deadline to submit audit report to the Office of the State Auditor**

### **Notable Changes since Workshop**

Since the Budget Workshop on November 12, staff corrected several minor mathematical errors.

Staff also added a line item for \$100,000 for Marketing, Branding, and Economic Development.

Staff moved the Capital and Non-routine projects budget to the General Fund. This was done because the fund was not restricted by state statute or ballot language (unlike our other restricted funds), and the items were funded from General Fund revenue.

### **Alternatives:**

Failure to pass approve the 2025 Budget will mean that the Town will operate under the 2024 Budget.

## **Financial Considerations:**

This action impacts our entire 2025 budget.

## **Previous Council Actions:**

Presentation October 8, 2024

Public Hearing October 22, 2024

Workshop November 12, 2024

## **Suggested Motions:**

If the Council wishes to approve the FY 2025 Budget, it may do so by adopting the following three motions:

I move to approve Resolution 2024-76, a Resolution Adopting the FY 2025 Town of Keystone Budget.

I move to approve Resolution 2024-77, a Resolution Appropriating Funds in the FY 2025 Town of Keystone Budget.

I move to approve Resolution 2024-78, a Resolution Setting a Mill Levy at 0.0 for FY 2025.

## **Attachment:**

- FY 2025 Town of Keystone Budget
- FY 2025 Town of Keystone Budget Message
- Resolution 2024-76, Adopting the Fiscal Year 2025 Town of Keystone Budget
- Resolution 2024-77, Appropriating Funds in the Fiscal Year 2025 Town of Keystone Budget
- Resolution 2024-78, Setting a Mill Levy at 0.0 for Fiscal Year 2025



## **2025 Town of Keystone Budget**

*1628 Sts John Road  
Keystone, CO 80435  
970-450-3500  
[www.keystone.colorado.gov](http://www.keystone.colorado.gov)*



## **Town Council**

Kenneth Riley, Mayor  
Dan Sullivan, Mayor-Pro Tem  
Gretchen Davis, Councilmember  
Jon Hagenow, Councilmember  
Carol Kerr, Councilmember  
Aaron Parmet, Councilmember  
Valerie Thisted, Councilmember

## **Town of Keystone Staff**

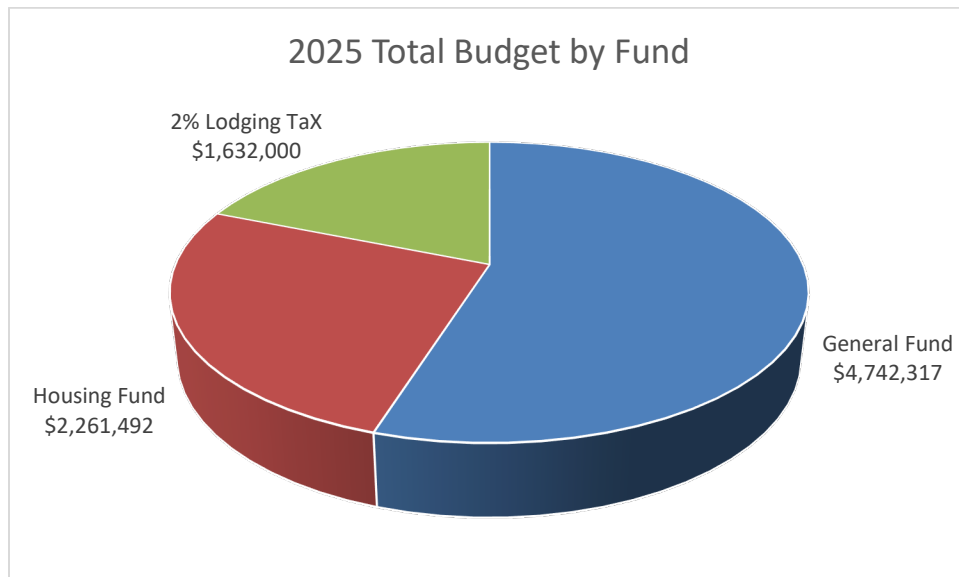
John Crone, Town Manager  
Lindsay Hirsh, Community Development Director  
Madeleine Sielu, Town Clerk  
Joshua Weber, Public Works Director  
Andrew Collins, Planner  
Gabby Abell, Deputy Town Clerk /Admin. Assistant

# Town of Keystone Fiscal Year 2025 Budget Message

The proposed 2025 budget for the Town of Keystone, Colorado was initially presented to the Town Council on October 8, 2024. A formal Public Hearing on the budget was held on October 22, 2024, at the Town Council Regular Meeting, and the Town Council had a workshop on November 12, 2024. The Town Council scheduled the budget for final approval at its meeting on December 10, 2024.

