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REGULAR MEETING OF THE • MINTURN TOWN COUNCIL
Wednesday, October 20, 2004

Work Session: Council Chambers – 5:45 PM
Regular Session: Council Chambers – 7:00 PM

Minturn Town Center
302 Pine Street • Minturn, CO 81645 • (970) 827-5645

MAYOR - Gordon “Hawkeye” Flaherty, **TOWN MANAGER** - Ann K. Capela
MAYOR PRO TEM - Darell Wegert **TOWN CLERK/TREAS** - Jay Brunvand

COUNCIL MEMBERS:

George Brodin
Jerry Bumgarner
Bill Burnett
Fred Haslee
Tom Sullivan

WORK SESSION – 5:45 PM

- FY 2005 Budget by **Mayor** (**BRING YOUR BUDGET BOOKS**)
- Ordinance 14 – Series 2004: Discussion as to need and direction; summary of impact. By **Treasurer/Attorney/Planner**

OPEN SESSION – 7:00 PM

1. Call to Order

a. Roll Call

Mayor Hawkeye Flaherty called the meeting to order at 7:14 p.m. Those present included Mayor Flaherty, George Brodin, Jerry Bumgarner, Tom Sullivan, Fred Haslee, and Mayor Pro Tem Darell Wegert. *(NOTE: Bill Burnett was excused absent.)*

Staff present was Town Treasurer Jay Brunvand, Town Planner Wiley Smith, and Town Attorney Allen Christensen.

b. Pledge of Allegiance

2. Discussion of the Agenda

- a. Items to be pulled from Action Calendar
- b. Items to be pulled from the Discussion Calendar.
- c. Items to be pulled from the Consent Calendar.
- d. Emergency Items to be added.
- e. Order of the Agenda Items.
- f. Approval of the agenda.

Motion by Fred H., second by Darell W., to approve the agenda as presented with the addition of an Action Item to appoint new Planning and Zoning members and the addition of an Action Item to accept Alan Holub's resignation from the Planning and Zoning Commission; all voted in favor. *(NOTE: Bill Burnett was excused absent.)*

3. Approval of the Minutes

- October 6, 2004

Motion by George B., second by Jerry B., to approve the minutes of October 6, 2004 as presented; all voted in favor. *(NOTE: Bill Burnett was excused absent.)*

4. Council Member Reports/Announcements.

5. Special Presentations/Citizen Recognition

6. Public comments on items, which are NOT on the agenda.

Mr. Jay Fetcher, Democratic candidate for Senate District 8 took a moment to introduce himself.

Mr. Buz Reynolds, Current Mayor of Avon is a candidate for Eagle County Commissioner. Mr. Reynolds outlined his background and qualifications.

7. Discussion/action of Emergency Items, if necessary.

DISCUSSION, HEARINGS AND ACTION ITEMS

8. Discussion/Action – Presentation and update of the RV Resort proposal and election by Skip Ahern

(Note: upon consideration for approval of the minutes during the November 3, 2004 meeting it was directed by Darell W. and Fred H. that, due to the importance of the discussion on the RV Park, this item be transcribed into the minutes word for word.)

Hawkeye (HF): Next is Skip Ahern and the presentation and update of the RV Resort proposal.

Skip Ahern (SA): Thank you, I am Skip Ahern and I am from Denver CO. I appreciate the opportunity to come and address the Council and let you know what we are doing.

We have prepared a video, some of you I know have seen it. We thought we would take a few moments and go through the video. Our technician will do that because I'm not as young as he is and I could not do that.

Problems were experienced with the video.

HF: Honest guys he was ready at 5:30 and it was working then.

Problems continued with the video. It was decided that SA would proceed with his presentation and come back to the video once it had cooled.

SA: Well, that was sort of going to be my opening speech and with out that there I am really not sure what to do. Let me give you a quick update and we can open up to questions. What we are doing to get the word out to people so that we can kind of get over all this misinformation and everything about what the proposal is and what the project is about. We are going around having various community meetings, we had one last night down at Harry's (Bump and Grind Café) and we have a couple more for next week. We had one down at Darell's house where we showed people the video and kind of laid their fears of what an RV is and all this sort of thing. So in doing that we have gotten the video out and we have a number of copies of that for you. Pam Bard and Robin Eldridge are both here and so we're here to answer your questions and go over details. I'm sorry this (video) didn't work to try to give you a quick overview.

Pam Bard (PB): Why don't you let Robin talk about the web site?

SA: Okay, Robin.

Robin Eldridge (RE): Good evening, (projector was then hooked to the computer and the Developer's website was brought up showing material from their Golden and Estes Park RV sites).

RE: Basically this shows our operations and facilities. This shows the three properties that we have within Rocky Mountain RV Resort and this shows Dakota Ridge (Golden). This kind of shows what we do within each of the communities besides just showing basically the facilities and the amenities, accommodations, pricing, and that kind of thing. We include near by attractions in the area as well as local businesses. And Dakota Ridge, I Golden, and you can then get into the events and near by attractions for that development. You can pull up the Chamber of Commerce as well as businesses that have websites which we link to ours. We have a new golf course and we are adding a water park this year. So when our customers pull up to the site they already know pretty much what we have to offer in the park and the area around the park. Again, you can see (referring to the website) obviously all the things going on from the Rockies games, Broncos, Pepsi Center, rafting, the zoo, etc. For here (Minturn) we would encourage the businesses that want to promote such as bike shop, flower shop, restaurants... we would also include those on our website for Minturn plus the local attractions in the Vail area. We're finding now our reservations at all of our parks is probably getting about 60-65% of our reservations are coming from our website. In addition to that your coverage becomes even greater. We're now...The Trailer Life Magazine is kind of the Bible of the industry

and Trailer Life represents every RV park in America and we are linked, all of our parks are linked with Trailer life and Trailer Life is now getting about 1.5 million hits per month. Same with Woodall's which the secondary Bible of the industry is. We're also getting a lot of hits from that magazine as well. We envision here at Minturn, people are going to want to know, our guests always want to know what is going on around. They are on vacation and they are here to spend money, their here to frequent the local restaurants and shops and they absolutely love small town type atmosphere. When we get the video running we try to get a representation, as an example in Glenwood Springs that talks about the RV'rs and the atmosphere and the money they spend.

