SAN MIGUEL COUNTY PLANNING COMMISSION
MINUTES – REGULAR MEETING

February 9, 2023

Online Meeting

Present:	Lee Taylor, Chair Josselin Lifton-Zoline, Vice-Chair M.J. Schillaci, Secretary Ian Bald, Member Matthew Bayma, Member-online Galena Gleason, Alternate (voting)
Absent:	Tobin Brown, Sr. Alternate
Planning Staff Present:	Kaye Simonson, Planning Director John Huebner, Senior Planner
County Staff Present:	Amy Markwell, County Attorney Nancy Hrupcin, Legal Assistant

9:03 a.m. Chair called the meeting to order.

APPROVAL OF MINUTES
Review of Minutes is continued until the next meeting.

PLANNING COMMISSION AND STAFF COMMENTS
Kaye Simonson, Planning Director updated the commission.

- The Society Turn applicant has requested a continuance until March 9.
- The April meeting will be in Norwood, there is a PUD/Subdivision application.
- The February 15 BOCC meeting will have 3 appeals for the Employee Housing Mitigation Fee. The reports will include information on the proposed amendments.

Amy Markwell, County Attorney gave an update on the Diamond Ridge litigation, as Limited Motion for Reconsideration was filed and we are awaiting the judge's decision. The creation of the Community Housing Zone was upheld.

9:10 a.m. Ryan Righetti, Road & Bridge Superintendent joined the meeting.

9:15 PUBLIC MEETING: LAND USE APPLICATION
Representative: Gabriel Sweet, Big Rock Exploration LLC
Applicant(s): Tarsis Resources US Inc., a wholly owned United States subsidiary of Alanza Minerals Ltd.
Property Owner: Alianza Minerals Ltd.

Location: County Road 4R
Zone District: (W) West End
Proposal: Request for Mining Special Use Permit for mineral exploration from drill pads on its federal unpatented lode mining claims.

John Huebner, Senior Planner presented the application submitted on behalf of Tarsis Resources US Inc., subsidiary of Alianza Minerals Ltd. (Applicant) that seeks a Mining Special Use Permit for proposed mineral exploration from drill pads on its federal unpatented lode mining claims under Bureau of Land Management (BLM) federal public lands in northwest San Miguel County near the Utah state line. There are five (5) exploratory drill sites identified at the project location for the purpose of discovering copper. The drilling program includes developing up to five (5) drill pads, each measuring about 60 feet by 60 feet, and an equipment laydown area. The project area comprises BLM lands only and as such requires federal and state permit applications. The project plans to use BLM inventory road, existing routes on public land, and the limited development of temporary driveways to access drilling sites. The primary access to the project location is from East Lisbon Valley Road (Utah) that transitions to County Road 4R over the Colorado Border.

The drilling program is designed to minimize new surface impact within the project area. Development of temporary access routes to drill pad sites are limited. The location of drill pads favor areas that are level or previously disturbed and cleared.

Road maintenance to existing BLM Road 359 and BLM inventory roads prior to project mobilization will be minimal. No County roads will require maintenance.

A materials staging area ("laydown") is proposed to store drilling equipment and project supplies on BLM public lands. This site will be out of the view of the traveling public, more secure, avoid new impact for the project, and reduce potential for spread of noxious weeds during project operations.

Project startup involving dirt work and road maintenance will take about a full week. Following the preparation of drill pads, equipment and vehicles will be mobilized to the site. Continuous 24 hours a day operation of the drilling rig is planned, to be conducted in 12-hour shifts. Approximately three to five (3-5) persons will work on site per shift, and will probably lodge in Monticello, Utah.

The operational window for the project is from May 1 to October 31. This time window matched that requested by Colorado Parks and Wildlife to alleviate concerns regarding winter range for elk, deer, and bighorn sheep.

All drill holes will be permanently abandoned immediately after completion. Sump pits will be filled in with collected materials and fill dirt.

