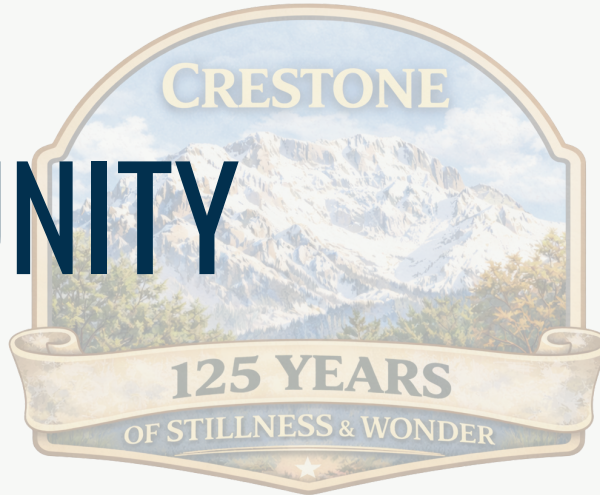


TOWN OF CRESTONE

COMMUNITY UPDATE



03

WHAT CHANGED SINCE JULY

The July newsletter talked about a lot of work that was still underway. Since then, several of those projects have moved into a more concrete phase.

The Board has selected a direction for future water-system improvements. The Board adopted the amended 2026 budget following a public hearing on August 24. A County grant is allowing the Town to begin putting together a speed-reduction project. Work continues on utility billing, Town Hall, emergency planning, roads, Town parks, and the municipal code.

There is still a lot happening behind the scenes, but this issue focuses on the things that have actually changed since our last update rather than repeating projects simply because they remain on the Town's to-do list.

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The water-system plan

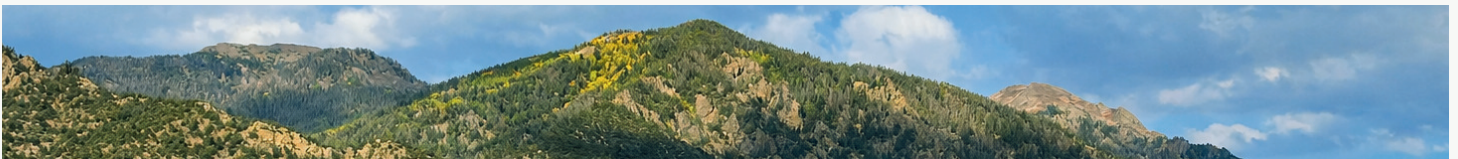
A direction for storage, production and pressure regulation.

The Town has spent much of this year studying what Crestone's water system will need in the years ahead. In July, that work reached an important milestone.

After reviewing the updated Water System Improvements Alternatives Analysis, the Board approved a recommended group of improvements consisting of:

- A new 115,000-gallon reinforced-concrete potable-water tank, along with rehabilitation and conversion of the existing tank to dedicated fire storage
- A new production well
- Two pressure-reducing valves, or PRVs

These improvements are intended to address several different needs within the system, including water storage, production capacity, and pressure regulation.



115,000

GALLON POTABLE-WATER TANK

1

PRODUCTION WELL

2

PRESSURE VALVES



Before construction

Design, environmental review and funding come before construction.

Selecting an alternative does not mean construction is starting tomorrow. There are still several steps ahead, including completion of the Project Needs Assessment, engineering and design, environmental review, funding applications, bidding, and ultimately construction.

The Town is looking at a combination of funding sources rather than assuming the entire project will fall on local water customers. Potential resources discussed by the Board include the State Revolving Fund, possible debt-forgiveness programs, the Colorado Department of Local Affairs, and other grant opportunities.

In August, the Board directed Plante Moran to reserve \$66,000 within the Water and Sewer Fund for potential engineering and design work. Before making additional financial commitments, staff will continue working with DOLA and other partners to better understand what outside funding may be available.

The Town continues coordinating planned water-system work serving Living Wisdom Village. Additional information will be provided as the schedule and project details are finalized.

Public Works has also received additional training on measuring municipal well static levels and drawdown. The Board directed those measurements to be taken quarterly so that the Town can begin building consistent long-term data on the performance of its wells.

The Town's SCADA improvements are also still under construction. Once the new system is complete and operating properly, the Board has discussed the possibility of a future tour or open house so residents can better understand how the system works.



Budget work moves forward

Budget repair and future planning are moving together.