At this time the video was ready and it was played. The video lasts approximately 15 minutes.

SA: Thank you very much for hanging in there with us. I tried to get around to the parts of each of the concerns that Council members had expressed in the video, if you have any specific questions I would be happy to address them. As we are going out in the community we are really sensing that our campaign is getting traction in the community and more and more people are supporting it and we are getting some really positive feed back. As you all know we got the endorsement of the Vail Daily the other day. I think as we get to November 2nd, and we are counting the days as I think we all are, that we are optimistic that we're going to be very successful. With that if the Council People have any questions.

HF: I have one Skip, in the previous design of the RV Park they show a campground to the south and the east of the RV Park is that still something you are considering?

Fred H. (FH): No, that was a previous design.

Tom S. (TS): There's an amphitheater though.

HF: There's no intention of putting any campsites to the south and east.

SA: No

HF: Okay

TS: Is the pavilion a new addition or is that something that has always been there?

SA: Well, it has always been there relatively sense August or July, sometime in that time frame. But as we started talking with the Town some of these things started to roam so that we could make the development here fit in with what the town wanted and what the town needed. I can't tell you exactly when the pavilion and the family lodges were added into it but it has been in the program here for several months.

TS: Maybe I used the wrong sentence, I meant the amphitheater instead

SA: Oh the amphitheater, the amphitheater is something that is fairly new in thinking. We talked to some people and got some feedback from the community and the fact that

we had the natural sloping piece of property it seemed kind of a Red Rocks opportunity there. Yeah, that is a fairly new addition.

HF: Does anybody from the audience have any questions? Tony (Aiello)

Tony Aiello: On that photo there, see the piece of angle iron? If you guys don't want it I could use it just for starters. You talk about RV'rs like small town charm, that's gonna be gone if that RV Park. I went to both of the meetings at Harry's and JB's and everywhere else and I like Minturn just the way it is. I think the Council needs to think about controlling spending and not hiring too many people and hiring from within... People like Woody are going to be developing his stuff and there are other ways. I think that land needs to be used smartly and sensibly. A good place for the RV Park is to plat down a couple of places at the bottom of Beaver Creek there, that would be a good place or right where the golf course is at Beaver Creek or you know but not in my town, I like my town. I love my town and I would like to keep it. We've already got strangers walking around it and if the kids want something to do, ya know, my kids have played sports all their life, we were gone 24/7 and they are still playing sports and so am I. I don't have anytime for a rec. center or whatever, but I like ... The guy had a good a good point. Something about the runoff on the hill there, how he had walked it all the time, and there is three feet of mud where the mud slides all the time and what not during run off. I think it is just too dense, too many vehicles. I'd like to see the concrete trucks stay there and I would like to see Laurence (Chadwick) stay there a little longer and mine that out and flatten it out. Ya know we changed around the Council a little bit last time, I think we did a good job, and a hopefully next election we can changed the Council around a little more and make it a little better and get people thinking along the same lines and keep this nice small town charm and keep our community the way it is. Growth is probable the scariest word I can think of. What is happening in Eagle County is a total abortion and it is sad to see what has happened here and it is just going to get worse. I've become a hermit. I am kind of disgusted and I pray for all of you and I'm going to go watch the Yankee's game. God loves you all. *(Note: Mr. Aiello left the room after his comments without waiting for response.)*

HF: Does anybody else? Could you state your name please?

Jill Koelhoffer (JK): Jill Koelhoffer, 1010 Main Street. I have more of just a comment. I thought you might want to know, I found trash in our river in front of our house from the Pro campaign. I called but no one came by so I picked it up myself.

SA: I came by to take a look. I think your friend told us about it last night. I didn't see anything in the river but if you got...

JK: Yeah, I picked it up. You know there are fish and stuff in their and all the time that the gravel plant has been there *(unintelligible but gist seemed to be it caused noise and pollution problems and they thought they were beyond that.)* But when we make \$10,000 worth of improvements on the property and the river front and it is strewn with trash, you know it makes you mad.

SA: It was not intentional, we apologize for it. Last night no one told us where it was so I had to go and try to find it. I did not see it; I appreciate you picking it up.

JK: Well it was on our property, we will clean our property up. I just wanted to let you know of the problem.

TS: Skip I have a question and I guess it goes to Fred (H.) as well since he was the one that said it. But I think it has been sort of miss represented with our sales tax as being projection as going down and our sales tax are up this year and within flat or increasing for the last 15 years according to this sheet of paper that Jay (B.) showed us so maybe if Fred H. could clarify as to if our sales tax are up 20% year to date how you can say they are going down.

FH: When you look at the sales tax what pattern do you see as a totally independent person because I don't want to be accused by anyone here of being biased one way or the other. What is the trend that you see over the last five years for our sales tax and what do you anticipate for the next two or three years?