The 2025 budget totals are as follows:

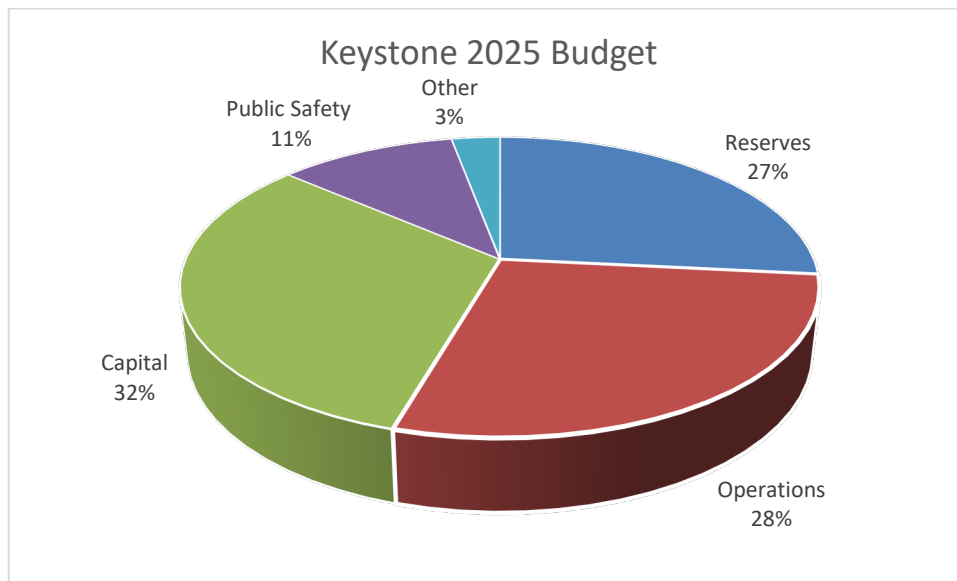
The 2025 Budget per Fund	Estimated Reserves 1/1/2025	Revenue	Expenditures	Ending Balance
General Fund (Total)	\$1,102,678	\$4,742,317	\$3,677,028	\$2,167,967
Housing Fund	\$895,592	\$1,365,900	\$808,929	\$1,452,563
Conservation Trust Fund	\$12,920	\$12,920	\$0	\$25,840
2% Lodging Tax Fund	\$0	\$1,632,000	\$1,195,000	\$437,000
Total:	\$2,011,190	\$7,753,137	\$5,378,857	\$4,083,370



The budget for 2025 has been primarily constructed by building from the 2024 budget, year-to-date estimates, and known expenses. The 2024 budget did not represent the entirety of a fiscal year due to the fact that the Town of Keystone did not exist before February 8, 2024. As a result, the 2025 budget also used extrapolation and informed estimates. We anticipate that sales tax revenues will remain relatively stable for 2025. The 2% lodging tax is a new tax, therefore, the estimated revenue is based on informed estimates.

Management is responsible for the preparation and fair representation of the Town's financial condition in accordance with accounting principles generally accepted in the U.S.

A focus of the 2025 Budget is to build reserves for future capital projects. In 2025, we will be planning and designing many of these projects while still providing necessary services to our residents and visitors.



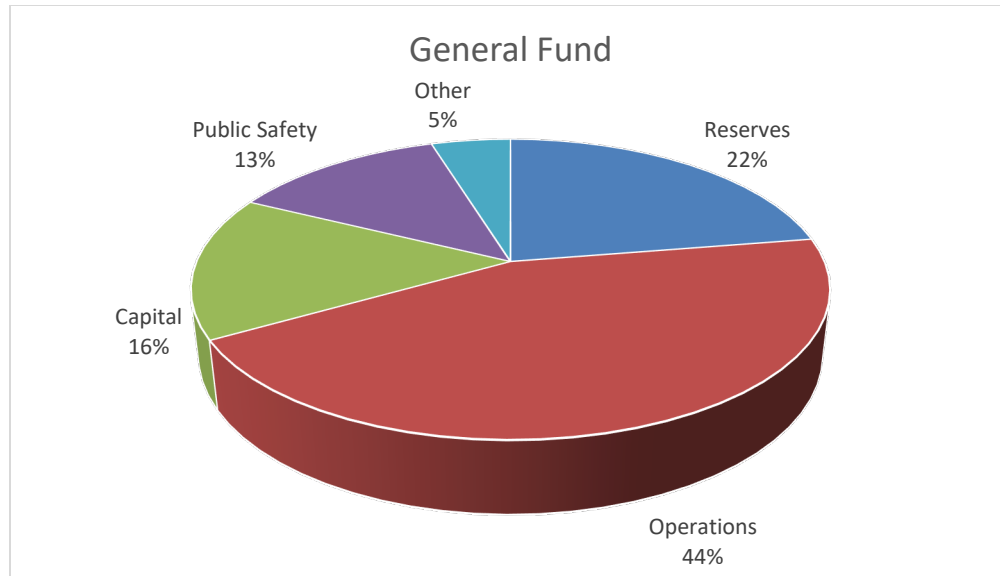
- All charts may contain discrepancies due to rounding of numbers

### **GENERAL FUND**

Services provided by the Town under the General Fund include: Administration; Public Safety; Business Support; Public Works (Streets and Trails); Legal; Municipal Court; Elections; Community Development; Building and Zoning; Economic Development; Public Health and Charitable Donations.

The General Fund utilizes the modified accrual basis of accounting, a method under which revenues are recognized in the period they become available and measurable; and expenditures are recognized in the period the associated liability is incurred.

We expect to begin 2025 with a beginning balance in the General Fund of approximately \$ 1,102,678. We anticipate a fund surplus of \$1,065,289 in 2025. This will bring the total General Fund balance to \$2,167,967 at the end of 2025.



