

MAY 2, 2017

**CITY OF GUNNISON COUNCIL
SPECIAL SESSION MEETING MINUTES**

5:30 P.M.

Mayor Hagan called the Special Session meeting to order at 5:30 P.M., with Councilors Sovick, Drexel, and Schwartz present along with City Manager Forrest, City Clerk Davidson, Finance Director Cowan, Community Development Director Westbay, Streets Superintendent Summer and several citizens. Councilor Morrison and City Attorney Fogo were absent. A Council quorum was present.

PUBLIC HEARING

5:30 P.M.

Receive public input on Retail Marijuana Product Manufacturing Establishment License Application from MPI, Inc., 651 S. Boulevard St., Ste. A-B, Gunnison, CO. This hearing was continued from the April 25, 2017, Council regular session.

Mayor Hagan called the public hearing to order at 5:30 P.M. and stated the purpose of this public hearing is to receive public input on the Retail Marijuana Product Manufacturing Establishment License application from MPI, Inc., 651 S. Boulevard Street, Ste. A-B, in Gunnison. This hearing was continued from the April 25, 2017, Council regular session. Mayor Hagan called for proof of publication. City Clerk Davidson stated a copy of the public hearing notice was included in the public hearing packet information. The affidavit of publication is included in the City's official records.

Mayor Hagan asked the applicant to identify themselves. Mr. Mark Lucas introduced himself to Council.

Mayor Hagan called for City Staff comments, and recommendations. City Clerk Davidson stated the City Council of the City of Gunnison, approved and adopted Marijuana Establishment rules and regulations. These are found in the Gunnison Municipal Code (GMC) and the City of Gunnison *Land Development Code (LDC)*. To operate a Marijuana Establishment in the City, a license from both the State of Colorado and the City of Gunnison must be obtained. The City application and licensing regulations are outlined in GMC Section 8.40.

MPI Inc., dba MPI Inc., 651 S. Boulevard, Ste. A-B, Gunnison, CO 81230, completed and submitted the required State Marijuana Enforcement Division (MED) and the City of Gunnison Marijuana Establishment License Application forms for a retail marijuana product manufacturing establishment to be located at 651 S. Boulevard St., Suite A-B, in Gunnison. 100% Principal in the corporation is: Mark P. Lucas, of Parlin, CO. The proposed marijuana product manufacturing property is owned by D.G.C.S. Rentals, LLC, The property owner's notarized consent to the submission of the application for a Marijuana Establishment on the premises was included in the application. The proposed establishment location is within the allowed zoning district for a marijuana product manufacturing establishment within the City. MPI Inc. has paid the City-required license and application fees. The State MED submitted their completed forms back to the City within the required seven days of their submission. Once the State Application forms were received, they were forwarded onto the Police, Finance, City Clerk, Public Works, and Community Development Departments, as well as to the City Attorney for review. A copy of the City of Gunnison Departmental Approvals form is included in the Public Hearing information packet. The results of that review include:

- from the Clerk's Department: the required complete application was filed including the property owner consent form. All City-required fees have been paid. The State's Conditional License has been received from the MED for this establishment.
- the Finance Department has issued a City Sales Tax License and has provided sales tax remittance information to the applicant.
- the Police Department has completed local background checks and investigations on the applicant corporation Principal – Mark Phillip Lucas, and has signed off on the application form.
- the Public Works Department has not identified any compliance issues with the City Utility Codes.
- the Community Development Department has received their internal Marijuana Site Development Application and has reviewed the application for compliance with the provisions of the City of Gunnison *Land Development Code* regarding allowed location, signage, control of marijuana-related odors, hours of operation, and City-adopted building standards. The CD Department has issued their retail marijuana establishment permit with the following conditions:

The licensed marijuana establishment shall comply with all provisions, standards and regulations of the *Land Development Code* and all relevant building, mechanical and fire codes adopted by the City;

A mechanical source capture and exhaust system shall be installed and subject to inspection and approval by the Building Official;

The licensed marijuana establishment premises shall not exceed the maximum allowable quantities of flammable liquids stored as outlined in the 2009 International Fire Code for F-1 occupancies;

A minimum of 3 exterior parking spaces, with one as a handicap accessible space shall be dedicated to this licensed marijuana establishment; and

Building occupancy for the licensed retail marijuana establishment shall be subject to final inspection and approval by the Building Official, Fire Marshal and Community Development Director.