Jay B (JAB): Our sales tax is pretty even with where we were at in 2001, three years ago. They are going to stay flat. The only way sales tax increases, is not when you have property come in, but when you have commercial property. In Eagle County it is cheaper to build residential because of the way the taxes work. This (the RV Park) is actually commercial property and would increase that portion of the property tax because of the way the little amendment. Everybody hears about the TABOR amendment but the Gallagher amendment restricts the form of growth that we can do in order to have our mill levy kick in. The sales tax has been flat or going up slightly. I have predicted that we will be right at budget this year and with out the growth our expenses are going up because of inflation is up but our income is not increasing. The decision needs to come down to do we balance the budget on the backs of the citizens with property tax or on the backs of the tourists with sales tax.

Unidentified citizen: Jay, what happens to the town, I'm an Eagle County resident, a town like this if something happens to the water treatment plant or something that costs a lot of money. Do you have to run to Eagle County and ask us to help or the state?

JAB: that has happened before in Minturn. We had wooden pipes that needed to be replaced and we went in to debt to do it.

Unidentified Citizen: You went into debt to do it so you would need to go in to debt again?

JAB: Well we haven't needed to do it recently. The last debt that was proposed for that purpose was in '94 or so. That is balancing the budget on the backs of the citizens because the way the Water Fund works is fees pay for the expenses. The fees are the water use and debt. The new things like taps and things like that; those are anticipated to be used for the infrastructure. With the community that is pretty well built out that doesn't apply.

TS: One answer to that is we are going to have \$800,000 in the bank at the end of the year. So, I mean, it is not ... I have heard the people, Harry Gray said that we are going to have to assess every resident in town \$5000 if the water treatment plant fails and that not...

Randy Milhoan: I don't think Harry said that Tom, you go ask him that tomorrow.

TS: I will!

FH: The other thing that we talked about is the budget cycle. We are trying to keep a six month reserve for the town and everybody agrees that six months is the number that we need. Well, part of that \$800,000 that Tom is talking about is the cash reserve. It is not all disposable income. The other thing I think, and it is too bad the camera is not here tonight, because a lot of people including Mr. Aiello who just left...lets just make an assumption for a minute that this RV Park is voted down by the people. What do we do? At the last Council Meeting in the work session Tom had an idea, Tom would you care to elaborate on your idea of what you thought we should do with that property up there?

TS: What I think we should do with it?

FH: Yes.

TS: I think we should leave it open space.

FH: Now someone tell me if I am incorrect, but last time at the work session you said you thought what we should do up there is to dispose of that land.

TS: No No No...

FH: Excuse me Tom, I don't think I am and we can ask everyone else. I think what I heard you say was in the 8 or 7 acres, what ever it is, that is unrestricted by deed. In your opinion we should subdivide, we should sell off that property because it is so valuable, we could make millions of dollars and we sell that off or subdivide someone comes in. I just heard Tony Aiello say that we don't want growth in this town, I just heard him say that. But that is not what you had in mind; you said you wanted to sell that. We're also looking at Forest Service parcels all over this town that are going to be sold off and they are going to go to the highest bidder. So I just telling the citizens in this town, the town as you know it is absolutely changing. This is a chance to kind of maintain it. We can get a sales tax revenue that is consistent and its going to be; as Ty (Gillespie) said this would be land banking is what it is. It is an asset value the town is not going to give away.

Aggie Martinez (AM): *Unintelligible interruption*

HF: Aggie, let him finish.

TS: Let me finish, my thought process is we keep this property even if this election goes south and we don't do anything, that's what Tom wanted to do. He wants to sell the property.

HF: No, now don't put words in his mouth.

FH: Let me just ask a question. Did anybody else hear at the last work session say that when we were talking about what we should do with that?

Jerry Bumgarner (JB): I'll answer that, I brought up the point about if this 8 acres is sellable, if it can be developed we should use that as a bench mark to set the value of the leasing. I think that is where you were getting it from. You were confused.

FH: Does anybody else remember the same thing that Jerry does?

JB: Well I said it...

FH: That is your recollection, does anybody else remember anything differently?

Darell Wegert (DW): Jerry, I don't recall the last sentence that you just said, as a bench mark, I don't recall hearing that. Now, you may have been wanting to say that or whatever, but it didn't come out that way. And then what Tom had said was "let's develop it" and then we went into some sort of figure, I don't remember but it was several million dollars. Your idea of a bench mark would be a great..great way to do it. But, it surprised me that it came out to develop it.

HF: To reiterate what Jerry said, I do remember saying, hearing exactly what he said, to use that value of that land as a benchmark for the leases.

JB: I may not have used the word benchmark but I said use it on the value based so that you know how lease the property; it was not to sell it. But you have to do a model in order to establish the value. If you could sell fifty lots then you would have something to work with in the model. I'm not saying that we would sell it. And another thing too is disposal. Land bank it. Just to correct what Ty said, I think a fifty year lease is, you know, were not going to get much use out of it for development. But anyway that's what I was saying.

HF: There's no reason going back and forth trying to remember what was said last week.

FH: Well Hawkeye you gotta...