- All charts may contain discrepancies due to rounding of numbers

## **Notable Budget Items**

### **Revenue**

- Sales Tax revenues for 2025 are budgeted using actual February through September 2024 numbers and October-December 2024 and January 2025 estimates. These amounts are expected to be flat with an extrapolated 2024. Other revenues include fees, licenses, specific tax revenues, grants, and other miscellaneous revenue. The Town will seek additional grants to offset special projects.

### **Operation Expenditures**

- **Gross Wages:** Wages are expected to increase in 2025. This increase includes a 3.0% cost of living increase for current staff as well as a 5.0% merit increase pool. It also includes funds for a new Finance Director position. Health insurance and Workman's Comp have increased as well.
- **Public Safety:** The Town currently contracts with the Summit County Sheriff's Department to continue to provide the level of support that was offered before incorporation. We anticipate entering into an agreement with the Town of Dillon to create a joint Police Department (subject to both Town Councils' approval). The expenses for Public Safety are divided between the General Fund (estimated cost to provide the status quo in police service) and the 2% Lodging Tax Fund (additional cost to form joint police department).

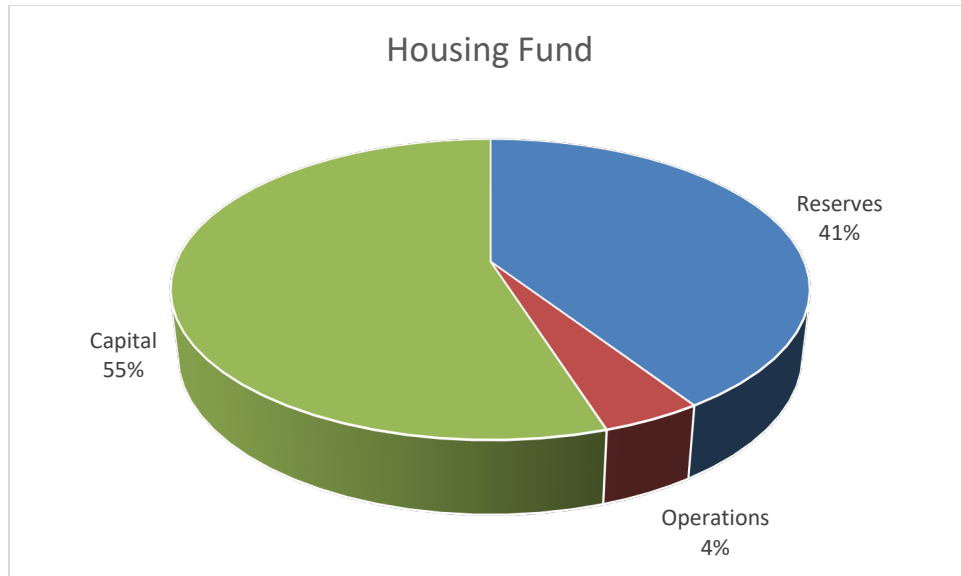
- **Town Council:** includes estimated expenses for travel and training, as well as \$100,000 for community support projects such as childcare tuition assistance.
- **Economic Development:** Keystone is reliant upon a tourist economy. The 2025 budget earmarks \$100,000 to provide for possible marketing, brand development, and business development opportunities
- **Public Works:** Public works budget includes all routine road maintenance (including snow plowing) on certain designated roads. During 2025, the Town will be taking responsibility for most public right of ways within the Town limits
- **STR Support:** the Town invests over \$120,000 in short-term rental support platforms.
- **Finance Department:** with the need to collect the 2% lodging tax, the Town is hiring a finance director who will oversee all finance, accounting, and HR functions.
- **Capital and Non-routine Projects:** the Town is investing significant funds for new software including record keeping and codification services. It is also investing in a Comprehensive Plan, a Strategic Plan, and a Trails and Open Space Plan.

## **HOUSING FUND**

The Housing Fund was created using two county-wide taxes that were approved by voters. The funds are restricted to providing affordable and workforce housing. Revenue is expected to be \$1,365,900.

The Housing Fund utilizes the modified accrual basis of accounting, a method under which revenues are recognized in the period they become available and measurable; and expenditures are recognized in the period the associated liability is incurred.

We expect to begin 2025 with a beginning balance in the General Fund of approximately \$ 895,592. We anticipate a fund surplus of \$556,971 in 2025. This will bring the total General Fund balance to \$1,452,563 at the end of 2025.



- All charts may contain discrepancies due to rounding of numbers

### **Notable Budget Items**

#### **Revenue**

- The sales taxes used to generate this fund are expected to bring in \$1,316,050. We also expect to realize \$49,850 in interest income.

#### **Operation Expenses**

- The Town will pay the SCHA \$58,929 to oversee the collection and disbursement of funds.

