

## **New Castle Town Council Regular Meeting**

**Tuesday, August 1, 2023, 7:00 PM**

Starting times on the agenda are approximate and intended as a guide for Council.  
The starting times are subject to change by Council, as is the order of items on the agenda.

### **Call to Order**

Mayor called the meeting to order at 7:00 p.m.

### **Pledge of Allegiance**

#### **Roll Call**

Present      Councilor Carey  
                 Councilor Hazelton  
                 Mayor A. Riddile  
                 Councilor Copeland  
                 Councilor G Riddile

Absent        Councilor Leland  
                 Councilor Mariscal

Also present at the meeting were Town Administrator Dave Reynolds, Interim Town Clerk Mindy Andis, Town Treasurer Loni Burk, Assistant Treasurer Viktoriya Ehlers, Town Planner Paul Smith, Town Attorney David McConaughy and members of the public.

**MOTION: Mayor A. Riddile made a motion to approve Councilor Leland absence. Councilor Copeland seconded the motion and it passed unanimously.**

**MOTION: Mayor A. Riddile made a motion to approve Councilor Mariscal absence. Councilor Copeland seconded the motion and it passed unanimously.**

### **Meeting Notice**

Interim Town Clerk Mindy Andis verified that her office gave notice of the meeting in accordance with Resolution TC 2023-1.

### **Conflicts of Interest**

No conflicts stated.

### **Agenda Changes**

There were no agenda changes

### **Citizen Comments on Items not on the Agenda**

There were no Citizen Comments

### **Consultant Reports**

Consultant Attorney – present for agenda items

Consultant Engineer – not present

## Items for Consideration

**Executive Session (1) for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under C.R.S Section 24-6-402(4)(e) concerning the Kamm lot lease**

**Motion: Councilor Hazelton made a Motion at 7:05 p.m. to go into Executive Session (1) for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under C.R.S. Section 24-6-402(4)(e) concerning the Kamm lot lease.**

**Maor A. Riddile seconded the motion and it passed unanimously.**

Executive session concluded.

At the end of the executive session, Mayor A. Riddile made the following statement:

"The time is now 7:56 p.m. and the executive session has been concluded. The participants in the executive sessions were: Councilors Mariscal and Carey; Councilor Hazelton; Mayor A. Riddile; Councilors Copeland, G Riddile; Town Treasurer Burk, Assistant Town Treasurer Ehlers, Town Administrator Reynolds, Interim Town Clerk Andis, Town Attorney McConaughy. For the record, if any person who participated in the executive session believes that any substantial discussion of any matters not included in the motion to go into the executive session occurred during the executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, I would ask that you state your concerns for the record."

No concerns were stated.

### **Discussion: Building Permit Fee Multiplier**

The Building Department calculates 1) permit fees, 2) review fees, 3) and use tax based on a project's anticipated construction costs. To determine this valuation, staff uses nationally recognized building valuation data ("BVD") published by the International Code Council ("ICC") pursuant to code Chapters 15.08 & 15.10. The BVD is an average price per square foot including material and labor costs. As an average, however, ICC itself *"strongly recommends that all jurisdictions and other interested parties actively evaluate and assess the impact of this BVD table before utilizing it in their current code enforcement related activities."*

Staff regularly monitors construction costs from contractor input. The current *actual* cost per square foot for single family homes ranges from **\$275 to \$325 per square foot**. By comparison, the current BVD for a single-family home is **\$167.37 per square foot**. Clearly the average BVD is significantly lower than the real costs, typical for our location. Undervaluation does incentivize building to some degree, but unfairly shortchanges the revenues available to the department and the use tax collected for the Town.

Therefore, Staff is recommending a modest valuation multiplier of **1.30 per square foot** to better align projected valuation estimates with real costs to build. Table 1 below demonstrates the effect of a 1.30 multiplier on the price of a typical building permit. On

average, the multiplier could add about \$2,780 to each. Other municipalities have also introduced multipliers to the BVD data to correct the undervaluation:

Communities not adopting increases to the BVD:

- Eagle County: **1.4**
- Eagle (the Town): **1.2**
- Carbondale: **1.5**
- Basalt: **1.5**
- Summit County: **1.3**

Communities not adopting changes to the BVD:

- Rifle
- Moffat
- Rio Blanco
- Garfield County uses **0.7468**

At the end of 2022, Council did approve updates to the Directory of Fees which included updates to permit fee tables (not to be confused with the ICC valuation data). This approval, however, merely brought the tables up-to-date and marginally increased fees. Then and now, the actual cost per square foot still far exceeds the current valuations generated from ICC's data.

Staff asks for Council's recommendation for improving this matter with a valuation multiplier.

Councilor Copeland asked if the multiplier could be reduced later.

Administrator Reynolds said yes. The fee would become part of the fee scheduled which gets reviewed yearly. The survey is a nation-wide survey, so you will have prices of homes all over the board.

Councilor G. Riddle said need to take a closer look at the proposal. He has some concerns about increasing the building permit fees.

Administrator Reynolds said calculating the permit fees accurately is calculating the "Use Tax". Contractors pay a "Use Tax" on the materials they bring to town. There are two ways to figure out the "Use Tax". One way is to audit every job and every receipt. The other way is to charge the "Use Tax" based on the permit fees. If the evaluation is not calculated correctly then the permit fee calculations would not be correct.