City Council set the Public Hearing for 5:30 P.M., Tuesday, April 25, 2017, and subsequently continued the hearing to 5:30 P.M., Tuesday, May 2, 2017, the premises was posted with the Public Hearing notice poster, and the public hearing notice was published in the Gunnison Country Times Newspaper. Therefore, based on the review and investigations of the Retail Marijuana Product Manufacturing Establishment license application for compliance with City regulations, City Staff recommends approval of the License for MPI Inc., 651 S. Boulevard Street, Suite A-B, in Gunnison, with the stated conditions.

Mayor Hagan called for the Applicant's testimony. Mr. Mark Lucas addressed Council. He stated his business will be a small manufacturing business that will make a new product that is easier and safer to administer marijuana, like an asthma inhaler. The inhaler uses concentrated marijuana oil that is used to create a mist. The product is used to relieve pain, stress and sleep issues and is discrete to use. Children can't eat the marijuana product like infused edibles.

Mayor Hagan called for any public comment for or against the application. He asked that anyone wishing to speak to step up to the microphone, state their name and sign the speakers sheet. Comments should be specific to the license application being considered. There was no public comment.

Mayor Hagan called for any other comments and hearing none, closed the hearing at 5:40 P.M.

Possible Council Action on Retail Marijuana Product Manufacturing Establishment License Application from MPI, Inc., 651 S. Boulevard St., Ste. A-B, Gunnison, CO.

Mayor Pro Tem Drexel informed Council he has talked with several citizens who have concerns about the number of licensed marijuana establishments there are in Gunnison. Although there is no proof that marijuana is a gateway drug, he has heard that most people who use hard drugs started with marijuana use. He finds this alarming. Therefore, in good conscience, he will be voting no on this application.

Councilor Schwartz moved and Councilor Sovick seconded the motion to approve the Retail Marijuana Product Manufacturing Establishment License for MPI Inc., dba MPI Inc., 651 S. Boulevard Street, Suite A-B, Gunnison, Colorado, 81230, be approved based on the following findings and with the following conditions:

FINDINGS:

1. There has not been a denial of an application at the same location, on the grounds that the reasonable requirements of the neighborhood were satisfied by the existing establishments.
2. It appears from the evidence submitted with the application that the applicant is entitled to possession of the premises where the license is proposed to be exercised.
3. Manufacturing Retail Marijuana Products, as proposed in the application, is not in violation of the zoning, fire, building, technical, and other applicable codes of the City of Gunnison or the laws of the State of Colorado.

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4. The building where the application proposes to manufacture retail marijuana products does not appear to be within 1000 feet of any public, charter, or parochial school, daycare school, center or home, the principal campus of any college, university or seminary, or mental health facilities.
5. Within the City Limits where retail marijuana product manufacturing is proposed to be conducted, there are the following existing licensed marijuana establishments:
 - 1 - Retail Marijuana Cultivation Center
 - 9 – Retail Marijuana Stores
6. Based on the petitions of adult inhabitants of the City of Gunnison, the license applied for will meet the desires of the adult inhabitants of the City of Gunnison.
7. All fees necessary for the application have been paid.

CONDITIONS:

- 1 The Marijuana product manufacturing establishment shall comply with all provisions, standards and regulations of the *Land Development Code* and all relevant building, mechanical and fire codes adopted by the City.
2. A mechanical source capture and exhaust system shall be installed and subject to inspection and approval by the Building Official.
3. The licensed marijuana establishment premises shall not exceed the maximum allowable quantities of flammable liquids stored as outlined in the 2009 International Fire Code for F-1 occupancies.
4. A minimum of 3 exterior parking spaces, with one as a handicap space, shall be dedicated to this retail Marijuana establishment operation.
5. Building occupancy for the licensed retail marijuana establishment shall be subject to final inspection and approval by the Building Official, Fire Marshal and Community Development Director.

