

April 9, 2019

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

5:30P.M.

The City Council Regular Session meeting was called to order at 5:30 P.M. by Mayor Jim Gelwicks with Councilors Mallory Logan, Jim Miles, Bob Drexel, and Leia Morrison present along with Western Liaison Max Oldham, City Attorney Kathy Fogo, City Manager Russ Forrest, Finance Director Ben Cowan, and City Clerk Erica Boucher. Additional City staff present were Public Works Director David Gardner, Senior Planner Andie Ruggera, and Community Development Director Anton Sinkewich. Executive Director of Gunnison Valley Regional Housing Authority Jennifer Kermode was present. Cynthia Wolff of the Crested Butte Land Trust, Jim Starr, and Darin Higgins, Executive Director of the Gunnison Valley Housing Foundation (GVHF) were there. A handful of interested citizens and the press was present.

Citizen Input:

Steve Schechter, who resides at 912 N. Blvd, came before Council to encourage quicker action from Council and the City on net metering and truing up on an annual basis as a positive way for Gunnison to address the issue of climate change locally. He would like to see Council review and further discuss its current net metering policy.

Council Action Items:

Consent Items: With no motion to split the Consent Agenda, Councilor Drexel moved to approve the Consent Agenda as stated: approve Sundays @ 6 and Farmer's Market multi-day city events permits and authorize the Mayor's signature on both permits. Councilor Morrison seconded the motion.

Roll call, yes: Logan, Miles, Gelwicks, Drexel, and Morrison. So carried.

Roll call, no: None.

Excuse Councilors: Councilor Miles moved to excuse Councilor Logan and Councilor Morrison from the March 26, 2019, Regular Session meeting. Councilor Drexel seconded the motion.

Roll call, yes: Miles, Gelwicks, and Drexel. So carried

Roll call, no: None.

Abstain: Logan and Morrison.

March 12, 2019 Regular Session Minutes: Councilor Morrison moved to approve the March 12, 2019 Regular Session meeting minutes as submitted. Councilor Logan seconded the motion.

Roll call, yes: Drexel, Morrison, Logan, and Miles. So carried.

Roll call, no: None.

Abstain: Gelwicks.

March 26, 2019 Regular Session Minutes: Councilor Drexel moved to approve the March 26, 2019 Regular Session meeting minutes as submitted. Councilor Miles seconded the motion.

Roll call, yes: Drexel, Miles, and Gelwicks. So carried.

Roll call, no: None.

Abstain: Morrison and Logan.

Ordinance No. 3, Series 2019; Second Reading: *An Ordinance of the City Council of the City of Gunnison, Colorado, Amending Sections: 2, Table 2-5, Nonresidential Zone District Dimensional Standards and 3.7, Accommodations, Retail, Service – Commercial Use Standards of the City of Gunnison Land Development Code.* Councilor Logan introduced Ordinance No. 3, Series 2019 and asked that it be read by title only by the City Attorney. The City Attorney read Ordinance No. 3, Series 2019 by title only. Councilor Logan moved to approve Ordinance No. 3, Series 2019 on second reading. Councilor Miles seconded the motion.

Councilor Logan asked if there was any additional information to be shared regarding the discussion of Ordinance No. 3, Series 2019 from the previous Regular Session meeting. Mayor Gelwicks confirmed that there wasn't new information and reminded Council that Sharon Schlegel came before Council to submit a petition in opposition to changes to the B1 zone district. The discussion focused on addressing her procedural and final questions as summarized in the minutes.

Roll call, yes: Morrison, Logan, Miles, Gelwicks, and Drexel. So carried.

Roll call, no: None.

Ordinance No. 4, Series 2019, Second Reading: *An Ordinance of the City Council of the City of Gunnison, Colorado, Amending Section 5.4 E.2., Wetland and Streams Corridor Protection,*

Buffer/Setback Areas, Wetlands of the City of Gunnison Land Development Code. Councilor Logan introduced Ordinance No. 4, Series 2019, and asked that it be read aloud by the City Attorney by title only. The City Attorney read Ordinance No. 4, Series 2019 aloud by title only. Councilor Logan moved to approve Ordinance No. 4, Series 2019 on second reading. Councilor Morrison seconded the motion.

