



BOCC/BOT Joint Workshop 5/17/23 5:00pm

Town of Lake City

May 17, 2023 at 5:00 PM MDT to May 17, 2023 at 6:00 PM MDT

230 N. Bluff Armory Multi-Purpose Room

Agenda

I. BOCC/BOT Joint Workshop - 5:00pm

- A. Discuss Process for Public Comment on Town/County Program Allowing OHVs on Highway 149**
- B. Discuss Scenic Byways Program Grant (Kristine Borchers)**
- C. Discuss County Partnering with the Town on the Use of Granicus to Identify Short Term Rentals**
- D. Discuss Lake San Cristobal Infill (Robert Hurd)**
- E. GCEA Update by Mike McBride CEO**

II. Adjourn - 6:00pm

Hinsdale County/Town of Lake City

2022 OHV Program Report

Hinsdale County and the Town of Lake City applied for and were granted a three-year Special Use Permit from CDOT in 2023 that would allow Off-Highway Vehicles (OHVs) to travel on a 2.26 mile stretch of SH 149 through the Town. This permit was the second granted by CDOT to allow this use of Hwy 149, the first being a two-year permit that was granted in 2019.

Discussion between the county, town and CDOT regarding a program to allow OHVs on Hwy 149 came about after a state program in 2016 highlighted 16 trails in the state with gaps or missing segments. The Alpine Loop Scenic Byway, which loops from Lake City through the San Juan Mountains, was highlighted as one of these trails.

The Alpine Loop is made up of two Hinsdale County roads – CR 20 and 30 – that start and end in Lake City and are open to use by OHVs. The Loop connects to a number of high-altitude roads, including access to roads into Silverton and Ouray. The Alpine Loop is a popular summer tourist destination that benefits the Town of Lake City as well as the other high-mountain towns.

The Alpine Loop was identified in the 16 in 16 program because traveling the entirety of the Loop requires using SH 149, making it impossible for OHV riders to “complete” the loop. After considerable study by Hinsdale County, Town of Lake City and CDOT, it was determined there were no optional routes that would allow OHV riders to travel the entire Alpine Loop.

The idea of a “pilot program” was created that would provide a special use permit to Hinsdale County and the Town of Lake City to allow OHVs to travel on the stretch of SH 149 from CR 20 to CR 30. The permit allows OHVs on the highway from Memorial Day until September 30 and required special signage on the highway, lowering speed highway speed limits along the highway route, increased education to inform OHV riders of the program, season counts of OHVs on the highway and the ability of the public to provide feedback on the program via the Hinsdale County website.

Following the seasonal end of the OHV program, Hinsdale County holds a meeting with program partners to receive comments on the outcome of the summer. Participants include Hinsdale County, Town of Lake City, Hinsdale County Sheriff, Colorado State Patrol, CDOT and Colorado Parks and Wildlife. A report is then generated with partner comments and the overall success of the season.

Partners participating in the 2022 after season meeting and providing comments included Hinsdale County Administrator Sandy Hines, Hinsdale County Sheriff Chris Kambish, Colorado Parks and Wildlife Officer Lucas Martin, CDOT Traffic and Safety Program Manager Zane Znamenacek, Colorado State Patrol Captain James Saunders and Colorado State Patrol Major Brett Williams.

Captain Saunders and Major Williams both reported CSP had no contacts involving OHVs on Hwy 149 during the 2022 program period of Memorial Day until September 30. Saunders commented “we are ok with the way things are.”

Znamenacek said that CDOT received no concerns regarding the OHV program in 2022. He also commented that other communities have inquired if they could receive a special use permit from CDOT for a similar type of program and have been told this is not a possibility. "CDOT is still working with Hinsdale County and Lake City but not opening this type of program to any other communities. This is a unique situation. We spent a lot of time looking at every other alternative we could possibly use to connect the loop and there really isn't any other viable option," he said.

Sheriff Chris Kambish commented that OHVs on Hwy 149 continue to be no more of an issue than any other type of vehicle, adding "generally speaking the number of contacts is the same with other motor vehicles." Kambish said there was nothing egregious and no accidents in town or on the paved portion of the highway and that speeding is not an issue. "The biggest safety concern is under age drivers operating OHVs, and most contacts are for equipment issues, things like drivers not understanding seat belts and eye protection," he said.