#### **Capital Expenses**

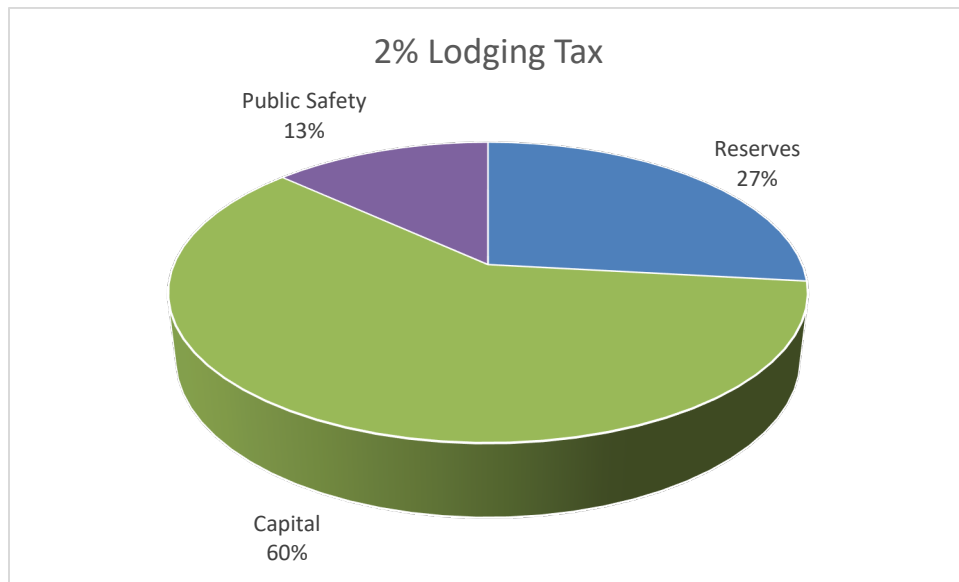
- We expect to spend \$600,000 out of this fund to purchase the 6 acres that the Town Hall sits on. The remainder of the cost of the building will be funded through other means such as lease-purchase agreements. The Town will also spend \$150,000 to start development of site plans for the six acres.

### **2% LODGING TAX**

The electors of the Town of Keystone approved a 2% lodging tax on November 5, 2024. This tax applies to all short-term rentals (less than 30 days). The funds raised are dedicated to capital improvements and public safety.

The 2% Lodging Tax Fund utilizes the modified accrual basis of accounting, a method under which revenues are recognized in the period they become available and measurable; and expenditures are recognized in the period the associated liability is incurred.

As a new tax taking effect on January 1, 2025, there is no balance entering FY2025.. We anticipate a fund surplus of \$437,000 in 2025.



- All charts may contain discrepancies due to rounding of numbers

## **Notable Budget Items**

### **Revenue**

- It is anticipated that the tax will bring in \$1,600,000 in 2025. We also anticipate raising \$32,000 in interest income.

### **Operation Expenses**

- **Police Services and Police Capital Purchases:** The Town expects \$200,000 in police services and \$250,000 in police capital equipment purchases. The remainder of the Police Budget is under the General Fund.
- **Road Construction and Repaving:** the Town has budgeted \$400,000 for road construction and repaving. We will be reconstructing Ranch Road near the stables and will be repairing other roads based upon an engineering study that is being conducted as soon as the weather allows.
- **Trail Construction and Repaving:** The Town has dedicated \$80,000 to new trail construction and repaving of the current Sankle River trail.
- **Engineering and Design Services:** The Town has budgeted \$250,000 for design services for HWY 6 safety improvements. We anticipate construction on these projects to begin in 2026.

## **CONSERVATION TRUST FUND**

The Conservation Trust Fund is funded through state monies distributed based on population. CTF funds can only be used for the acquisition, development, and maintenance of new conservation sites or for capital improvements or maintenance for recreational purposes on any public site.



It is anticipated that the fund will bring in \$12,920 in 2025 (the same as 2024). With no expenditures anticipated in 2025, the year-end balance should be \$25,840.

## **SUMMARY**

The Town Council of the Town of Keystone is committed to continuing to serve the citizens with quality service while maintaining a fiscally responsible budget.

Management will closely monitor revenues and limit expenditures to keep within overall budget parameters. Monthly reviews of departmental budgets will be held with the Town Manager, the Finance Director (when hired) and department directors. Budget expenditure variances of 15% or greater will be reviewed at these monthly meetings and discussed in an effort to keep budgets in line throughout the year.

The Town Council and Town staff will continue to provide the services citizens expect while simultaneously being good stewards of public funds.

