

**Ouray County Study Group**  
**Minutes**  
**May 21, 2008**  
**4:00PM**  
**Land Use Office**

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Those present included: Ken Lipton, Keith Meinert, Heidi Albritton, Karen Risch, John Clark, Craig Fetterolf, Sarah Coulter, Don Batchelder, Lynn Padget, Connie Hunt,

Craig, Sara and Karen had a few typos that need to be addressed in the minutes. Ken clarified that he would be sending a letter to Rene, not the County. He has already sent the letter to Rene. Karen wanted to clarify an action item regarding state vs county roads. Minutes were approved as corrected.

Action items from the last meeting:

Sarah contacted Theobald and he indicated that he would be glad to do all of the action items that the group had addressed with regards to the build out study. He will look at integrating the mining claim data, as well as trail data and other info that the group will provide. He will attend the July 16<sup>th</sup> meeting to meet with the group to go over all the new info. He has requested \$1000.00 for both work and travel combined, which the County has indicated would not be a problem. He is still waiting for the school district information. He has been very helpful and enthusiastic about the follow up to the study. Apparently in other counties with similar studies, there has not been follow-up to the studies, so Ouray's efforts are appreciated.

Karen hasn't gotten to her action item regarding getting trailhead numbers to Sarah. She will continue to work on it.

Keith presented a tourism traffic count data sheet the group. This casual tourism traffic appears to be significant enough to 'dwarf' trailhead and residential numbers combined. These numbers should be added to whatever ADT info that Theobald generates from residential development or residential usage. The data is based on Forest Service traffic counts, and reflects baseline tourism traffic loads. The numbers change from year to year because of the seasonality of access, however this is the best data available. Keith did not look at vehicle miles traveled, but indicated that he could do that. Karen will be looking at that as one of her action items from last week. The counters are read seasonally. Some of the roads are one way, some reflect two-way traffic. Lynn indicated that the numbers seemed low, based on the work she used to do on some of the roads. It doesn't make sense that Engineer is the lowest number. Although that portion of Engineer is much rougher now than it previously was, so the numbers could be correct. Lynn also wondered if ATV's were heavy enough to trigger the counters. Consensus was yes, however that is not known for sure. For purposes of the data being discussed the group will assume that ATV's and other vehicles are counted. Don suggested that between Keith and Karen that we get the mileage traveled on the County roads. The group is

interested in total vehicle miles traveled. From state highway to county line is an important part of the calculations.

The draft synopsis was discussed. Sara fine-tuned the draft that Ken had previously worked on. While Ken has not withdrawn his draft, Sara had tried to keep the public in mind, and thus simplified or generalized some of the topics for easier consumption. Ken felt there should be more detail. Water rights were discussed, and Keith felt that the group should be silent as to the adequacy of water, as there have been no studies done that the group has really examined. Ken agreed. The group has not studied the issue enough to be able to make a policy opinion. Ken would like to see the group make some sort of recommendations on that issue if there is the possibility of doing so. Don suggested that the group merely stress to the County that the BOCC needs to protect water rights within Ouray County. Ken stressed the importance of keeping an eye on how developments and their inherited water rights affect the agricultural community. The use of agricultural water for development (golf courses and residential development) is a huge issue.

Keith requested that on the trailhead data, that the group consider the impact of tourism traffic instead, which Sara's synopsis includes. There was discussion about how the trailhead data would translate into vehicle miles traveled. Karen and Keith will come up with a methodology to incorporate the data available in format that Theobald can use for the purposes of the study. The main goal is to capture the maximum usage on these roads. Don suggested using the HUTF report to get the mileage.

Karen and Alan were not able to meet to define development areas. Lynn will be able to work the data and then e-mail the results to Theobald.

Connie e-mailed Andrew from RPI, and he indicated that he would be glad to update the plan/study. He sent Connie estimates of what it would take to do the updates. If staff does a lot of the work in house, that can keep costs down significantly. Don presented the group with a chart showing the escalation in 2008 property tax revenues. Don suggested that rather than redo or update the study, we can make the assumption that because the study was based on accurate data, that we should accept the projections made. Based on Don's analysis, there will be negligible differences in any updates to the study, from what we currently know. Ken brought up the concern that it is not known whether or not development is paying its own way, and whether the RPI study can help answer that question. Don answered that if residential development was paying its own way, then the level of service should be projected to be maintained in the future, which it is not. Keith brought up the fact that he was hoping that the RPI study would be able to back up concepts like the \$1.29 cost/\$1.00 of revenue for county services, when it really is not set up to do that. He felt that it was a legitimate point for the study group to make, that the RPI study did not really go in that direction.