The total ground disturbance for this project is estimated to be 1.80 acres or less. Reclamation of drill pads and holes will occur following the decision to close a drill pad. All reclamation will conform to the specific guidance, protocols, and all BLM, Colorado DRMS and County permit requirements. Reclamation bonds will be held by BLM and DRMS, which include a three to five year warranty period.

The following permits are required to be obtained by Tarsis Resources US Inc. prior to commencing the proposed exploratory boring program:
1. San Miguel County Mining Special Use Permit
2. U.S. Bureau of Land Management (BLM) Notice of Intent (for operations on BLM land)
3. Colorado Department of Reclamation, Mining and Safety (CDRMS) Notice of Intent (NOI)
4. State of Colorado Construction Storm Water Management Permit

Public notice of the application and public meeting was posted and published.

The application was referred to referral agents with comments received and addressed from Tony Bonaxquista, Colorado Parks and Wildlife Nucla District Manager, Lucas West, Colorado Division of Reclamation and Mining and Safety (CDRMS) Environmental Specialist, Amy Markwell, County Attorney, and Nick Sandberg, Public Lands Coordinator – San Juan, UT. The County Manager and County Open Space Director submitted questions that the applicant responded to.

Public comments were received from Mason Osgood, Sheep Mountain Alliance Executive Director, and Jennifer Thurston, Information Network for Responsible Mining Executive Director, stating opposition to the copper exploration due to its limited benefits and potential impacts to motorized and non-motorized recreation, the ecosystem, and proximity to the Dolores River National Conservation Area (NCA).

Gabriel Sweet, the VP of operations provided an in-depth presentation regarding the proposed limited drilling exploration project. They will need to get permits in place first. He reiterated that all the reclamation processes conform to DRMS and BLM guidelines throughout the project.

The commission inquired if they will use local workers. Gabe stated REAMS Construction was hired for the Klondike Basin project. They also inquired if the project area was the site of other mining projects in the area.

10:20 a.m. Open Public Comment
Mason Osgood attended the meeting in person and reiterated his co-comments that he and Jennifer Thurston are opposed to the project and its potential impacts to the ecosystem.

10:25 a.m. Closed Public Comment

MOTION by MJ Schillaci to recommend to the San Miguel County Board of Commissioners to approve a Mining Special Use Permit (SUP) for Tarsis Resources US Inc., a wholly owned United States subsidiary of Alianza Minerals Ltd (Applicant) or its contractor, for mineral exploration from drill pads on its federal unpatented lode mining claims under Bureau of Land Management (BLM) public lands in northwest San Miguel County near the Utah state line, based on the finding that the proposed use is consistent with the County Master Plan, and with the Land Use Policies in LUC Section 2-8, Natural and Man-Made Hazard and Resource Area; LUC

Section 2-11, Erosion; LUC Section 2-34, Revegetation with Native Species; LUC Section 2-35, Mining and Mineral Processing Operations, and complies with the Land Use Code review standards in Section 5-407 Wildlife Habitat Areas; Section 5-10, Special Uses; Section 5-11, Conditional Uses on Federal Lands; and Section 5-16, Mining; and Section 5-320 K, Review Standards for WE Zone District Special Uses, subject to the following specific terms and conditions:

1. The Special Use Permit is issued to the Applicant, Tarsis Resources US Inc., and does not run with the Land.

2. No future mining activity at the project site by Tarsis Resources, its lessees, or the property owners or its lessees is authorized by this approval.

3. Contact the Planning Department, Road and Bridge Department and County Sheriff's Office prior to mobilization of and the start of drilling activities.

4. Provide a list of onsite contacts for Tarsis Resources and the drilling project contractor.

5. This Special Use Permit conditional approval is subject to the Bureau of Land Management (BLM) and Colorado Division of Reclamation and Mining and Safety (CDRMS) approving this drilling program and issuing the requisite permits. Provide copies of these permits to County Planning.