TS: I expanded on what Jerry said. I said if those eight acres, theirs eight lots per acre that's sixty-four lots and I'm trying to put a value on what the land could be. I didn't ever say that we should sell the land, I was trying to put a value on the land should be. And I said if there are eight lots per acre and there're eight acres that's sixty-four lots. At \$150,000 per lot that's \$9...\$9 and a half million dollars approximately and then I said your not going to be able to recognize all 64 lots so maybe you get fifty lots out of it, okay. That's still \$150,000 a lot, that's \$7 and a half million dollars. Jay said it would

cost \$500,000 to bring the infrastructure across up there so now your at \$7million dollars piece of land that were going to lease for \$25,000 per year. That is the point I was making, I never once said that I think we should develop that land. (*interruptions*) let me finish! And then, so I asked you a question before about the sales tax going down. Jay just answered it, their flat or slightly increasing. That is a miss statement, that's misleading our revenue. So I've never said I want to develop the land, I personally believe and I brought it up earlier in the meeting when we were talking to McInnis (US Representative) that I think the land should be kept as open space. I think that we can sell that..get the Eagle Valley Land Trust or Rocky Mtn Elk Foundation or whoever it might be, to take approximately half of the value of the land and we could keep it open space. Then if we get \$3 million dollars or \$3 and a half million dollars that could go a long way to paying down our debt. So that's what I said, people come up to me and say I want to build a gated community up there. That's the last thing I want to do up there okay. I'm telling you now, I want to see it kept open space and I think that we should try to get the Rocky Mtn Elk Foundation, the Eagle Valley Land Trust and other concerned entities to pony up the money just like they did for Bear Ranch and their trying to do for Eagle Ranch, that's what I think we should do with the land. So don't put words in my mouth!

FH: Excuse me, just a clarification, tell me now Tom because you probably know more than I, but if your revenues are flat and your expenses are increasing what does that do to the bottom line?

TS: That's not what he said, he said they were increasing moderately and if you look at it they are increasing. The sales tax...

FH: Technically you are correct, they are increasing but if their flat...

HF: (*Gaveling*) That's enough, I'm not going to sit here and listen to you guys argue. We're going to move on. Aggie (Martinez) you had a comment?

AM: Yeah, the thing about the sales tax, can anyone guarantee with this project?

HF: No, there's no guarantee...

AM: (*unintelligible*) *They are saying the town will get this much*

HF: I wouldn't class that Aggie as hearsay, it's their best educated guess, okay. You know people are always doing a financial plan, you make assumptions it's up to the individual, the town staff or somebody to verify these assumptions. But hearsay's not a good word. I see your point of what your trying to say, the numbers have to be verified and they have to be made solid because it's a big impact on the town what their saying their going to have. If it's twice that that's great, if it's half that then their selling us a bill of goods. But, I think Skip...it's their best educated guess and he's in the business so.

FH: But you're talking only about sales tax...

HF: No...

FH: Aggie asked the question. Now there is a verifiable sales tax... I mean property tax revenue that the town will absolutely receive. So what Hawk is saying is not necessarily true. It's not, when they make improvements their going to get taxed on that. Property tax, just like what you pay on your house, their going to pay a property tax to the town based on the value of the improvements they make on the parcels. That is absolutely guaranteed.

AM: Yeah, but I'm talking about all these other entities and taxes coming into town as a result of that RV Park, that's not guaranteed is it?

FH: No, it's their best guess based on you know...

HF: Their experience. Good point Aggie. Jay could you clarify, just for the audience that the property tax that we will get off the buildings. Is that personal property tax or is...what kind of tax is that.

JAB: The property tax noted in their business plan is based on commercial value and commercial value of the personal property...

HF: Of the building.

JAB: Of the improvements. The land itself, because it is under a lease, would still be taxed also.

HF: Tax free.

JAB: No. No the only reason it is currently tax free is because we are sitting on it.

Allen Christensen (AC): No, you loose your tax exempt status when you lease it.

HF: Do we have to pay the taxes?

JAB: No, they do.

HF: Okay. I think that's a good point. I thought the land would still be tax exempt if were the owner.

AC: No, it's taxed at the commercial rate rather than the residential, which is much higher.

JAB: and it's assessed higher because of the improvements they put on it like the paved roads and what not.

HF: Okay. So that's good information. That's something I wasn't clear on. So, you had a question Pete?

Pete Vance (PV): Tom, I just wanted you to know..., Pete Vance 560 Main St., I was in conversation with somebody from the Eagle Valley Land Trust and it is her feeling that

were so far of the beaten track that the reality of either the way the Bear Creek or the Eagle Valley Ranch are set up that we could not entice investors to make this area a reality this far off the interstate, this far off the main valley. So it just doesn't seem possible that we could develop a land trust...

TS: My guess is if you get the Miller's and the people up on King Ranch who's views are going to be ruined, and who are multimillionaires their going to pony up the \$3 million bucks.

HF: Anything else,...Deb?

Deb (Unidentified Citizen): I think I have two questions, you kind of touched on one but the first one was, if this does get voted down by the Town are you guys looking at any other (*unintelligible*) to increase the Town's coffers. You kind of talked about it a little bit, but what else is out their relative to the Town and what has been kicked around. Hand in hand with that what is the reality that that will ever be developed. It's been talked about, you know, we don't want to see developing condominiums over their. Is that a reality if this were to go down? Would the Town talk about selling that to a developer. And then my third question is a little bit different. I think everybody down there would agree that it is pretty much a dump right now. Looking across the street from one of the water treatment plant for the last eight years this site has gotten trashier every year. It needs to be fairly clean over there and I hear there are cars and an old boat old RV's. We are not very good with our own land as far as our public works, the land that we own that the Public Works is on.

HF: First question, one possibility would to have Chadwick come back and finish mining it out and that would generate some income. But other than that I don't think I have heard any discussion on any other use of the land that would generate revenue on the land.

AC: That's not a possibility.

JAB: May I interject for a second...

AC: That is not a possibility if Chadwick wants to...

JAB: The mine that he was doing, the lease was designated to the terms of his mining permit through the state. The idea of taking that land and flattening it out for another purpose, he would need another mining permit from the state. The way it stands, the reason his lease was a five year lease was because that is what his mining permit was for through the state. When he put it back to the grade and seeded it, that was all part of the state mandated reclamation process through his state permit as the permit expired.