	A	B	C	D	E	F
2	TOWN OF KEYSTONE FY 2025 BUDGET					
3	Statement of Revenues, Expenses and Changes in Fund Balance					
4	Actual, Budget and Forecast for the Periods Indicated					
5	Modified Accrual Basis		2024 ANNUAL		2025	Notes
6			Approved			
7			2024		2025	
8			Budget		Budget	
9			Forecast			
10	GENERAL FUND					
11	Revenues					
12		Sales Tax	2,614,224	2,614,224	3,440,698	Although revenue is up, I am projecting a flat budget from 2024 estimate
13		Other Tax Revenue				
14		Highway Users Tax Fund	48,627	48,627	66,612	
15		Cigarette Tax	5,092	5,092	7,115	
16		Nicotine Tax	59,628	59,628	83,315	
17		Road and Bridges Tax	91,684	91,684	103,774	
18		Specific Ownership Tax	25,348	25,348	34,723	
19		Auto Ownership Tax	9,970	9,970	13,657	
20		Other Tax Revenue	0	0	0	
21						
22		Total Other Tax Revenue	240,348	240,349	309,196	
23		Fees				
24		Building Permits	203,203	203,203	40,641	
25		Reimbursable Comm Dev Costs			20,000	
26		Franchise Fees	0	0	1,500	
27						
28			203,203	203,203	62,141	
29		Licenses				
30		Business Licenses			34,000	if adopted, estimate \$75
31		Short Term Rentals	541,732	541,732	547,150	
32		Liquor Licenses		1,750	1,750	
33						
34			541,732	543,482	582,900	
35		Fines				
36		Municipal Court Fines			40,000	estimate - this number could be significantly higher
37		Code Enforcement Fines			5,000	
38		Court Costs			19,382	
39			0	0	64,382	
40		Other Income				
41		Grants			215,000	comp plan, Town Manager (we will likely apply for several more high value grants)
42		Interest on Investments		10,000	68,000	colotrust
43		Admin Miscellaneous Income			0	
44						
45			0	10,000	283,000	
46						
47	Total Revenue		3,599,507	3,611,258	4,742,317	
48						
49	Expenditures					
50		Employee Benefits & Taxes				
51		401 A Match	44,414	44,414	67,515	
52		457 Match	16,655	16,655	25,318	
53		Flexible Spending Account (FSA)	5,774	5,774	12,000	
54		Wellness Reimbursement	12,158	12,158	17,500	
55		Health Insurance Premiums	79,834	79,834	120,360	13.5% increase in rates
56		Health Ins Employee Contributions		(1,572)	0	
57		Workers Comp Insurance Premiums	11,381	11,381	12,375	
58		COL and Merit Raises			40,548	3% COL + 5% merit pool (excludes Town Manager)
59		Payroll Taxes	18,543	18,543	40,137	
60						
61						
62		Total Employee Benefits & Taxes	188,759	187,187	335,753	
63		General Expenditures All Departments				
64		Telephone	2,830	2,830	3,168	
65		Office Lease	50,700	50,700	196,158	
66		Office Building Maintenance	3,700	3,700	3,504	
67		Office Supplies	3,754	3,754	5,000	
68		Prof Services/Membership Fees	10,429	10,429	17,000	

	A	B	C	D	E	F
2	<b>TOWN OF KEYSTONE FY 2025 BUDGET</b>					
3	<b>Statement of Revenues, Expenses and Changes in Fund Balance</b>					
4	<b>Actual, Budget and Forecast for the Periods Indicated</b>					
5	<b>Modified Accrual Basis</b>					
6			<b>2024 ANNUAL</b>		<b>2025</b>	<b>Notes</b>
7			<b>Approved</b>			
8			<b>2024</b>	<b>2024</b>	<b>2025</b>	
9			<b>Budget</b>	<b>Forecast</b>	<b>Budget</b>	
69		Dues and Subscriptions	7,936	6,802	7,000	
70		Training	6,802	6,802	14,011	
71		Travel/Meals/Ldging	6,802	6,802	14,011	
72		Uniforms/Clothing	1,700	1,700	5,000	
73		Insurance	5,000	5,000	7,500	
74		Bank and Misc Fees	0	90	0	
75		IT/Technology	68,016	68,016	60,000	IT support,
76		Website	6,802	6,802	0	moved to capital
77		Equipment Repairs/Leases	5,526	5,526	7,589	
78		Professional Services				
79		Membership Fees				
80						
81		<b>Total Gen Exp All Departments</b>	<b>179,996</b>	<b>178,952</b>	<b>339,942</b>	
82						
83		<b>Mayor and Town Council</b>				
84		Mayor Wages	11,000	11,000	12,000	
85		Council Wages	33,000	33,000	36,000	
86		Cell Phone AllowTown Council	5,775	5,775	6,300	
87		Community Support			100,000	Child care tuition assistance - 71,000, Summit Foundation Passes - 8000, Treetop - 10,000
88		Travel and Training			5,000	
89		Misc Expense Town Council	1,251	3,409	1,401	
90						
91		<b>Total Mayor and Town Council</b>	<b>51,026</b>	<b>53,184</b>	<b>160,701</b>	
92						
93						
94						
95		<b>Administration Services</b>				
96		Town Manager Wages	127,530	127,530	178,200	
97		Town Clerk Wages	95,047	95,047	0	
98		Office Clerk Wages	58,333	58,333	0	
99		Administrative Wages			185,240	excludes Town Manager
100		Cell Phone	2,250	2,250	2,700	
101		Keystone Housing Incentive	15,000	15,000	18,000	
102						
103			<b>298,160</b>	<b>298,160</b>	<b>384,140</b>	
104		Postage	2,607	2,607	2,919	
105		Printing	7,300	7,300	4,000	
106		Community Engagement	8,502	8,502	20,000	
107		Local Travel	2,607	2,607	2,919	
108		Elections	12,000	12,000	0	
109		Town Attorney Contract	90,688	90,688	150,000	based upon 2024 billing
110		Smoking Cessation (from Nicotine Tax)	59,628	59,628	27,000	
112		Payroll Contract (Paylocity)	4,950	4,950	9,900	
113		Accounting Contract (M&W)	63,494	63,494	10,000	Town to hire finance director
114		Annual Audit Contract	0	0	19,266	
115		Short Term Rental Contract Support	116,761	116,761	120,264	
116		Miscellaous Adminstrative Expense	0	10	15,000	
117						
118		<b>Total Administrative Services</b>	<b>666,697</b>	<b>666,707</b>	<b>765,407</b>	
119						
120						
121		<b>Finance Department</b>				
122		Finance Department Wages	0	0	127,000	
123		Cell Phone Finance	0	0	900	
124		Keystone Housing Finance	0	0	6,000	
125		Communications / Postage	0	0	2,000	
126		Computer Services	0	0	18,000	
127		Miscellaneous Expense	0	0	4,000	