Roll call vote, yes: Sovick, Hagan, Schwartz. Motion carried.

Roll call vote, no: Drexel.

PUBLIC HEARING

5:45 P.M.

Receive public input on Retail Marijuana Product Manufacturing Establishment License and Retail Marijuana Cultivation Establishment License Application from Cosmic Foods, LLC, dba Cosmic Culture, 555 S. 10th Street in Gunnison, CO. This hearing was continued from the April 25, 2017, Council regular session.

Mayor Hagan called the public hearing to order at 5:45 P.M. and stated the purpose of this public hearing is to receive public input on the Retail Marijuana Product Manufacturing Establishment License application and the Retail Marijuana Cultivation Establishment License application from Cosmic Foods, LLC dba Cosmic Culture, 555 S. 10th Street in Gunnison, CO. This hearing was continued from the April 25, 2017, Council regular session. Mayor Hagan called for proof of publication. City Clerk Davidson stated a copy of the public hearing notice was included in the public hearing packet information. The affidavit of publication is included in the City's official records.

Mayor Hagan asked the applicant to identify themselves. Mr. Toby Rippetoe introduced himself to Council.

Mayor Hagan then called for staff comments and recommendations. City Clerk Davidson stated the City Council of the City of Gunnison, approved and adopted Marijuana Establishment rules and regulations. These are found in the Gunnison Municipal Code (GMC) and the City of Gunnison *Land Development Code (LDC)*. To operate a Marijuana Establishment in the City, a license from both the State of Colorado and the City of Gunnison must be obtained. The City application and licensing regulations are outlined in GMC Section 8.40. Cosmic Foods LLC, dba Cosmic Culture, 555 S. 10th Street Gunnison, CO 81230, completed and submitted the required State Marijuana Enforcement Division (MED) and the City of Gunnison Marijuana Establishment License Application forms for a retail marijuana product manufacturing establishment and a retail marijuana cultivation establishment to be located at 555 S. 10th St. in Gunnison. 100% Principal in the corporation is: Toby M. Rippetoe, 219 N 12th Street, Gunnison, CO.

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The proposed retail marijuana product manufacturing and cultivation property is owned by Rippetura Holdings, LLC - Toby Rippetoe principal. The property owner's notarized consent to the submission of the application for Marijuana Establishments on the premises was included in the application. The proposed establishment location is within the allowed zoning district for these uses within the City. Cosmic Foods LLC has paid the City-required license and application fees. The State MED submitted their completed forms back to the City within the required seven days of their submission. Once the State Application forms were received, they were forwarded onto the Police, Finance, City Clerk, Public Works, and Community Development Departments, as well as to the City Attorney for review.

A copy of the City of Gunnison Departmental Approvals form is included in the Public Hearing information packet. The results of that review include:

- the Clerk's Department: the required complete application was filed including the property owner consent form. All City-required fees have been paid. The State's Conditional License has been received from the MED for this establishment.
- the Finance Department has issued a City Sales Tax License and has provided sales tax remittance information to the applicant.
- the Police Department has completed local background checks and investigations on the applicant corporation principal – Toby Rippetoe, and has signed off on the application form.
- the Public Works Department has not identified any compliance issues with the City Utility Codes.
- the Community Development Department has received their internal Marijuana Site Development Application and has reviewed the application for compliance with the provisions of the City of Gunnison *Land Development Code* regarding allowed location, signage, control of marijuana-related odors, hours of operation, and City-adopted building standards. The CD Department has issued their retail marijuana establishment permit with the following conditions:

The licensed marijuana establishment shall comply with all provisions, standards and regulations of the *Land Development Code* and all relevant building, mechanical and fire codes adopted by the City;

The required mechanical source capture and exhaust systems design shall be submitted and the actual installation inspected and approved by the Building Official prior to commencing operations;

The licensed marijuana establishment premises shall be equipped with fire extinguishers as required;

A minimum of 5 exterior parking spaces, with one as a handicap accessible space shall be dedicated to this licensed marijuana establishment; and

Building occupancy for the licensed retail marijuana establishment shall be subject to final inspection and approval by the Building Official, Fire Marshal and Community Development Director.