Council agreed to have an ordinance drafted to add a building permit fee multiplier.

### **Building and Planning Department Update: Planner/Code Administrator Paul Smith**

Planner Smith gave a brief update for his department. He said at the beginning the year there was roughly 30 active permits and to date there are 19 active permits. His department is preparing the contractors for the 2020 building code. Because the upcoming changes the staff is spending more time on job sites when they do inspections. There have been only four permits come for this year. Eagles Ridge Ranch will have the upper two buildings complete. Currently there is one family living in one unit and have a

total of three Certificates of Occupancy (CO) and five more ready to have CO's. The main focus now is to have Metzger Way paved and completed.

Planner Smith spoke with Dwayne Romero from Romer Group regarding Lakota Canyon Ranch Filing 8 (Longview). Mr. Romer said he anticipates putting in the utilities in phase 1 which only three small lots this fall. Also, working on the design for the second phase of the project. They are working on the very end of Derr Valley Road. There are two phases with roughly 25 lots which have been sold. The road has road base and curb and gutter. Just waiting for asphalt.

Planner Smith said a sketch plan has been submitted by R2 for the property north of VIX Park. The concept is for an all-rental residence. The concept is to target different demographics. Some of the units will be work from home, empty nesters, and family size townhomes. Tentatively the sketch plan will go before Planning and Zoning on August 23, 2023.

Attorney McConaughy disclosed to council R2 is a client of the firms but not for this project.

Planner Smith said staff has met with Nutrient Farms regarding the land use application that was submitted to Garfield County.

The Planning Department has also been working on some code rewrites.

Attorney McConaughy asked the council if code section 17.84.060 could be deleted. The section requires "Conditional Uses" to be placed on the zoning map. Conditional Uses come and go which would require the map to be updated anytime there is a change with a conditional use.

Councilor G. Riddile would like to revisit the Comprehensive Plan regarding annexations.

### **Consent Agenda**

Items on the consent agenda are routine and non-controversial and will be approved by one motion. There will be no separate discussion of these items unless a council member or citizen requests it, in which case the item will be removed from the consent agenda.

July 18, 2023 minutes

July Bills of \$947,172.84

**MOTION: Councilor G. Riddile made a motion to approve the amended consent agenda. Councilor Carey seconded the meeting and it passed unanimously.**

### **Staff Reports**

Town Administrator – said he did speak with Senator Hickenlooper's office regarding the congressional spending grant which Senator Hickenlooper approval and sent it on to the next step, but the grant didn't make it any further. He had a conversation with a buyer of a lot across the river (Burning Mountain Land and Cattle). The buyer would like to build a home on the lot but has gotten information from the seller that the town is holding up any building. The problem is Burning Mountain Land and Cattle has not submitted the proper paperwork and what a completed application should be. Part of the application is to submit a watershed permit to the town and a Right-of-Way permit which would allow for the property owner to connect their driveway into County Road 335. Garfield County has taken a position with what Burning Mountain Land and Cattle has done with the land was done without the proper permits from the county and from the town. Garfield County will

not issue any building permits until the town is satisfied with the proper permits are in place.

Town Clerk – said she did meet with Drifters regarding serving poured beer from kegs and the cost looks like. Each keg would be \$100.00 each would save roughly \$300.00. Would have a total of four kegs, two different types of beer. Drifters has volunteered their time and staff to do the pour. There would be two types of canned beer, white and red wine, and seltzers.

Town Treasurer – said she has moved towards more of a consultant position. Assistant Treasurer Ehlers said 2024 budget season has started and worksheets have been sent out to department heads. New Staff Accountant Lori Welch has started.

Town Planner – not present  
Public Works Director – not present

### Commission Reports

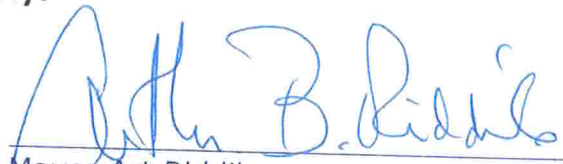
Planning & Zoning Commission – nothing to report  
Historic Preservation Commission – nothing to report  
Climate and Environment Commission – nothing to report  
Senior Program – Clerk Andis said the meals delivered in New Castle has increased by roughly 25 meals since June.  
RFTA – nothing to report  
AGNC – nothing to report  
GCE – Administrator Reynolds reported on behalf of Councilor Leand. GCE received a \$100,000.00 grant from Energizing Rural Communities. It was one of only 60 grants nationally. The major thrust of the grant it to help us find additional funding sources. They have started their budget process, including modest increase in member contributions to provide additional funds for ReEnergize rebates. Other communities are reporting problems with ebikes speeding on roads and trails. Something to watch out for.  
EAB – nothing to report  
Detox – nothing to report

### Council Comments

There were no comments

**MOTION: Councilor Carey made a motion to adjourn. Councilor G. Riddile seconded the motion and it passed unanimously.**

The meeting adjourned at 8:57 p.m.

  
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Mayor Art Riddile

  
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Interim Town Clerk Mindy Andis, CMC