	A	B	C	D	E	F
2	<b>TOWN OF KEYSTONE FY 2025 BUDGET</b>					
3	<b>Statement of Revenues, Expenses and Changes in Fund Balance</b>					
4	<b>Actual, Budget and Forecast for the Periods Indicated</b>					
5	<b>Modified Accrual Basis</b>		<b>2024 ANNUAL</b>		<b>2025</b>	<b>Notes</b>
6						
7			<b>Approved</b>			
8			<b>2024</b>	<b>2024</b>	<b>2025</b>	
9			<b>Budget</b>	<b>Forecast</b>	<b>Budget</b>	
128						
129		<b>Total Finance Expenses</b>	0	0	157,909	
130						
131		<b>Community Development</b>				
132		Comm Dev Director Wages	124,431	124,431	0	
133		Planner 2 Wages	60,489	60,489	0	
134		Community Development Wages			241,729	
135		Cell Phone Comm Dev	1,350	1,350	1,800	
136		Keystone Housing Incentive Comm Dev	9,500	9,500	12,000	
137						
138						
139			195,770	195,770	255,529	
140		Building Permit/Inspections	162,562	162,562	0	
141		GIS	9,069	9,069	9,341	
142		Professional Services (Contracted)	11,336	11,336	20,000	
143		Planning Supplies/Printing	5,668	5,668	5,838	
144		Local Travel	2,834	2,834	5,838	
145		Communications	2,721	2,721	0	
146		Miscellaneous Comm Dev Expense	0	0	2,500	
147						
148		<b>Total Community Develop</b>	389,960	389,960	299,046	
149						
150		<b>Public Works</b>				
151		Public Works Director Wages	45,344	45,344	0	
152		Public Works Wages			93,409	
153		Cell Phone Public Works	450	450	900	
154		Keystone Housing Public Works	3,000	3,000	6,000	
155						
156			48,794	48,794	100,309	
157		Communications	2,721	2,721	0	
158		Engineer Consultant	5,668	5,668	11,000	
159		Planning and Printing Supplies	2,834	2,834	2,500	
160		<b>Road Maint/Snow Plowing Contracts</b>				
161		Loveland Pass Village	0	0	22,800	
162		Keystone Roads- Currently County Maintained	0	0	86,000	
163		Roads not County Maintained	0	66	96,967	
164		Noxious Weed Control	0	0	17,514	
165		Other Maintenance	0	0	40,866	
166		Total Road Maintenance/Snow Plowing Contracts	0	66	264,147	
167						
168		Trail Maintenance			10,000	
169		Signage	0	0	15,500	
170		Engineering Services	0	0	30,000	
172		Misc Maintenance			15,000	
173						
174		<b>Total Public Works Expenses</b>	60,017	60,083	452,456	
175						
176		<b>Public Safety</b>				
177		Communications	0	0	33,394	
178		Law Enforcement	0	0	556,414	
179		Animal Control	0	0	3,923	
180		Miscellaneous Public Safety Exp	0	85,708	0	
181						
182		<b>Total Public Safety Expenses</b>	0	85,708	593,731	\$465,000 in 2% fund
183						
184		<b>Municipal Court</b>				
185		Judge	0	0	7,589	
186		Prosecutor	0	3	11,209	

	A	B	C	D	E	F
2	<b>TOWN OF KEYSTONE FY 2025 BUDGET</b>					
3	<b>Statement of Revenues, Expenses and Changes in Fund Balance</b>					
4	<b>Actual, Budget and Forecast for the Periods Indicated</b>					
5	<b>Modified Accrual Basis</b>		<b>2024 ANNUAL</b>		<b>2025</b>	<b>Notes</b>
6						
7			<b>Approved</b>			
8			<b>2024</b>	<b>2024</b>	<b>2025</b>	
9			<b>Budget</b>	<b>Forecast</b>	<b>Budget</b>	
187		Miscellaneous Exp Municipal Cout	0		584	
188						
189		<b>Total Court Expenses</b>	0	0	19,382	
190						
191		<b>Capital and Non-Routine Projects</b>				
192		Repayment for Incorporation Costs	180,000	180,000	0	
193		Summit County fee for Cash advance	5,000	5,000	0	
194		Office Set Up-Furniture, Supplies and Equipment	41,500	41,500	45,500	new council dias
195		Facility Modifications	50,000	50,000	0	
196		Staff Hiring Expense	5,000	5,000	1,200	
197		Start Up Consultant Support (Clerk/Community Dev/Public Works)	32,500	32,500	0	
198		IT-Infrastructure/Software/Computers/Printers/Set up	109,900	109,900	89,000	subscriptions - 4,000, records management system - 10,000, printer - 5,000, conferencing equipment
199		Website	15,000	15,000	4,000	
200		Town Signage	30,000	30,000	30,000	new website with agenda manager
201		Interim Town Manager (\$150/hr, 10 weeks)	60,000	67,900	0	
202		Engineering Assessment Town Maintained Roads	40,000	40,000	8,000	
203		Flood Plain Plan	20,000	20,000	15,000	
204		Trails and Open Space Master Plan	30,000	30,000	30,000	
205		Comprehensive Use Plan			100,000	
206		Strategic Plan			60,000	
207		2 Police Vehicles and equipment	260,000	260,000	0	in 2% fund
208		Vehicle and Equipment			70,000	
209		<b>Total Capital and Non-Routine Exp</b>	878,900	886,800	452,700	
210						
211		<b>Economic Development</b>				
212		Economic Development and Marketing			100,000	
213		<b>Total Economic Development</b>			100,000	
214						
215						
216		<b>Total Operating Expenditures</b>	2,415,355	2,508,580	3,677,028	
217						
218		<b>Total Revenue (from above)</b>	3,599,507	3,611,258	4,742,317	
219						
220		<b>Operating Surplus (Deficit)</b>	1,184,153	1,102,678	1,065,289	
222						
223		<b>Other Sources (Uses)</b>				
224		Transfer to Capital Improvement	(900,000)	0	0	
225		Summit County Adv - Sales Tax	0	1,400,000	0	
226		Summit County Adv - Repayment	0	(1,400,000)	0	
227						
228		<b>Total Other Sources (Uses)</b>	(900,000)	0	0	
229						
230						
231		<b>Beginning Fund Balance - General</b>	0	0	1,102,678	
232						
233		<b>Ending Fund Balance - General</b>	284,153	1,102,678	2,167,967	
235		<b>Components of General Fund Bal</b>				
236		TABOR Restricted Funds	46,094	75,257	110,311	
237		Unrestricted Funds	238,059	1,027,421	2,057,656	
238			284,153	1,102,678	2,167,967	
239						
240		<b>RESTRICTED FUNDS</b>				
241						
242		<b>Workforce Housing Fund</b>				
243		<b>Revenue and Other Financing Sources</b>				
244		Revenue	788,210	947,656	1,316,050	
245		Interest Income		4	49,850	