The Town continues working with Plante Moran to reconcile prior financial records and strengthen its accounting systems, while also moving forward with current and future financial planning.

During the August regular meeting, the Board discussed the amended 2026 budget, progress toward the 2025 audit, and early preparation for the 2027 budget. The Board also raised questions about restricted funds and asked for additional clarification from Plante Moran so that those balances can be accurately understood and reflected in Town financial reports.

Following a public hearing on August 24, the Board adopted Resolution No. 2026-008 approving the amended 2026 budget and appropriations.

The Board also reviewed the Town's fee schedule.

Its direction was to move forward with a proposed 10 percent adjustment to many Town fees followed by annual CPI adjustments, while leaving hydrant maintenance and hydrant-related fees unchanged. The Board also removed the proposed sign permit fee, dog license fee, and animal impound fees from the schedule.

Following a separate public hearing on August 24, the Board adopted the revised fee schedule. Most revised fees will take effect according to the adopted schedule, while the water and sewer increases will not begin until December so customers can receive advance notice.

One thing worth emphasizing is that budgeting, audit work, and financial cleanup are all happening at the same time. Staff is working toward a system where the Town can routinely produce timely, reliable financial information and remain on a consistent budget and audit schedule.

2026 AMENDED BUDGET ADOPTED · AUGUST 24, 2026



A focused road-safety project

County and Town support will fund practical safety improvements.

The Town received \$5,000 from the Saguache County Sales Tax Grant program for its speed-reduction project.

After additional review of the original project, the scope has been simplified to focus more directly on physical traffic-safety improvements. The Board approved a \$3,000 Town in-kind contribution in addition to the County award.

Items under consideration include speed bumps, speed-bump posts, reflective pavement markings, pedestrian and crosswalk signage, and other traffic-control signs.

The Board has also been discussing the Road Committee's recommendations and broader road-maintenance priorities. Staff was asked to contact Saguache County about the possibility of obtaining a permanent traffic counter and to find out whether County equipment, discounts, or other assistance might be available.

Road conditions near the charter school were also discussed, along with possible access to equipment such as a roller or grader.

This project is still being assembled, so residents should expect additional information as equipment and signage are selected and installation plans are developed.

\$5,000 COUNTY GRANT + \$3,000 TOWN IN-KIND



Billing & the municipal code

TownCloud and code cleanup continue.

Utility billing and TownCloud

The transition to TownCloud accounting and utility billing has continued throughout the summer.

The transition is intended to make utility bills and account histories easier to understand and provide more consistent tracking of balances, payments, meter information, and customer accounts. TownCloud is now active for accounting and utility billing. Staff continues reviewing migrated balances, meter information, customer records, and billing procedures as the new system is fully implemented.

This remains a work in progress, and we appreciate residents' patience while records, software, and procedures are moved into a more reliable system.

Town code updates

The Town's larger municipal-code cleanup is continuing chapter by chapter. In July, the Board approved revisions to Chapter 6, which governs business licensing and regulation. The adopted chapter retains provisions addressing herd-share raw milk distribution but removes the Town-specific enforcement and disciplinary provisions.

In August, the Board adopted a new Chapter 12, addressing health, safety, nuisances, and animals.

Additional code work remains underway, including future revisions to other chapters and municipal court provisions.

The Board also adopted updated Board Procedures and Rules of Order in August. The goal is to provide clearer and more consistent procedures for Town meetings and Board business.



Bears, conservation & Town parks

Responding to bears while planning lower-water public spaces.

Bear activity has become an increasing concern around Town.

In August, the Board authorized up to \$4,000 for a bear-resistant commercial dumpster at Town Hall Park and, if funds remain available, an additional smaller bear-resistant receptacle.

Residents can also use the Town's 311 system to report non-emergency bear sightings. Those reports can help the Town better understand patterns of activity and coordinate information with Colorado Parks and Wildlife.

Public Works has also been looking at ways to reduce the amount of water and maintenance required in Town parks. Ideas discussed include gradually incorporating more drought- and fire-resistant vegetation and exploring swales or rain gardens in areas where they could also help with drainage and erosion.

The Board has separately discussed the condition of Town trees, deep watering, mulching, irrigation practices, and the amount of staff time required to maintain Town landscaping during drought conditions.

These are not changes that will happen all at once. The larger goal is to begin making Town-owned spaces easier to maintain and better suited to Crestone's climate and available water supply.

Use the Town's 311 system to report non-emergency bear sightings.