City Council set the Public Hearing for 5:45 P.M., Tuesday, April 25, 2017, and subsequently continued the hearing to 5:45 P.M., Tuesday, May 2, 2017, the premises was posted with the Public Hearing notice poster, and the public hearing notice was published in the Gunnison Country Times Newspaper.

Therefore, based on the review and investigations of the Retail Marijuana Product Manufacturing Establishment license and retail marijuana cultivation establishment license application for compliance with City regulations, City Staff recommends approval of the License for Cosmic Foods, LLC dba Cosmic Culture, 555 S. 10th Street in Gunnison, with the stated conditions.

Mayor Hagan called for the applicant's testimony. Mr. Toby Rippetoe came forward and presented Council with petitions signed by Gunnison residents and business owners in favor of granting these licenses. Mr. Rippetoe stated the business will be up to 4000 sq. feet and they want to cultivate the marijuana that will be used in the manufacturing process so they and the consumer will know exactly what is going into the products. Production of cannabis oil will be the basis of the manufacturing and they will use a small extraction process.

Mayor Hagan called for any public comment for or against the application. There were no comments. Mayor Hagan called for any additional comments and hearing none, closed the public hearing at 5:55 P.M.

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Possible Council action on Retail Marijuana Product Manufacturing Establishment License and Retail Marijuana Cultivation Establishment License Application from Cosmic Foods, LLC, dba Cosmic Culture, 555 S. 10th Street in Gunnison, CO.

Mayor Pro Tem Drexel stated he will once again vote no for the reasons he stated in the previous public hearing. He has nothing against the business owners but the type of business.

Councilor Sovick moved and Councilor Schwartz seconded the motion to approve the Retail Marijuana Product Manufacturing Establishment and Retail Marijuana Cultivation Establishment License for Cosmic Foods, LLC, dba Cosmic Culture, 555 S. 10th Street, Gunnison, Colorado, 81230, be approved based on the following findings and with the following conditions:

FINDINGS:

1. There has not been a denial of an application at the same location, on the grounds that the reasonable requirements of the neighborhood were satisfied by the existing establishments.
2. It appears from the evidence submitted with the application that the applicant is entitled to possession of the premises where the license is proposed to be exercised.
3. Manufacturing Retail Marijuana Products, as proposed in the application, is not in violation of the zoning, fire, building, technical, and other applicable codes of the City of Gunnison or the laws of the State of Colorado.
4. The building where the application proposes to manufacture retail marijuana products does not appear to be within 1000 feet of any public, charter, or parochial school, daycare school, center or home, the principal campus of any college, university or seminary, or mental health facilities.
5. Within the City Limits where retail marijuana product manufacturing and retail marijuana cultivation is proposed to be conducted, there are the following existing licensed marijuana establishments:

- 1 - Retail Marijuana Cultivation Center
- 9 - Retail Marijuana Stores

6. Based on the wants of adult inhabitants of the City of Gunnison, the license applied for will meet the desires of the adult inhabitants of the City of Gunnison.
7. All fees necessary for the application have been paid.

CONDITIONS:

1. The licensed marijuana establishment shall comply with all the provisions, standards and regulations of the *Land Development Code* and all relevant building, mechanical and fire codes adopted by the City.
2. The required mechanical source capture and exhaust system design shall be submitted and the actual installation inspected and approved by the Building Official prior to commencing operations.
3. The licensed marijuana establishment premises shall be equipped with fire extinguishers as required.
4. A minimum of 5 exterior parking spaces with one of those being a handicap accessible space, shall be dedicated to this licensed marijuana establishment.
5. Building occupancy for the licensed retail marijuana establishment shall be subject to final inspection and approval by the Building Official, Fire Marshal and Community Development Director.