	A	B	C	D	E	F
2	<b>TOWN OF KEYSTONE FY 2025 BUDGET</b>					
3	<b>Statement of Revenues, Expenses and Changes in Fund Balance</b>					
4	<b>Actual, Budget and Forecast for the Periods Indicated</b>					
5	<b>Modified Accrual Basis</b>		<b>2024 ANNUAL</b>		<b>2025</b>	<b>Notes</b>
6						
7			<b>Approved</b>			
8			<b>2024</b>	<b>2024</b>	<b>2025</b>	
9			<b>Budget</b>	<b>Forecast</b>	<b>Budget</b>	
246	<b>Total Revenues</b>		788,210	947,656	1,365,900	
247						
248	<b>Expenditures</b>					
249	Housing Authority Fees	52,064	52,064	58,929		
250	Land Purchase			600,000		
251	Professional Services			150,000		conceptual site plans
252						
253	<b>Total Expenditures</b>	52,064	52,064	808,929		
254						
255	<b>Surplus after other sources (uses)</b>	736,146	895,592	556,971		
256						
257	Fund bal - Beginning Housing Fund	0	0	895,592		
258	<b>Fund bal - Ending Housing Fund</b>	736,146	895,592	1,452,563		
259		=	=			
260	<b>Conservation Trust Fund</b>					
261	<b>Revenue and Other Financing Sources</b>					
262	Conservation Trust Revenue	12,920	12,920	12,920		
263	Interest Income					
264	<b>Total Revenues</b>	12,920	12,920	12,920		
265						
266	<b>Expenditures</b>					
267	Conservation Trust Expenses	0	0	0		
268						
269	<b>Total Expenditures</b>	0	0	0		
270						
271	<b>Surplus after other sources / uses</b>	12,920	12,920	12,920		
272						
273	Fund bal - Begin Cons Trust Fnd	0	0	12,920		
274	<b>Fund bal - Ending Cons Trust Fnd</b>	12,920	12,920	25,840		
275		=	=			
276	<b>2% Lodging Tax</b>					
277	<b>Revenue and Other Financing Sources</b>					
278	2% Lodging tax	0	0	1,600,000		
279	Interest Income			32,000		
280	<b>Total Revenues</b>	0	0	1,632,000		
281						
282	<b>Expenditures</b>					
283	Police Services	0	0	200,000		
284	Police Capital Equipment			250,000		
285	Misc. Public Safety Expenses	0	0	15,000		
286	Road Construction / Repaving			400,000		
287	Trail Construction / Repaving			80,000		
288	Engineering / Design Services			250,000		Razor Drive Intersection, HWY 6 pathways, road repair plans
289						
290	<b>Total Expenditures</b>	0	0	1,195,000		
291						
292	<b>Surplus after other sources / uses</b>	0	0	437,000		
293						
294	Fund bal - Begin 2% Lodging Tax Fnd	0	0	0		
295	<b>Fund bal - Ending 2% Lodging Tax Fnd</b>	0	0	437,000		

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

**RESOLUTION 2024-76**

**A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE TOWN OF KEYSTONE, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2025 AND ENDING ON THE LAST DAY OF DECEMBER 2025.**

**WHEREAS**, the Town of Keystone Town Council has appointed the Town Manager to prepare and submit a proposed budget to said governing body at the proper time; and

**WHEREAS**, the Town Manager has submitted a proposed budget to this governing body on October 8, 2024, and workshopped November 12, 2024 for its consideration; and

**WHEREAS**, upon due and proper notice, published in accordance with the law, said proposed budget was open for inspection by the public at the Keystone Town Hall, a public hearing was held on October 22, 2024, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget; and

**WHEREAS**, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law; and

**WHEREAS**, the electors of the Town of Keystone did, on November 5, 2024, permit the Town of Keystone to collect, retain and expend the full proceeds of the Town's fees, revenues, and non-Federal grants.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO:**

Section 1. That the budget as submitted, amended, and summarized by fund hereby is approved and adopted as the budget of the Town of Keystone for the year stated above.