HF: Okay, well I talked to Laurence and he said the reason he lost his permit is because he had nothing left to mine because the Town wouldn't lease him any more land. He told me, Jay, that if the Town leased him the land, he could probably get another permit. So theirs just the difference of the two sides, but that is what Laurence told me. The reason he lost his permit is because he had nothing to mine because the Town did away with his

lease. So if the Town leases to him again he could probably get another permit and continue. That's up in the air

Deb (Unidentified Citizen): And what kind of revenue does that bring in that would...

HF: \$30,000/year

JAB: We were doing about \$27,500 a year.

George Brodin (GB): Another idea that was put forward was with the money from the RV Park to develop the existing park and create a pavilion up there for special events under the auspices of the Town of a private investor.

Randy Milhoan: Under that idea we thought of the Hot Summer Nights in Minturn to be held every Tuesday night during the summer.

FH: Their free, their free. The only thing I can make...

Randy Milhoan: Their free but it would bring people into Town and the guy who has the concession stand would make money but that is about it.

HF: Deb, it took so long to answer your first question that I forgot what the second was.

Deb: Um, what is the reality that the town would privately sell the land to a developer? Is that something that we need to be concerned with if this goes down?

FH: You would have to vote on it.

HF: Yeah, were using that land right now so I think it would have to go to a vote and we would have to check with Mr. Christensen. But I think right now because it is being used by the Town, town property, the people would have to vote.

Deb: My third question was to comment on ...

HF: That's my pet peeve...

Deb: To comment on the Public Works area.

HF: I've taken the Town Manager around we've inspected the site, we've been to the water plant and it was put on her list of goals to accomplish to get that cleaned up. My comment to her was, as we were going around town, people to clean up their yards and then our yard looks like this and she was in total agreement. I mean we can't be hypocrites about this. So, she is well aware of it, I don't know if there has been any progress done on it. But on my list of things to keep an eye on. I review it every couple of months and we find time to do it. But you're absolutely right; there is no reason to have that junk at the shop or the water plant. Were...my pet peeve is to get it cleaned up. Aggie?

AM: As long as were talking about that, right across the river where I live there is some angle iron or something, I don't know what it is.

JAB: Actually, I think Aggie is referring to the old Ford Theater.

AM: Now that their mining, not mining, but building all those homes now. Their building that burm theirs dust and dirt, you can hardly even see.

HF: Okay, maybe we can do something about the dust.

AM: My question is would you guys, put yourselves in my place. If you lived where I do would you want that RV Park over their?

HF: That's a fair question.

TS: I wouldn't. I'd be devastated because I feel my real estate values would drop about \$100,000 dollars.

AM: All this building is having an impact on the elk and all this stuff. We need some other things first. I don't want my view to be looking at a bunch of RV's; I want my view to be the mountain side and the elk. Those elk aren't going to be there if we keep developing over their.

FH: You know Aggie, it is kind of interesting that you say that because they have an RV Park in Estes Park and that doesn't seem to bother the elk there. Bill Andre, you know Bill we all do...

AM: Yeah we all do, but those cabins there, their will be people with dogs up there. We will have conflicts with everything, if this thing gets built those elk are going to be gone.

SA: Aggie, you raised about three or four points, let me see if I can clarify a little. First, we are proposing hear is not hear say, it's not fly by night. We have been in the RV business since 1995, we have owned, operated, and developed five RV parks. We still do that as our business. I can tell you unequivocally we will not be putting \$13-14 million dollars into this project if we didn't believe in this proposal. We're going to take out big loans, were going to put our own money into this thing and the facts and the figures come from our belief of how it will operate and how successful it will be. We are trying to put together a partnership with the Town and, sort of the here you go gift, were not doing just \$25,000 for the lease. That is absolutely an incorrect statement and that's the education that we are doing to get that out of their. And if people understand how this came together and the percentage revenue sharing, their understanding would really give an understanding for the benefit for the Town. Were happy to talk to the Council about a bed tax, if you want to go in that direction were not opposed to that. But then again that is based on how many RV's were able to attract. But were happy to talk to you about that so that's not an issue. As we correct those misimpressions and misstatements that go around here I think it's important to do that. With the elk, Aggie, the picture up here shows the elk in our RV park. Those elk would not be sitting there if we had dogs running around chasing them. We maintain our parks, we have verified strict rules and

regulations, there's nothing up their now but snowmobiles and ATV's. When we negotiate our deal with the Town, you can bet that they are going to make sure that we are not allowed to let that happen. We would not allow that to happen anyway and were happy to have that negotiation with the town. There are no snowmobiles, there are no ATV's that are driven in our park, were not going to let people access forest service off of our land in terms of doing that. I can assure you that's not going to happen. The other point that I'd like to make is in terms of the value of the property. There are 8 acres up there but a lot of those acres are undevelopable and we are finding that as we go through up their. So I think that the "Pie in the Sky" solutions that are being thrown out here need to have a certain dose of reality brought down to them. I think that is something that we can show you on a map. Our architect is looking at... question?

HF: Do you feel that it is an accurate statement that about 4 acres are developable and the rest is too steep?

Steve Isom (SI): Yeah, I'll gladly give you the map that we just got a couple of days ago from Alpine Engineering. This is your 8 acres, this real steep hill side and that is why I don't have any development up there. The pavilion is actually about half on this property and about half on the other property because there is a bench right here. But the rest is all across here and then the bank that falls off to the rail way, about 55 to 60 percent is actually useable. As you can see from the contours, this part that comes up behind the cemetery addition that you deeded the two acres, is only about a 25 percent slope. This in here is 45-50 percent all the way across this ...

HF: Okay, you say about 55 percent is useable so that makes what maybe 5 acres out of the 8...