Planning & the Free Box

Emergency-management work is taking shape.

Emergency planning is getting more organized

Emergency preparedness was included in our last newsletter, but there has been a concrete development since then.

Public Works Employee Phil Hardin has begun researching the development of a formal Town emergency management plan. That work includes National Incident Management System resources, coordination with the Saguache County Emergency Manager, hazard and risk planning, and development of emergency contact information.

Research and coordination are continuing, and any formal proposal requiring Board action will be presented at a future public meeting.

The Town is also continuing to think about wildfire mitigation, emergency communications, and coordination with local and regional agencies.

The Free Box

The Board previously approved a trial period intended to transition day-to-day Free Box operations to a community organization through December 2026. A final agreement remains under review, and the responsibilities of the participating parties and the extent of future Town support have not yet been finalized.



Temporary Town Hall options

Inspection, mitigation and temporary modular space remain under review.

Planning for Town Hall remains unresolved, but the Board now has additional information to consider.

McMillan inspected Town Hall as part of the Town's CIRSA mold claim. At the same time, the Board has been considering whether temporary modular office space might be appropriate while longer-term options are evaluated.

Preliminary estimates presented in August placed a modular lease at approximately \$23,000 to \$28,000 per year, with approximately \$12,000 in initial costs.

No modular lease has been approved. The Board deferred the proposal for additional consideration while staff and the Board continue evaluating temporary workspace needs, the condition of the existing building, and possible long-term Town Hall options.

In the meantime, some administrative functions are using available office space in the Town Museum.

\$23,000–\$28,000 / YEAR

Preliminary modular lease estimate



Building local capacity

A small staff is carrying a wide range of operational and long-term work.

Building staff capacity

The Board has also taken several steps to address staff capacity.

Office Aide Tina Gamble-Denker was authorized to increase from part-time to full-time hours.

Following the Public Works performance-review process, Cullen Davis was formally designated Public Works Superintendent and Water Operator, reflecting the broader responsibilities he has assumed for Town operations.

The Board has openly discussed the amount and variety of work being handled by a very small staff and the need to continue building enough organizational capacity to keep basic operations moving while also managing grants, infrastructure projects, financial work, records, licensing, code updates, and other long-term projects.

Around Town

The Vortex Festival brought speakers and visitors from around the country to Crestone in August. The Board discussed the success of the event as well as ideas for future community activities.

The Saturday Market also continues through the season. Staff is keeping notes on what worked, what did not, and where procedures can be improved before the next market season.

Cemetery operations and mapping, road maintenance, potential electric-vehicle charging opportunities, and future collaboration with Saguache County are also among the projects still being explored.

Not everything discussed at a Board meeting becomes a Town project. Some ideas are simply being researched so that the Board can determine whether they are practical, affordable, and appropriate for Crestone.



Numbers & the work ahead

Key figures and the projects residents will see again.

\$5,000

County grant for speed reduction

\$3,000

Town in-kind contribution

115,000

Gallons in the proposed potable-water tank

2

Pressure-reducing valves

\$66,000

Reserved for potential water engineering

UP TO \$4,000

Bear-resistant waste receptacles

WHAT WE'RE WATCHING NEXT

Over the next several meetings, residents can expect continued work on:

- Implementation of the adopted 2026 budget and preparation of the 2027 budget
- Completion of the 2025 audit
- Water-system funding and design
- The speed-reduction project
- Town Hall options
- Emergency management planning
- Road maintenance and County coordination
- Continued municipal-code updates
- Utility billing and TownCloud implementation
- Cemetery mapping and operations

As always, some timelines depend on outside agencies, consultants, funding programs, or information that is still being gathered.



Calendar & staying connected

Meeting schedules, public records and Town contacts.

Community calendar

Planning Commission

First Monday of each month

Board of Trustees Regular Meeting

Second Monday of each month

Board of Trustees Special Meeting

Fourth Monday of each month

Agendas and meeting packets are posted on the Town website prior to each meeting.

Stay connected

Website: www.townofcrestone.gov

Facebook: Town of Crestone

311 Requests: Non-emergency Town concerns may be submitted through the Town's 311 system.



PUBLIC INFORMATION, CLEARLY SHARED.

Residents are welcome to attend Board meetings in person or through Zoom. Full agendas, packets, minutes, ordinances, resolutions, and other Town documents are available through the Town website.

This issue summarizes Town and Board activity through August 24, 2026, and was published in September 2026.