Ken discussed Rene's memo that was distributed during the road tax issue. Rene's memo reflected the thoughts and feelings that many in the county feel. The proportion of property tax revenues to the total revenues of the county were discussed, and because property tax represents around 30% of total revenues, the other 70% of county revenues

are more fragile in terms of their future. Revenue streams such as HUTF and PLT will be diminishing significantly in the future, so any stability or increase in property tax revenues cannot carry the total burden of and increased cost of services. Don's chart takes into account what is probably the greatest single increase that the county is going to experience. This reinforces the fact that any change in the RPI analysis would be significant enough to change the outcome. The bottom line is that the cost of services will consistently outpace the available revenues. Lynn suggested that it would be helpful to see a map that showed the cost of the level of services based on region in the county. What are the numbers for the different parts of the county? The costs of services vary from county to county, and must also vary from area to area of our own county. The possibility of clearly understanding the cost of services for each area of Ouray County could be very interesting. Lynn suggested that if money is to be spent on an update or new study, that this is information that would be most useful. Sara suggested contacting some other professors about how to get this information. Don stressed that this information would need to be strong enough or defensible enough for the County to impose impact fees or other policy decisions. The concept of treating a road like a utility came up, and looking at the study in this way would help support that concept. The implications of having such information are significant. Policies affecting areas such as the high country mining areas for example, could really change based on the data.

Ken stressed that he really wants to feel confident that the RPI data is such that the group can lean on it as a baseline, or whether there are fundamental deficiencies that need to be addressed. Using Rene's memo as a benchmark will be helpful to address the concerns. It is important that the group study the objections that have been raised by Rene and others, and be able to either defend the study, or else find a way to get more accurate data. There is no zoning currently to allow for commercial development in the unincorporated areas of the County, and that limits potential growth. This was a concern that had been raised in reference to the purposed Dude ranch that would have happened in the Valley zone had it been successful.

The issue of converting ag land to residential land has essentially been shown not to pay for itself. The County essentially loses money in this case, as the demand for services increases, while the revenues are not significant enough to cover the increase.

To summarize the issues on the RPI, the group feels confident that the concerns have been addressed, and that there is no need to revise the study. Keith agreed with Don's suggestion that the study and his extrapolation are adequate to address the group's concerns. There was consensus that the group doesn't go back to RPI for updates, unless the analysis reveals other issues of concern. The crux of the study goes to one sentence on page 4 of the summary, "The incremental costs represent the cost of maintaining the current level of service and a deficit is not necessarily a projection of a negative balance in the county budget, but rather it represents a proportionate degradation from current service levels." This is the issue in a nutshell.

The different costs of providing the county's various services were discussed. EMS vs. sheriff, vs. road and administration. It is difficult to quantify by region, just how much

each of these costs. Connie brought up the different questions that RPI had requested information for during the study. Many of these questions were by department and were both answered and incorporated into the RPI study. Karen discussed the administrative costs. The need for more staff equates to a need for more space, which was generally addressed by the study. She asked if this data was adequate in terms of the projections. Don answered that it was in terms of looking at level of decrease in services, more than a projection as to future needs. Fuel increases were not factored into the RPI study, and those increases are significant. Fuel increases will more than offset the positive side of any property tax increases. This issue alone raises some issues as to whether or not the study should be updated. Consensus was to take the RPI study for what it is, understanding that there are some areas that will significantly impact County budgets. Keith suggested that we could use our data and come to our own conclusions, especially with regard to things like fuel and PLT or HUTF. The issues facing the revenue side of the county's budget are as serious as the expenditure side.

To summarize, the group will accept the RPI study as is, and not request any updates from RPI. Ken asked the group to reread the study and to be prepared to discuss for the next meeting, noting ways that the study can be tied or linked to Theobald. The July 2<sup>nd</sup> meeting will be canceled, and as much prep as possible will be done for the 16<sup>th</sup> meeting. Sarah was concerned that this did not give the group enough time to analyze the data and be prepared by Theobald. The group agreed to meet on July 9<sup>th</sup> in order to give the group a chance to digest and discuss the data.

#### ACTION ITEMS:

Karen and Keith will work on calculating total vehicle miles traveled to give to Theobald to include in his study.

The group will formalize a recommendation to the BOCC regarding the protection of water rights within the county.

Karen, Lynn and possibly Alan will meet to define development areas. Lynn will work the data and then e-mail the results to Theobald.

Sarah will work with some of her academic contacts regarding a method for figuring out the cost of services broken down by region/area of the County.

Thee group will reread the study and be prepared to discuss it for the next meeting, noting ways that the study can be tied or linked to Theobald. Members can e-mail thoughts to Ken.

The next meeting is June 4<sup>th</sup> at 4:00 at Land Use.