TS: Hawkeye, you know on the other maps that is not what it shows. Because on the other maps you can see where the faint line is where it is. They actually are developing right, the whole 8 acres of that land. So like if you look here, let me show you because this was another misconception. That's the line, that's our property right their: group facilities and RV Resort. Their developing all of it!

HF: Well he just said they were going to put the little pavilion up on a bench here. Steve (Isom) could you come look at this and explain...

SI: There's the bench here up above.

HF: So this is were the bench is?

SI: Yeah, there's a bench...

TS: So we'll agree this is the line that were talking about right, that's the line?

SI: Well that was our original till we got...

TS: No, no, no, this is the line of the property...

HF: This is our 8 acres...

TS: Of our 8 acres!

SI: Yes, that's correct.

TS: And you guys say you're developing it.

SI: Well we did until...

TS: Aw come on man!

SI: ...we got this the other day.

TS: You gotta tell the truth! You gotta tell the truth.

SI: We that was the schematic. We did not have this schematic until just a few days ago.

TS: Aw come on.

HF: Okay, alright, Steve thank you. This is just an updated version Tom.

TS: It's updated but their developing it. They have the family homes in that area as well as... your not listening, their developing it. You gotta make sure people are telling the truth when they say stuff. All this area, this is the 8 acres, from here to about there. They're developing every inch of it. I mean you gotta tell the truth.

HF: Okay, is that right Steve?

SI: We had to do a retaining wall on the bottom. What it is, this line, the line of this property comes across to the gas line like this and then down. We now had to pull some of this back and put in a big retaining wall to try to retain...

HF: is that picture inaccurate?

SI: No

TS: No it's not inaccurate or no it's accurate?

SI: It's not accurate.

HF: Okay

TS: How are we supposed to vote on stuff when we don't have accurate plans, come on!

SI: We had to go get this topo done and Alpine just gave it to us. We have to start condensing in these corners here because we can't get up on the hill side.

RE: We've been through this process so many times on other developments. You all have the opportunity, this all has to go through Planning and Zoning and has to go through you all, and it has to go through you building department and you have certain requirements as far as slopes. The reason we did, obviously we were working off a rough topo because the Town did not have any accurate topo maps. We had to conduct our own survey because the town did not have accurate maps to see exactly what we could do. So everyone has to understand you all have been through this before on a smaller basis but you adjust based on your topo map. For you to make light of a plan that is based on a plan that is based on a topo that is from you all and now we see it is not what was presented to us is not fair.

TS: Alright but you could have said, or Steve could have said, 5 or 4 or 5 acres of those acres are developable, but your developing all 8 of them. How can you guys develop all 8 of them but we can only develop 4 or 5 of them.

SI: Well...

TS: Well how many of those 8 acres are you developing Steve?

SI: About 4 and a half or five.

TS: Come on!

HF: Well I guess, what was your name... Robin, I guess if you're going to show people that map I think it's only fair to you to explain to you that map, some adjustments have been made to it and that the building or something has been moved. It's fair for Tom to say that that is not an accurate representation of what's going on, that's the previous version. If your going to use it to tell people what's going on I think you need to be fair with them and honest with them and say this has changed. That's all I'm asking you to do. If this part has changed, were not doing it. Isn't that fair, Skip, to ask of you?

RM: Tom Sullivan and you as Mayor really ought to council your council members that Tom Sullivan, I have heard and I have proof of it, I've got it written down, has not uttered factually an honest word about this entire project from the get go. He told me 4 years ago, he said Randy were all comes (*unintelligible*), I'm going to get you to join my side. And he hasn't, he hasn't gotten me to join his side. He has misrepresented the \$25,000 dollar annual revenue...

TS: No I hav...

RM: He just misrepresented to Aggie Martinez, Tom said your value, your property values going to go down \$100,000 dollars, To has absolutely no way of knowing that unless he is divine, which I think he believes he is.

HF: Okay, now I'm not going to sit here and listen to those allegations!

RM: are you going to let me finish?

HF: Keep it on Business! Just let's not get personal Randy. I mean this is heated and it's fair for you to say something but were not going to put up with the personal comments. From you or you, let's get this thing under control, lets act like adults, and let's act in a business like manner, keep the personal comments to yourself! Both sides!

SA: Mr. Mayor, can I answer your question? You asked shouldn't we make this different. The answer is, right now Mr. Sullivan is saying we don't have a firm plan, we don't have all of this ironed out, we don't have all of this in detailed. The reason is that, just like Ford Motor Co., the decide they are going to build a new SUV, they are going to go out and do some market testing and get an understanding of what that vehicle is going to be like. It isn't going to sell and the company isn't going to spend millions of dollars until they know want the product needs to be. This is the same thing for us. This vote is like the market study; do the citizens want to do it. We have a finite number of dollars that we can spend to win this campaign, we have a finite number of dollars we can spend on Steve Isom and his drawings, and we have a finite number of dollars we can spend on Alpine Eng. and the guy that is doing the topo maps because we didn't get good topo maps before, that is not your fault it is just the way it was. We took the topo maps that we were given and did the best design we could. We are not going to spend the resources to take this through a full absolute plan of design knowing that the citizens may well turn it down. We have to pass that hurdle, when that hurdle gets passed we'll be in front of this Council, we'll be in front of the Planning and Zoning Commission. You can cut it down, you can criticize it, you can change it, you can have all kinds of statements and comments that you want and that's fine. We can't do that at this stage of the game. Mr. Sullivan doesn't know that, but I think all of you know that. We can only spend so much money until we get passed this hurdle. After that then we sit down and really horse trade the deal, we can horse trade the development, we can horse trade all of it. Most of the people in this Town are not concerned about weather or not this building is here or here. They are concerned about a rec center, they are concerned about a swimming pool, they're concerned about having a pavilion, they're concerned about reducing the amount of large vehicles on the streets from the dump trucks down to the RV's and having the benefit of having 3-400,000 dollars of revenue going into the city. That is what makes the difference; we'll get into the details later on.