Mayor Gelwicks made a quick comment that when the Wetland section was added to the *Land Development Code* it was meant to be applied to the Tomichi and Gunnison rivers, but the way it was written it made it seem like it applied to all of Gunnison. The language in the *Code* was confusing. The purpose of Ordinance No. 4, Series 2019 was to clarify and correct the language of Section 5.4 E. 2 Wetland and Streams Corridor Protection, Buffer/Setback Areas.

Roll call; yes: Logan, Miles, Gelwicks, Drexel, and Morrison. So carried.

Roll call; no: None.

License Agreement-Jerry and Arlene Kowal, 322/324 North 14th Street. Applicant Jerry Kowal and Senior Planner Andie Ruggera approached Council to discuss Mr. Kowal's request for approval of a revocable license agreement for the construction of a roof extension. Mr. Kowal gave Council a brief history of the property and explained that a roof extension into 14th Street and Ohio Avenue rights-of-way would be for the benefit and safety of his tenants residing at the residence, especially during the winter months when snow slides off the roof and drifts into the walkway. Senior Planner Ruggera also mentioned that Mr. Kowal applied for a variance which was reviewed by the Zoning Board of Adjustments and Appeals on April 3, 2019. The Zoning Board of Adjustments and Appeals approved the variance within the 10' right-of-way. The license agreement would extend the roof 8' to the east and 6' to the west. It would not extend to the north or further into Ohio Avenue. Senior Planner Ruggera stated that all appropriate City departments have reviewed the application and recommend it. Specifically, the changes will not interfere with snow removal by Public Works. Councilor Morrison moved to approve and authorize the Mayor to sign the revocable License Agreement for the construction and maintenance of a roof extension that encroaches into 14th Street and Ohio Avenue rights-of-way. Councilor Logan seconded the motion.

Roll call; yes: Miles, Gelwicks, Drexel, Morrison, and Logan. So carried.

Roll call; no: None.

Building Permit Fee Waiver Request by GVRHA for GardenWalk Apartment Project.

Executive Director of the Gunnison Valley Regional Housing Authority (GVRHA) Jennifer Kermode approached Council to make the request for a building permit fee waiver for the GardenWalk Apartment Project on behalf of Belmont, the project's developer. Belmont was in Denver getting a \$450,000 grant approved by the State Housing Board for the project. The amount of the building permit fee waiver would be \$22,001 as calculated by Community Development. Receiving a building permit fee waiver would help reduce the upfront development costs, which would lower the construction loan and amount of permanent financing needed for the project, which leads to a lower debt structure for Belmont which results in 30%-40% AIMs. City Manager Forrest noted this is a deed restricted project. The cost of this project to the City would be the inspection time of the building inspector and the loss of revenue from the building permit fees. A brief discussion occurred about Gunnison AIMs. Executive Director Kermode confirmed that the project will produce 36 units, primarily two-bedroom units.

Councilor Drexel moved to approve the building permit fees to be waived in the amount of \$22,001 for the GardenWalk Apartment Project to decrease development costs. Councilor Logan seconded the motion. Mayor Gelwicks stated that a fiscal note be made that this is a low-income housing project.

Roll call, yes: Gelwicks, Drexel, Morrison, Logan, and Miles. So carried.