6. The project drilling program and reclamation plan shall be consistent with and comply with the applicable provisions as approved by the County, unless specifically modified in the BLM and CDRMS approval action.

7. Comply with all terms and conditions of the Colorado Department of Public Health and Environment Stormwater Discharge Permit. Provide a copy of the permit to County Planning.

8. Provide monthly progress reports to County Planning.

9. All written representations of the applicant, in the original submittal and all supplements, are deemed to be conditions of approval except to the extent modified by this approval.

10. Staff shall review the BLM and DRMS permits prior to commencement, and with annual reviews by the CPC and BOCC through the life of the project.

11. Exploration activities shall be limited to May 1 to October 30.

12. The clearing of pinion-juniper and sagebrush shall be minimized to the greatest extent practical.

13. Provide a grading and drainage plan that includes a higher quality of sediment fencing and control.

14. The County shall be informed of any cultural resources discovered in the course of work. Pads and road disturbance should avoid any areas with cultural resources. All appropriate mitigation measures shall be taken to protect cultural resources.

15. The revegetation plan shall include soil restoration and best practices to maximize available water. The CPW recommendation shall be followed.

16. Provide documentation regarding the water source(s) for the project.

17. Identify any hazardous materials that will be used in the process, and describe how those materials will be stored and transported.

18. Applicant shall obtain a Road & Bridge Permit before commencing operation.

19. Applicant will abide by BLM noise abatement policy

SECONDED By Lee Taylor. **VOTE PASSED 4-1**

Lee Taylor	**Aye**	**Nay**	**Abstain**	**Absent**
Ian Bald	**Aye**	**Nay**	**Abstain**	**Absent**
M.J. Schillaci	**Aye**	**Nay**	**Abstain**	**Absent**
Josselin Lifton-Zoline	**Aye**	**Nay**	**Abstain**	**Absent**
Matthew Bayma	**Aye**	**Nay**	**Abstain**	**Absent**
Tobin Brown	**Aye**	**Nay**	**Abstain**	**Absent**
Galena Gleason	**Aye**	**Nay**	**Abstain**	**Absent**

10:44 a.m. Recessed.
10:50 a.m. Reconvened.

PUBLIC MEETING: LAND USE APPLICATION

Applicant:	Thomas G. Kennedy, Attorney on behalf of Genesee Properties, Inc.
Location:	Society Turn Parcel, located three miles west of the Town of Telluride on Highway 145 southwest of Society Turn roundabout.
Parcel size:	20 acres
Zone District:	Planned Unit Development Reserve (PUDR)
Proposal:	Rezoning to Mixed-Use Development Zone District; and Preliminary Plan for Subdivision and Planned Unit Development (PUD)

Request by the applicant for a continuation until Thursday, March 9, 2023 at 9:15 a.m. in order to allow time to respond to additional referral agency comments and to accommodate consultant schedules.

MOTION: By Josselin Lifton-Zoline to continue the Society Turn PUD and Subdivision Preliminary Plan and the Rezone to March 9, 2023
SECONDED By Ian Bald. **VOTE PASSED 5-0**

Lee Taylor	**Aye**	**Nay**	**Abstain**	**Absent**
Ian Bald	**Aye**	**Nay**	**Abstain**	**Absent**
M.J. Schillaci	**Aye**	**Nay**	**Abstain**	**Absent**
Josselin Lifton-Zoline	**Aye**	**Nay**	**Abstain**	**Absent**

Matthew Bayma	Aye	Nay	Abstain	Absent
Tobin Brown	Aye	Nay	Abstain	Absent
Galena Gleason	Aye	Nay	Abstain	Absent

ANNUAL REVIEW
Representative: Gabriel Sweet, Big Rock Exploration

Project: Alianza's Mining SUP for mineral exploration in Klondike Basin off SH 141 and County Road 23R on public lands managed by the BLM and Colorado. The boring program includes up to 20 drill holes and pads for the purpose of exploring for copper.