HF: Okay, all's I'm saying is act like adults...

SI: This road can't be where I have it, I have to move it about 50 feet and it wipes out these 3 sites.

HF: What about the three buildings on the bottom?

SI: It doesn't effect this, it's right here, this is where that real steep bank is and you just can't get into it. You just have to take that road and move it. The same way it just drops down here and then these three sites right there.

TS: How much guaranteed rent are you paying the town? What is the guaranteed rent?

SA: There is base rent of \$25,000 dollars there is an additional percentage rate that we are offering the town in this proposal, and we are happy to modify that to the Town to do a bed tax...

TS: I just want the guaranteed rate!

SA: You don't say it that way, you can't say \$25,000 dollars only.

TS: You offered net, you offered 5% of your net. Any good businessman knows that your net can be manipulated.

SA: Right, good point. The Reason we took it off the net was because we are putting 2 and a half million dollars of our money, not the Town's, into the rec center, we're putting a million and a half dollars into the pavilion, we're spending another \$500,000 dollars to get the water and sewer so these toys can be hooked up. That's \$4 and a half million dollars of our money that is going in to this project right up front, day one. This isn't, well were going to operate the RV park for five or ten years and then if it makes sense were going to build you the rec center. No this is going in now. You guys have not skin in this, the land was given to you, we're the ones who are putting the money into here, and we're also going to be paying for the guy who picks up the towel in the locker room, and paying for the rec center operator and the concierge. They are our employees, the town has no expenses. The Town of Avon pays \$850,000 dollars to the rec center because that's how much money it costs. If we lose money we don't come back to you. You guys are not paying any money, you're not having any of the expenses here. So we feel it is fair to take off the expenses the town has received for the operation of the rec center. We are happy to show you the formula that we came up with.

TS: Then you shouldn't say that this is a free rec plan.

SA: It is a free rec plan.

TS: No, because you just said we have to pay for it, that you were taking it off the expenses.

SA: Operating expenses...

TS: Right...

SA: There is a difference between capital expenses and operating expenses. Jay is perfectly happy and willing to come in and audit the expenses and audit the income and this will happen on a yearly basis. Like I was talking to George the other day, if you guys really want to look at a bed tax that's fine we can go that direction. Your statements are incorrect....

TS: Which statements?

SA: The statement that the rent is \$25,000 dollars.

TS: The guaranteed rent is \$25,000 dollars per year.

HF: Okay you guys, it's getting back to just arguing. What he is saying is true, what he is saying is true, it all depends on how you are looking at it. Jerry, you had some comments?

JB: Mr. Mayor, I think everybody here has probably already made their mind up how their going to vote on this thing. We got six or eight people here besides staff and the developers. We don't have TV for people that might have been interested in hearing it. Were doing the same thing over and over again. Whose mind are you going to change? Skip came by to see me the other day. I told him, Skip I'm speaking as an individual, not as any Town official. I have not endorsed, I have not gone in opposition to this and that is the way I am staying. I'm going to vote just like everybody else, Randy your vote will mean as much as mine. This bickering back and forth, things in political races and this is a political race, always brings out the worse in everybody. These folks are spending thousands and thousands of dollars to win and the folks opposing it are probably spending a little less. So, were not going to solve anything here tonight by arguing back and forth. Fred we know where you stand, Tom we know where you stand, we know where Floyd stands cause we saw him on the video. Can we please let the citizens decide what we want? Their not getting any more information tonight. If I go out of here tonight and somebody asks me what was said and I tell him. Randy Milhoan might here it from a third source that I'm telling wrong information. Let's just let it go to the vote.

SA: I apologize for being contentious. It does get to be a heated issue and we are looking at a large investment. We are here to work with the Town.

HF: Well good luck to you and your efforts.

AC: One last thing. Jerry had a question last week and that is why I had Steve bring that map. Is that still a legitimate question about which parcels have restrictions?

JB: No, I understand.

AC: Okay, because that is why Steve brought that map.

HF: Thank you for everyone's input.

Pete Vance (PV): Aggie had a question and I had some other comments. I think that is only fair.

HF: Okay we can go on for a few minutes.

PV: Aggie said he was concerned about the dust etc. Skip weren't you telling me that all the dirt that will be excavated will remain on site and used on site.

SA: Right now we believe that is the case. All infill, burms, etc will be done with existing dirt.

AM: The town has talked about open space and ball fields. Wasn't that one of the places that the town had talked about putting a ball field?

HF: That is a viable option.

AM: That's what I would like to see, something like that. The Town of Minturn needs to have open space and recreation for the kids.

GB: If this issue doesn't pass, we're not going to throw our hands up and say the sky is falling. We're going to try to move forward and increase the quality of living. We will need to take stalk after the election and see what we can do.

PV: I'm just really concerned that if this proposal is turned down by the voters it is going to send a very powerful message to developers to stay clear of Minturn. When you're offered everything basically for free and you're going to get all the infrastructure up there and you still turn it down. Other developers are going to say it isn't worth the trouble.

FH: You haven't heard the worst of it. Tom and I are usually against each other, we had an epiphany the other night, what if we should do away with PUD's. We are 0-2 on PUD's. All the sudden that word gets out. It may be the way we want to go in town where you build single family homes and that is it.

PV: Well who is going to occupy them?