Roll call, no: None

Crested Butte Land Trust Long Lake Land Exchange. Jim Starr, representing the Gunnison Valley Housing Foundation approached Council to introduce the Long Lake Land Exchange proposal and stated that the Housing Foundation would be the principle beneficiary of the land exchange. In summary, the land exchange consists of the Crested Butte Land Trust acquiring 120 acres of land around Long Lake just outside of Crested Butte from the Forest Service, which has primarily been used for recreation and wildlife habitat. This tract of land is on the Forest Service's disposal (sale) list. For background as explained by Mr. Starr and Ms. Wolff, Judy and Butch Clark donated the 613 acres of Fossil Ridge property to the Trust for Public Land with the stipulation that when the Fossil Ridge property is sold, the sales proceeds will be paid to the GVHF to be used toward affordable housing. Therefore, the Crested Butte Land Trust initiated a land exchange with the Gunnison National Forest for 613 acres (Fossil Ridge) plus an additional small acreage of land for 120 acres of National Forest (land near Long Lake) for an estimated \$3.2 million dollars. The Gunnison Valley Housing Foundation would use the \$2.5 million dollars of the financial gain from the land exchange

to invest it in affordable housing, which is a cornerstone of their mission.

Mr. Starr reviewed the GVHF's recently established strategic priorities to support the development for affordable housing, how GVHF got started and the current amount it has available to invest in affordable housing. He acknowledged that the City of Gunnison is working on its own affordable housing projects, such as Lazy K, and doesn't have \$250,000 available to give the GVHF. He asked Council to consider making a more modest financial contribution to the project and be willing to receive a larger financial request during the budget cycle in the fall. Mr. Starr believed that the City's investment in this project would be returned to the City through the creation of affordable housing for residents.

Cynthia Wolff, Director of Development for the Crested Butte Land Trust, shared more details about the exchange and the purposes of conserving the area around Long Lake. Discussion occurred about the usage of the L-shaped land around Long Lake. Ms. Wolff explained that improvements and modifications would be made to the land by the lake to provide better ADA accessibility, help keep the area clean through the addition of bathrooms, limit erosion and impact through the creation of user trails as well as add signage.

Further discussion occurred about the GVHF's revenue of \$2.5 million dollars if the land exchange goes through. This money would increase the Foundation's budget by three-fold and would be used in a variety of ways to support affordable housing, but no specific projects are slated for the money. Ms. Wolff explained how they came to the \$2.5 million price for the land at the fair market value pay. Mr. Starr shared the other local municipalities investments in the exchange. The Land Trust needs to enter into its appraisal agreement by May 21, 2019 to secure the fair market pay and is working to secure as much funding as possible now.

City Manager Forrest shared with Council that they have about \$218,000 left in the strategic fund budget and the City needs as much of that money as possible for Lazy K. On the other hand, developing a partnership with the GVHF through a monetary contribution on this project could help Gunnison leverage funds in the future on other housing projects. Council acknowledged the importance of taking steps to support the creation of affordable housing in the valley.

Darin Higgins, Executive Director of the Gunnison Valley Housing Foundation joined Ms. Wolff and Mr. Starr at the podium to share with Council that the Gunnison Valley Housing Foundation is in the valley to support affordable housing projects. He encouraged Council to access and utilize the services and funding the Foundation has to offer.

Councilor Drexel moved to direct staff to use \$10,000 from Council's Strategic Priorities Fund to support the Crested Butte Land Trust Long Lake Land Exchange Project. Councilor Logan seconded the motion.

City Manager Forrest asked Ms. Wolff if there are any protective factors in place for the City to get its \$10,000 contribution back if the land exchange does not go through. Ms. Wolff stated that the closing of this deal will very likely occur before the end of the year and if Council wants to put any stipulations on the donation than they should as part of their motion.

Councilor Drexel made a friendly amendment to the original motion for clarification that if the land exchange fails to happen the City will get its contribution returned and Council expects to receive another financial request from the Crested Butte Land Trust for the 2020 budget. Unanimous consent was given to the amendment.

Roll call, yes: Drexel, Morrison, Logan, Miles, and Gelwicks. So carried with amendment.

Roll call, no: None.