Roll call vote, yes: Hagan, Schwartz, Sovick. Motion carried.
 Roll call vote, no: Drexel.

Citizen Input: Mayor Hagan asked if there were any citizens present who would like to address Council on any non-agenda items. There were no comments.

Council Action Items:

Discussion and possible action on 2017 Slurry Seal and Crack Seal Projects Bids. Streets and Alleys Superintendent Greg Summer was present to answer Council's questions.

Superintendent Summers stated that \$150,000 was approved in the 2017 Budget for approximately 75,000 square yards of slurry seal material to be applied to city streets. Due to increased materials costs, the scope of work will be adjusted to keep the project within the approved budget.

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Councilor Drexel moved and Councilor Sovick seconded the motion to award the 2017 Slurry Seal contract to A-One Chipseal/Rocky Mountain Pavement for an amount not exceed \$150,000.

Roll call vote, yes: Hagan, Schwartz, Sovick, Drexel. Motion carried.

Roll call vote, no: None.

Superintendent Summer informed Council the crack sealing bid being recommended fell within the \$50,000 approved budgeted amount. The low bid is a local company.

Councilor Schwartz moved and Councilor Sovick seconded the motion to award the 2017 Crack Seal contract to AZ Asphalt for an amount not to exceed \$48,240.

Roll call vote, yes: Schwartz, Sovick, Drexel, Hagan. Motion carried.

Roll call vote, no: None.

Discussion and possible action on Comment Letter to the BLM, re: Signal Peak Trails Plan.

City Manager Forrest stated CD Director Westbay and Councilor Schwartz attended a meeting with BLM and Trails representatives regarding the proposed Signal Peak Trail Plan. The BLM is asking the City to be a cooperating agency and to provide a comments letter regarding the proposed plan for the Signal Peaks Trails located northeast of the City. The trails are not within the City limits but would have connectivity through the City. CD Director Westbay explained the trails on the map that was included in the meeting packet materials and pointed out trail access points to Council. Adjacent property owners have expressed concerns about trails access. Mitigation of impacts on wildlife is also a key concern in the plan. Director Westbay outlined the plan review process. A short discussion ensued.

Councilor Drexel moved and Councilor Sovick seconded the motion to instruct staff to compose a letter to the BLM regarding the Signal Peak Trails Plan and authorize the Mayor to sign said letter.

Roll call vote, yes: Sovick, Drexel, Hagan, Schwartz. Motion carried.

Roll call vote, no: None.

Reports:

City Manager: reported there was a productive start to the downtown central business district program with a meeting last week with approximately 24 individuals. The next step for that group is a field trip next Wednesday and Thursday to see the downtowns in Carbondale and Glenwood Springs. Approximately 14 people will participate in that trip and Community Builders is sponsoring the overnight accommodations.

City Councilors:

Councilor Schwartz: attended the BLM meeting and participated in the Hartman Rocks Cleanup and Trails work event last weekend.

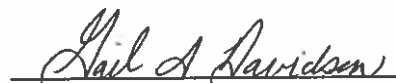
Councilor Sovick: stated this is his last meeting and thanked all of Council for their work for the community.

Councilor Drexel: reported he rode with Coleman trucking and experienced what it is like to haul cattle in a big truck through the Tomichi and Main intersection. He also attended the Region 10 meeting and they are revisiting their by-laws. He has also heard some concerns about smoking and drinking along the disc golf course behind the community schools and asked about additional enforcement in that area.

Mayor Hagan: reported he attended the downtown leadership group meeting last week and the Upper Gunnison Water Board meeting last night.

Adjourn Special Session. Mayor Hagan adjourned the meeting at 6:35 P.M.


 Mayor


 City Clerk