FH: Well they're going to be really expensive. I totally agree, the town as we know it now, you are not going to be able to afford anything, taxes will continue to go up and up and up. That is the name of the game

HF: The other thing that we can hope for is that each developer that comes in their going to come in and each development is going to be judged on a case by case basis. Your right to turn this down but somebody else might come along and roll the dice say this is what I've got what do you think.

PV: I'm just afraid that if the water treatment plant takes a crap then what are we going to do then? We're left holding the bag with either get assessed some huge property assessment or how do we pay it.

HF: I think on the water side we're doing okay.

PV: I don't think so.

HF: I would be happy to get together with you and Jay and talk about it.

PV: I have talked to Floyd, he's my main man. He is the one that runs it. We don't have the reserves on it.

AM: We got a lift station down at Dowd Jct. how much longer are we going to be able to get by with that?

HF: We will pass this information on to the district. We can ask them, that is a fair question.

Deb: I have heard that we are going down if the revenues don't improve. How bad are we, how bad is it getting, are we going to be able to maintain.

HF: I think the word is maintain.

JB: Mr. Mayor, or debt ratio is 38% which is probably less than the average American working family. You just make it pay check to pay check.

HF: Deb if you want to go over the budget then come on down. I have it right here and we can go right through it.

Discussion ensued as to proposed budget numbers and the financial condition of the Town.

9. Discussion/Action – Ordinance 14: Series 2004 (Second Reading): An Ordinance Amending Title 13 Of The Minturn Municipal Code To Establish A Water Dedication Policy For The Town Of Minturn.

Motion by Fred H., second by George Brodin, to table Ordinance 14: Series 2004 (Second Reading): An Ordinance Amending Title 13 Of The Minturn Municipal Code To Establish A Water Dedication Policy For The Town Of Minturn; all voted in favor. (NOTE: Bill Burnett was excused absent.)

10. Discussion/Action on formation of town-railroad committee

This item is to be moved to the next meeting when Ann is here

11. Discussion/Action on future plans for the relocation of Highway 24 by Fred Haslee

Fred H. gave a summery of the ideas and concepts noting that this was a discussion that was held a number of years ago. It would mean moving the Hwy to the area where the current railroad track is. Consideration could also be given to another location. The concern is that we have large traffic flow down Main Street and this would alleviate the current situation. Discussion ensued as to the time line; it is realistic to believe this project would be a 20 to 30 year long-term project.

Discussion ensued as to the need to better enforce the speed limit on Main Street.

12. Discussion/Action on NWCCOG community survey by George Brodin

George B. introduced the topic and discussed a meeting he and Nicole M. had with NWCCOG and a simple survey that he had done in Minturn on his own. George B. stated that he felt it was necessary to have a professional survey completed on the Town

to determine what the Town needs are and how best to address them. George B. discussed the potential cost.

Council discussed that it would be hard to justify the cost at this time. Direction was given to have staff investigate alternative and/or non-monetary formulas.

13. Discussion/Action on the acceptance of Alan Holub's resignation from the Minturn Planning and Zoning Commission

Motion by Hawkeye F., second by Tom S. to rescind Alan Holub's appointment to the Minturn Planning and Zoning Commission, all voted in favor (*NOTE: Bill Burnett was excused absent*)

14. Discussion/Action on the appointment of new planning commissioners

Hawkeye noted that the Town has four applications and the need is to appoint three of the four.

Motion by Fred H., second by Darell W., to appoint Karen Briggs, Bill Sisk, and Kristy Bloodworth as Planning and Zoning Commissioners and to furthermore appoint Hawkeye as a temporary P&Z Commissioner in the event one of the new appointees was unavailable for the 10/27/04 P&Z meeting, all voted in favor (*NOTE: Bill Burnett was excused absent*)

OTHER ITEMS/STAFF REPORTS

15. Reports/Correspondence/Announcements/New Business

- a. Events/Admin.
- b. Public Works
- c. Police
- d. Treasurer/Clerk
 - FY2005 Proposed Budget Q & A

Discussion on the water and trash fees was answered as fees will increase 3%. Tap fees will be set at \$6000

- Review of proposed fee schedule increases

Wiley reviewed the proposal with the information in the packet and a secondary memo handed out detailing the actual effect on various properties as currently calculated and using the proposed fees. Wiley stated these fees would apply to all new developments from concept to building permit, no new fees are proposed to change on the building permit itself.

Concern was expressed that with the new fees come responsibility on the part of the builder to submit documents that would cost them more to develop the property although that would not be paid to the town but to a subcontractor. It was noted by Tom S. that our fees are low and they should be increased. One of the examples cited by Wiley S. was Tom S.'s proposal and he felt the proposal was fair and reasonable. Wiley S. noted that the proposed fees are middle of the road for fees in the various jurisdictions in Eagle County.

- Draft Environmental Impact Statement

- e. Town Planner
- f. Town Attorney
- g. Town Manager
- h. Town Council

Fred H. and Tom S. introduced discussion on the topic PUD's. The concern is that PUD's can run against the code thereby in conflict with Chapter 16. Discussion centered on the concern that the PUD process is weighted in the developers favor. Wiley S. noted that we have one PUD currently approved but not started, and some sections in Town are PUD Holding areas. The direction was given to Staff to investigate the concept further and report back to the Council.

HR4700 – Letter by Ann in support of HR4700 but the FS land annexation into the Town will be completed prior to the sale of the land.

FUTURE AGENDA ITEMS

16. Items to be added to future agendas
 - Town Bridge Improvement Report

EXECUTIVE SESSION

17. Executive Session

18. Set next meeting date – November 3, 2004.

19. Adjournment

As there was no further discussion, the meeting was adjourned at 10:20pm.

Hawkeye Flaherty, Mayor

ATTEST:

Jay Brunvand, Town Clerk