OHV Contact statistics provided by Sheriff Kambish:

- The included statistics account for all OHV contacts in the Town of Lake City and in Hinsdale County, regardless of location. The Sheriff's Office is unable to separate statistics to include only those occurring within the boundaries of the pilot program.
 - Hinsdale County
 - Contacts: 47
 - Citations: 15
 - Warnings: 30
 - Accidents: 5 (**These accidents took place on county roads, NOT on Highway 149.**)
 - Town of Lake City
 - Contacts: 44
 - Citations: 12
 - Warnings: 20
 - Accidents: 0
- During the same time period, there were 228 total contacts for all motor vehicles in the County, and 281 in the Town.

Lucas Martin with CPW said he continues to write citations to OHVs, with almost all involving OHVs traveling on Hwy 149 outside the boundaries of the approved route both north and south. "I have had people come out of Gunnison County on the state highway travelling 20, 25 or 30 miles," Martin said, adding he has written approximately the same amount of tickets on the highway as in previous years. Martin also commented that one of the signs at the end of CR 30 specifying OHVs are allowed on the Hwy between Memorial Day and September 30 needs to have mile markers added or have the sign removed entirely. "It creates confusion and it creates wiggle room to argue that they can go outside the confines of the pilot area."

Sandy Hines commented that in 2022 Hinsdale County began the process of adopting a new model traffic code as well as updating the county's OHV ordinance, both of which provided increased OHV fines. In addition, the updated OHV ordinance provided law enforcement the ability to ticket OHVs when operating in locations where they were not permitted. Hines said that the county administration office received very few comments regarding the OHV program in 2022 and that overall the program went smoothly. Two complaints were made about OHVs on the highway outside of the program route, and one additional comment was made regarding signage at CR 30.

Hines added that the county provides information regarding the OHV program to the public through the county's website and social media. Information is also available in person at the Lake City Visitors' Center, on the visitors' website, www.lakecity.com, in the printed Lake City Visitors' Guide and on Lake City's social media pages.

One concern that was discussed among the group was the lack of identifiers on OHVs. Sheriff Kambish commented that currently there is no way to tell one OHV from another, which puts law enforcement at a disadvantage. "From behind, all these OHVs look the same. If something happened and we needed to follow up with a particular OHV, there is no way to do it. There is no way to identify these vehicles. This should be considered in the future," Kambish said. Major Williams said the state would be resistant to any kind of license plates on OHVs because the state has re-written statutes specifically outlawing OHVs on state highways. Lucas Martin said pressure from other partners on the CPW could possibly bring about a change in the Title 33 laws that could provide for a sticker or some other kind of identifier for an OHV.

Alpine Outdoor Association set up a booth twice a month on the corner of Hwy 149 and 2nd Street and counted vehicles on the highway. The counts for OHVs on the highway during that time are attached. In addition, the group gave out printed OHV information and talked one-on-one with visitors and gave out information and answered questions.

This group of partners will meet again in spring 2023 to discuss the signage concerns that were discussed. The county will work with Zane Znamenacek on new or corrected signage as needed.

As 2023 is the last year for the current Special Use Permit, the county and town will discuss whether or not an application for a new permit will be considered. This process will take place starting in the summer of 2023 and will involve public input.

Hinsdale County/Town of Lake City OHV Program OHV counts on Hwy 149 2021 - 2022

2021			2022		
	Date	OHVs		Date	OHVs
	15-Jun	87		14-Jun	186
	22-Jun	108		21-Jun	188
	29-Jun	102		28-Jun	386
	6-Jul	267		5-Jul	247
	13-Jul	232		12-Jul	0 (no count)
	20-Jul	354		19-Jul	237
	27-Jul	455		26-Jul	291
	3-Aug	355		2-Aug	405
	10-Aug	342		9-Aug	237
	17-Jul	265		16-Aug	163
	24-Aug	212		23-Aug	239
	31-Aug	151		30-Aug	288
	7-Sep	130		6-Sep	252
	14-Sep	188		13-Sep	219
Total		3248		20-Sep	230
					3568

	JANUARY	FEBRUARY	MARCH	JULY	AUGUST	DECEMBER
2023	\$113.4K	\$135K	\$115K			
2022	\$34.4K	\$43.3K	\$27K	\$399.7K	\$402K	\$150.5K
2021	\$36K	\$36K	\$26K	\$312K	\$318K	\$59.5K
2020	\$29K	\$17.6K	\$25K	\$303.4K	\$297K	\$53.4K
2019	\$11K	\$19.3K	\$8.5K	\$284.7K	\$247K	\$77.4K

Granicus Pricing

The first tier is from 0-50 STRs which costs \$3,000/year. (Town currently at this tier)

The next tier is from 51 to 200 STRs and costs \$6,903/year.