John Huebner, Senior Planner introduced the review and stated that the applicant has met all conditions of approval and exceeded the standards.

Gabriel Sweet provided a PowerPoint presentation concerning the project results to date, and the next steps. The project started on August 1 and concluded for the season on September 25, including the reclamation. Five (5) of the twenty (20) pads were built and reclaimed. The drill holes were grouted in entirety for permanent abandonment per DRMS and BLM. They used significantly less water than expected, less than 25,000 gallons. The project is in compliance with all regulatory requirements. The permits and bonding will remain in place for 2023-2024 operations. The reclamation went well and the project saw 70% regrowth due to above-average rainfall. The proposed project is permitted for up to 4.93 acres of disturbance but has only impacted 1.38 acres.

Per a November 30 press release, they did find some copper. Jason Weber, Alianza states the results are a bit inconclusive and they will probably want to test more. Rob Duncan, Alianza said that it was an encouraging amount of cooper. They will need to find new funding partners to take the project further. Their SUP is in effect for 2 more seasons.

LAND USE CODE AMENDMENT RECOMMENDATION
Amending Land Use Code Section 5-13, Affordable Housing, pertaining to Impact Fee for Residential Development, to increase the Exempt Floor area from 1800 s.f to 2000 s.f.; and to revise the mitigation rate for floor areas 2,501 to 5,000 s.f.

John Huebner, Senior Planner provided background information for the Amended Employee Housing Impact Fee. He stated that fees collected are used to implement housing programs consistent with LUC policies and standards and the County's Master Plan goals.

The amendment proposes to increase the exempt residential floor area from 1,800 s.f. to 2,000 s.f., and revising mitigation rates on a graduated scale that follows a smooth line and reflects the 2000 s.f. floor area exemption.

If the BOCC decides to amend the Employee Housing Mitigation Impact Fee to revise the mitigation rate and to increase the exempt residential floor area staff will request authorization that where applicable to recalculate fee amounts and issue refunds to those who have already paid the updated fee. This would be addressed in the adopting resolution.

No public comments have been received in regards to the LUC Amendment. There were comments received from Aldasoro Ranch HOA and Elizabeth Tipton after the packet was sent. Numerous comments have also been submitted in regards to the fee in general.

The commission discussed what other jurisdictions are regarding their mitigation rates and exemption levels; if any.

11:49 a.m. Opened Public Comment

Aldasoro Ranch, Shelly Duplan – Concerns with the dramatic financial impact. Wants a new employee study to replace outdated job generation study. Wants property owners to be phased in.

Elizabeth Tipton – Lot Owner who had sent in questions. Put her plans to build on hold. Feels the fees are unfair and only impacts second homeowners. County should deal with the historical problem. It should not have to impact her building a home.

Megan Bibliowicz – Land owner in Elk Run with young family. Their HOA has a minimum square footage requirement. Fee is debilitating. If they build an ADU the Deed Restriction would stay on it and then they would have trouble selling their (proposed) home because of the Deed Restriction.

Chris Hawkins – Alpine Planning LLC, representing Aldasoro HOA and their consulting planner since 2018. Feels different size houses do not fit the formula, and it needs to be revisited for employee generation rate. He said the consultation company representing Aldasoro says the county's methodology varies from accepted methodologies, the mitigation rate exceeds existing levels of service, fees are not proportional to impacts, and the residential job generation studies are out of date. The conclusions from their consultation company is that the county's fees are higher than some other jurisdictions. Locally in the past all fees were tried to keep the same through SMC, Telluride and Mountain Village to keep an even playing field for lodging tax, use tax, etc. He feels there are varying impacts across the board and it is hard to understand the varying fees between the jurisdictions when it is all the same region.