Section 2. That the budget hereby approved and adopted shall be signed by the Mayor and Clerk of the Town of Keystone and made a part of the public records of the Town.

**ADOPTED by a vote of \_\_ in favor and \_\_ against, this 10<sup>th</sup> day of December 2024.**

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

ATTEST:

Approved as to Form:

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

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



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

**RESOLUTION 2024-77**

**A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNTS AND FOR THE PURPOSES AS SET FORTH BELOW, FOR THE TOWN OF KEYSTONE, COLORADO, FOR THE 2025 BUDGET YEAR.**

**WHEREAS**, the Town Council has adopted the annual budget in accordance with the Local Government Budget Law and with the Keystone Town Charter, on December 10, 2024; and

**WHEREAS**, the Town Council has made provision therein for revenues and fund balances in an amount equal to or greater than the total proposed for expenditures as set forth in said budget; and

**WHEREAS**, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing limitation on expenditures for the operations of the Town of Keystone.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO:**

Section 1. That the following sums are hereby appropriated from the revenue of each fund to each fund, for purposes stated:

**GENERAL FUND:**

Current Operating Expenses	\$ 2,941,577	
Capital Outlay	\$ 735,451	
<b>TOTAL GENERAL FUND</b>		<b>\$ 3,677,028</b>

**2% LODGING TAX FUND:**

Current Operating Expenses	\$ 465,000	
Capital Outlay	\$ 730,000	
<b>TOTAL 2% LODGING TAX FUND</b>		<b>\$ 1,195,000</b>

**AFFORDABLE HOUSING FUND**

Current Operating Expenses	\$ 208,929	
Capital Overlay	\$ 600,000	
<b>TOTAL AFFORDABLE HOUSING FUND</b>		<b>\$ 808,929</b>

**CONSERVATION TRUST FUND:**

Current Operating Expenses	\$ 0.00	
Capital Outlay	\$ 0.00	
<b>TOTAL CONSERVATION TRUST FUND</b>		<b>\$ 0.00</b>

**ADOPTED by a vote of \_\_ in favor and \_\_ against, this 10<sup>th</sup> day of December 2024.**

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

ATTEST:

Approved as to Form:

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

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

**TOWN OF KEYSTONE  
RESOLUTION TO SET MILL LEVIES  
RESOLUTION NO. 2024-78**

**A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2025, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE TOWN OF KEYSTONE, COLORADO, FOR THE 2025 BUDGET YEAR.**

**WHEREAS**, the Town Council of the Town of Keystone, has adopted the annual budget in accordance with the Local Government Budget Law and the Keystone Town Charter, on December 10, 2024; and

**WHEREAS**, the amount of money necessary to balance the budget for the general operating purposes from property tax revenue is \$0; and

**WHEREAS**, the 2024 preliminary valuation for assessment for the Town of Keystone as certified by the County Assessor is \$302,134,600

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL, OF THE TOWN OF KEYSTONE, COLORADO:**

Section 1. That for the purpose of meeting all general operating expenses of the Town of Keystone during the 2025 budget year, there is hereby levied a tax of 0.0 mills upon each dollar of the total valuation for assessment of all taxable property within the Town of Keystone for the year 2024.

Section 2. That the Town Manager be authorized and directed to certify to the County Commissioners of Summit County, Colorado, the mill levies for the Town of Keystone as hereinabove determined and set, but as recalculated as needed upon receipt of the final (December) certification of valuation from the county assessor in order to comply with any applicable revenue and other budgetary limits.

**ADOPTED by a vote of \_\_ in favor and \_\_ against, this 10<sup>th</sup> day of December 2024.**

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

ATTEST:

Approved as to Form:

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

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

# TOWN OF KEYSTONE, COLORADO

## STAFF REPORT

TO: Mayor & Town Councilmembers  
FROM: John Crone, Town Manager  
DATE: December 10, 2024 – Town Council Meeting  
SUBJECT: Cancelling December 24, 2024, Town Council meeting

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### **Executive Summary:**

Considering the cancellation of the previously scheduled December 24, 2024, Town Council meeting because of the Christmas holiday.

### **Background:**

The Keystone Town Charter requires the Town Council to meet at least once a month. In February, the Town Council passed Resolution 2024-11, which set a schedule for regular Town Council meetings on the second and fourth Tuesday of each month. The Town Council has also adopted bylaws that expand upon the requirement stated in the Charter.

Town Council Bylaw 2.1(b) allows the Town Council “to modify or adjust any previously approved meeting schedule or to change meeting days or times as may be needed for convenience or to accommodate holidays...” This provision allows the Town Council to make the decision to cancel the December 24 meeting since it falls on Christmas Eve.

Staff does not anticipate that there are any issues that need to be addressed by the Town Council between the December 10, 2024, meeting and the January 14, 2025, meeting. If an issue comes up that requires Council attention, the Bylaws allow for Special Meetings to be called with twenty-four hour posted notice.

**Proposed Motion:**

If the Council wishes to cancel the December 24, 2024, Town Council meeting, it may do so by approving the following motion:

- *I move to cancel the December 24, 2024, Town Council meeting.*