Adding the County to our system would bump us up to the next tier, or the County would be in the next tier if they bought the software alone for their unincorporated areas.

This benefits the Town because we would be able to identify the remaining short-term rentals that are in the non-residential zones within the Town Boundaries at no additional cost to the Town.

This benefits the County because they would be able to identify the 100+ short-term rentals in the unincorporated areas of the County for \$3903.00 instead of \$6,903.00.

Granicus Data

TOTAL HINSDALE (including Lake City)

- Currently May 2023 ~145 rental units represented by 180 listings.
- Peak Season July 2022 ~ 174 rental units

Avg Night Stay: \$296

Hinsdale Unincorporated counts:

April 2019 - 59 rental units
October 2020 - 94 rental units
August 2021 - 104 RUs
July 2022 - 114 RUs
Currently - ~101

Lake City Counts:

April 2019 - 25 RUs
September 2020 - 47 RUs
October 2021 - 41 RUs
July 2022 - 60 RUs
Currently - ~44 RUs

Town went from 15 to 36 permitted STR's after we started using Granicus to identify addresses.

Revenue from additional STR's identified through Granicus: \$7,875

Total Revenue from Short-term rental permits in 2022: \$13,500

AirDNA.co Market Data:

Revenue from last 12 Months:

(Calculation: Minimum Stay x Nightly Rate x Documented Stays)

Lake City Short Term Rentals

Gowdy Apartment \$39K

Bonnie Rose: \$67.3K

Gowdy Manor: \$99.4K

Pilgrims Rest: \$24.8K

Ritz on the River: \$56.6K

Mountain Memories: \$59.7K

Cabin on the Bluff: \$50.7K

County Short Term Rentals

San Cristobal

Bear Hug Inn: \$38.6K

Scenic Solitude: \$47.4K

Canoe Right On Inn: \$25.9K

Almost Heaven: \$67.7K

Nellie Gray \$36K

Wades Addition

Gowdy Suite 1: \$32.3K

Gowdy Suite 2: \$32.2K

Lake City Cabin: \$43.5K

Iris Wildflower Cabins: \$20.1K

GCEA Annual Update

May 2023

Thank you for the opportunity to update the Board of Trustees on GCEA's current activities and initiatives. We appreciate and value the great relationship we enjoy with the Town of Lake City. We have organized this report by topic to facilitate your review. We would be happy to answer any questions you may have about these or any other topics.

Strategic Plan

GCEA recently adopted a new, five-year strategic plan, which identifies the Association's priorities and strategic goals through 2027. Goals related to renewable energy and GHG reduction have a 2030 target date to be consistent with both local goals and our power supplier's goals. A full copy is included for your reference.

Of particular note, this strategic plan includes our first ever expressed goal related to GHG emissions: a reduction of 90% by 2030. To meet this goal we will rely on local renewable energy (7% of total power supply), a substantial reduction in the emissions factor on the power we purchase from Tri-State Generation and Transmission (228 lbs./MWh in 2030), and the net benefits we achieve through the electrification of end uses like transportation and buildings.

Local Renewable Projects

We will break ground soon on a 500-kilowatt hydro project at the Taylor Dam. Construction will be largely completed this summer, but commercial operation will be delayed due to long lead times on two items, a custom valve and a meter cabinet. The facility should begin producing approximately 3.8 million kilowatt hours per year (nearly 3% of total power supply) sometime in the spring of 2024.

We are working diligently with Outshine Energy to complete the 1,125-kilowatt solar array at the Baxter Gulch trailhead near Crested Butte this summer. We do not yet have a firm construction schedule but Outshine is working on permitting. This array will produce approximately 2.4 million kilowatt hours annually (approximately 1.9% of total power supply).

Electric Vehicle Charging

With the installation of the EV charging station at the four-way stop in Crested Butte in 2015, GCEA became the first rural electric cooperative in Colorado to own and operate public EV charging stations. With the installation in 2022 of a DC fast charge station at the Lake Fork Marina, near the intersection of Highways 50 and 92, we now own 14 public stations including 3 DC fast charge stations making our community an EV friendly destination. In 2022, these stations provided 1,907 charging sessions compared to 1,548 in the prior year.