Jared Smith – Purchased home in Telluride Pines in 2013 and now a lot in Little Cone. He is selling the lot instead of building because of the fees.

12:10 p.m. Closed Public Comment

The commission discussed how development generates employees and it is only a fraction of an employee generated for a smaller house. The housing fees only impact the R-1 School District. They also discussed other counties, such as Pitkin using different rates for locals and non-locals along with a deferral of payment of the fee for 'primary' residents.

Amy Markwell, County Attorney added that it is the residential development that generates employees and affects the housing need that the county seeks to mitigate. The mitigation fees apply only to single-family construction, not PUD, commercial, or lodging, which require the actual building of units. In response to some of Chris Hawkin's comments, there was further discussion that the methodology to achieve the rates between the County and towns are very similar. When Chris Hawkins was a Planning Director, they only opted to mitigate for the construction. After his tenure, Telluride added maintenance and upkeep to their calculations of employee generation. Mountain Village only mitigates for the construction of the units and does not include maintenance like SMC and Telluride. The Town of Mountain Village came up with 1.2 employees per 1,000 s.f of new construction. The rate the county uses is 1.1 per 1,000 s.f. of construction. Telluride's rate is 90% regardless of floor size, where the SMC mitigation rates are set at graduated rates and are not requiring people building a 3,000-4,000 s.f home a 90% mitigation rate.

MOTION By Josselin Lifton-Zoline to recommend to the Board of County Commissioners to adopt the proposed amendment to San Miguel County Land Use Code Section 5-13, Affordable Housing to increase the exempt floor area from 1,799 s.f. to 2,000 s.f., to modify the Employee Housing Mitigation rate as presented, and to direct staff to issue refunds to those payees of residential impact fees since July 15 whose impact fee would have been effected by this amendment, based on the finding that the proposed amendment complies with the standards of Land Use Code Section 5- 1802, Land Use Code Amendments, and is consistent with Land Use Code Section 1-4, Purposes of the Land Use Code.
SECONDED By MJ Schillaci.

FRIENDLY AMENDMENT from Lee Taylor to increase the floor area exemption to 3000 s.f. and BOCC to adjust and refund.

The Commission discussed. Josselin and MJ did not accept the amendment.

FRIENDLY AMENDMENT from Ian Bald to start the mitigation rate at approximately 20% at 2,000 s.f. in order to have a constant line up to 5,000 s.f. but without increasing any mitigation rates above 3,000 s.f.

Accepted by Josselin and MJ.

Further discussion by the commission for a phased approach to the fees.

FRIENDLY AMENDMENT By Lee Taylor to recommend to the Board a phased rollout with 50% collected on projects permitted July 15, 2022- December 31, 2023. Then the mitigation will go to 100% starting January 1, 2024.

Josselin & MJ accept the Amendment **VOTE PASSED 5-0**

Lee Taylor	Aye	Nay	Abstain	Absent
Ian Bald	Aye	Nay	Abstain	Absent
M.J. Schillaci	Aye	Nay	Abstain	Absent
Josselin Lifton-Zoline	Aye	Nay	Abstain	Absent
Matthew Bayma	Aye	Nay	Abstain	Absent
Tobin Brown	Aye	Nay	Abstain	Absent
Galena Gleason	Aye	Nay	Abstain	Absent

EAST END MASTER PLAN UPDATE

The survey will go live February 13 for 3 weeks. The survey and ads will be bilingual. Survey participants can enter drawings for (6) $25 gift cards. The plan is still in the information-gathering phase.

Staff discussed the process of open records and fulfilling the CORA request received regarding the East End Master Plan.

1:25 p.m. Adjourned.

Respectfully Submitted,

Nancy Hrupcin

Nancy Hrupcin, Legal Assistant, County Attorney

Approved on ___________, 2023.

SAN MIGUEL COUNTY PLANNING COMMISSION

Mary Jo Schillaci

M.J. Schillaci, Secretary

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