On a related note, in 2017 GCEA became the first rural electric cooperative in the nation to offer a real-life EV experience by letting members use an electric vehicle free of charge for a week. The program is still going strong, has been copied by other cooperatives, and is influencing purchase decisions.

Community Giving

This year, GCEA gave 108 scholarships to students pursuing college or technical education. Funding for these scholarships comes from unclaimed patronage capital checks as well as donations from association members, board directors, affiliated organizations and employees. The Board will also consider earmarking some of the unclaimed patronage capital for support of other community organizations and programs at its next meeting. In addition, GCEA directors and employees have collectively donated more than 900 hours of local volunteer service so far this year and, with this information, our strategic goal will need to be revised upward.

Contested Election

The GCEA Board consists of seven directors. To ensure broad representation, six of the directors must reside within defined districts, but all directors are elected by the entire membership. Current directors have each served between one and twelve years.

This year, district one (Crested Butte) director, Greg Wiggins is being challenged by Frank Stern. This will be the first time that members have the option to vote electronically in addition to voting by mail or in person.

PowerWise Pledge

In 2021, GCEA conducted a random survey of its members. Sixty-three percent of members surveyed indicated that they wanted GCEA to be involved in climate action and that they were willing to pay at least one dollar more for it. In order to be responsive to the majority while also respecting the needs of the minority, the PowerWise Pledge was created in 2022 as an opt-out one-dollar charge on each member's bill. Current participation is at 87% generating nearly \$124,000 per year, which is used to help subsidize local renewable projects when necessary and to enhance rebates for beneficial electrification and energy efficiency.

Rates

On May 1 of this year, GCEA implemented a 3.8% overall retail rate increase. This increase was the largest in many years, but the cumulative increases of the past several years are still below inflation as indicated by the consumer price index. We want to make you aware that this increase does not reflect any increase in wholesale power supply and transmission services. Like GCEA, and everyone else, our power supplier, Tri-State Generation and Transmission, did in fact experience inflation and higher costs of operating its facilities, but due to an agreement at the Federal Energy Regulatory Commission in 2021, Tri-State was obligated to decrease its wholesale rates by 2% in 2022 and again in 2023 and was not eligible to file for a rate increase to address inflation in its costs. We are, therefore, expecting an increase in our Tri-State rates on January 1, 2024, which will most likely lead to another increase for GCEA members in 2024.

GCEA Strategic Plan

2023-2027

Enduring Priorities

Safety – Reliability – Business Resilience

The foundational pillars to GCEA’s strategy and operations endure through all planning cycles. These pillars are essential to our cooperative’s mission to serve our members by providing safe, reliable energy with a strong cooperative tradition and a vision for the future:

Safety

GCEA is a leader among electric cooperatives in safety management. Safety is our top priority. We will continue to train and hold ourselves accountable to achieve best in class safety results. Our efforts to have our workers return home without injury and for our members to enjoy safe delivery of electric power will continue and continuously improve.

Reliability

Delivery of reliable power is essential to our members and community. We commit resources to minimize outages and restore power quickly in every situation. Our priority is that GCEA members will experience an overall average reliability rate for energy delivery at 99.97% or greater each year. We will also regularly assess the level of reliability realized by members at the end of the line throughout the service area to identify isolated issues.

Business Resilience

Our priority is to manage our member-owned cooperative as a prudent steward of financial and environmental resources. We practice sound financial management in all aspects of service delivery to ensure financial strength and viability of GCEA as an organization. We establish processes for the oversight and management of material business risks and establish strategic objectives and organizational budgets to maintain business resilience at all times.

Strategic Priorities

To fulfill our cooperative’s mission, your GCEA Board of Directors has established the following strategic priorities for the five-year period of 2023 through 2027. We pledge to focus on:



Strategic Priority:

GCEA Member Experience

Our members depend on GCEA to provide safe, reliable energy. Our priority is that all GCEA members receive an unparalleled service experience when interacting with GCEA. The GCEA Member Experience touches all aspects of our business: from the safety and reliability of the electricity we provide to homes and businesses, to our rates, billing, and other business processes. From our member tools, to simply how we respond to member's questions and concerns. From member and community engagement programs to our responses to emergencies -- the GCEA Member Experience means quality and value in everything we do.

Strategic Results:

- Achieve an ACSI (American Customer Satisfaction Index) score every five years at least 10% higher than the national electric cooperative average.
- By the 2025 annual meeting, increase the percentage of GCEA Members who are engaged and cast votes in annual elections of directors from 14% to 25%.
- By 2024, GCEA employees and Board Members will collectively provide at least 500 hours of volunteer service annually in the local community.

Strategic Priority:

Energy Provider of Choice

Our world and our local regions grapple with significant challenges to maintain efficient and responsible sources of energy and natural resources. As we meet these challenges and technology continues to advance, our priority is to establish GCEA as the energy provider of choice in our service territory. Our strategy is to strengthen our cooperative through equitable rates, promoting beneficial electrification, and appropriate cost management of our energy delivery infrastructure, including prudent investments in our future.

Strategic Results:

- By the end of 2024, develop a plan to design and implement a rate structure to meet the challenges and opportunities of the 21st century; fully implement the rate structure by 2027.
- Through 2027, successfully promote beneficial electrification as measured by an increase in the average kilowatt hours delivered per meter of 10% over the period.
- By the end of 2025, obtain a level of 10% of GCEA Members who engage with GCEA and its partners to receive economic incentives annually to make improvements in beneficial electrification or energy efficiency.

Strategic Priority:

Environmental Responsibility

The industrial development of our global economy, particularly through delivery of electricity, has provided prosperity for millions. However, impacts to our environment from the production and uses of energy has taught us that a sustainable future depends on more responsible approaches. GCEA's strategic priority is to ensure a wonderful future for our members and their posterity through leadership in the transition to renewable energy sources and by taking action to reduce greenhouse gas emissions.

Strategic Results:

- In 2023 and through 2027, GCEA will continue to demonstrate leadership by improving the energy efficiency of its facilities and electrification of our light duty fleet.
- By the end of 2024, achieve a 7% local renewable power supply by completing construction of the Taylor River Hydro project and two 1 megawatt solar arrays.
- By 2030*, GCEA's power will continue to come from reliable suppliers with at least 70% from renewable sources.
- By 2030*, GCEA will reduce greenhouse gas emissions within GCEA's entire circle of influence – power supply, beneficial electrification, and in-house footprint – by 90% compared to a 2015 baseline.

*aligns to timing of Tri-State's strategic goals, but outside our planning period

Strategic Priority:

Employee Care and Engagement

GCEA's success depends on our people. GCEAs' ability to achieve all of our strategic priorities is being threatened by economic realities – the overall high cost of living and lack of affordable housing are two key examples. These and other threats are a significant impediment to attracting and retaining employees. Our strategic priority is to make GCEA an employer of choice in our area. Building an engaged team with the best talent, each of whom are valued and able to build meaningful careers, will ensure strategic success of the cooperative for our members. We will do this by creating a working environment of care, accountability, and engagement, together with providing highly competitive total compensation.

Strategic Results:

- By 2027, develop a highly engaged workforce with 75% of employees who are engaged as determined by a professional, scientific survey that is conducted one to two times annually over the five-year planning period.
- By 2025, provide and maintain a highly competitive total compensation package to GCEA employees of which the average wage rate is at the 75th percentile among electric cooperatives in Colorado.

Strategic Priority:

Excellent Governance

As a member-owned electric cooperative, we must ensure that we continue to govern our organization using the seven cooperative principles.* In following these principles, GCEA's strategic priority is to provide excellent governance for GCEA members by establishing clear accountability, and by emphasizing competence, integrity, collaboration, transparency, and ethical and responsible decision making. We also strive to recognize and appropriately manage risk as we address strategic and operational priorities.

- *1. Open and Voluntary Membership
- 2. Democratic Member Control
- 3. Members' Economic Participation
- 4. Autonomy and Independence
- 5. Education, Training and Information
- 6. Cooperation Among Cooperatives
- 7. Concern for Community

Strategic Results:

- By the end of 2023, GCEA will have succession plans in place for the CEO and other key positions.
- In 2023 and continuing through 2027, GCEA policy decisions will be made by well-educated, well-informed Board Members who proactively participate and influence industry associations and legislative processes. The Board will participate annually in an assessment of its effectiveness.
- In 2023 and continuing through 2027, GCEA will maintain relationships with the towns, counties and other key GCEA Members whom we serve including annual presentations or meetings with each Town Council, County Commission, and key members.