Ordinance No. 5, Series 2019, First Reading: *An Ordinance of the City Council of the City of Gunnison, Colorado, Acting by and through Its Enterprise Fund, Approving Loans from the Colorado Water Resources and Power Development Authority to Finance Improvements to the Sewer Collection System and the Wastewater Treatment Facility; Authorizing the Execution of Loan Agreements and Bonds to Document the Loans; and Providing for Payment of the Bonds from Net Revenue of the Sewer System.*

Councilor Logan introduced Ordinance No. 5, Series 2019, and asked that it be read aloud by the City Attorney by title only. The City Attorney read Ordinance No. 5, Series 2019 aloud by title only. Councilor Logan moved to approve Ordinance No. 5, Series 2019 on first reading. Councilor Drexel seconded the motion.

Finance Director Cowan informed Council that if they need to make any amendments to Ordinance No. 5, Series 2019 they need to be done between first and second reading because this ordinance must become active on April 23, 2019 in order to authorize the loans. City Manager Forrest confirmed that the City's bond counsel has reviewed the ordinance. This ordinance strictly authorizes the signing of the loan agreements.

Public Works Director Gardner is working with the project's CMAR to finalize the costs of the project, making adjustments as bids come in for equipment and to outline distribution of potential savings. Finance Director Cowan will develop a 20-year cash flow and financial summary of the

project to be presented at the April 23 Regular Session meeting which will include recommended rate increases over the next two years. There was a 17% rate increase in 2019 and there will likely be a similar rate increase for the next two years to repay the loans. By signing Ordinance No. 5, Series 2019, Council is not committed to any expenditures but it allows for the City to not have multi-year debt that would be subject to referendum by voters. The loans would be run through the sewer enterprise fund and be repaid by user fees.

Finance Director Cowan noted that the offering of the bonds will go out on May 8 and will be funded May 22. Finance Director Cowan reported that Gunnison did receive its full ask of one million for the WWTP from the Department of Local Affairs which equates to \$1.46/customer per month for 20 years.

Roll call; yes: Morrison, Logan, Miles, Gelwicks, and Drexel. So carried.

Roll call; no: None.

Ordinance No. 6, Series 2019, First Reading: *An Ordinance of the City Council of the City of Gunnison, Colorado, Adopting an Additional Appropriation for the Fiscal Year Ending December 31, 2019.*

Councilor Morrison introduced Ordinance No. 6, Series 2019, and asked that it be read aloud by the City Attorney by title only. The City Attorney read Ordinance No. 4, Series 2019 aloud by title only. Councilor Morrison moved to approve Ordinance No. 4, Series 2019 on first reading. Councilor Logan seconded the motion.

Finance Director Cowan confirmed that these appropriations are rollovers from 2018 for projects Council has approved or are in progress. The one additional appropriation from 2019 was Council's approval of \$10,000 to fund two Western Colorado University graduate students to work on the City's sustainability policy for the comprehensive plan at their January 8, 2019 Regular Session meeting. Council's budget for strategic priorities is \$218,586. Councilor Morrison asked for clarification on the Community Center sidewalk. Finance Director Cowan explained that the Parks and Recreation Advisory Committee (PRAC) recommended a sidewalk location change from the north end of the Community Center to a more usable, off-street south side sidewalk of the Community Center to Spencer.

Roll call; yes: Logan, Miles, Gelwicks, Drexel, and Morrison. So carried.

Roll call; no: None.

Resolution No. 3, Series 2019: *A Resolution of the City Council of the City of Gunnison, Colorado, Adopting Fees.*

Councilor Logan introduced Resolution No. 3, Series 2019, and asked that it be read aloud by the City Attorney by title only. The City Attorney read Resolution No. 3, Series 2019 aloud by title only and added that this resolution supersedes Resolution No. 10, Series 2018. Councilor Logan moved to approve Resolution No. 3, Series 2019. Councilor Morrison seconded the motion.

Public Works Director David Gardner came before Council to ask for an overflow refuse fee of \$15 per can and \$40 per dumpster to help cover additional costs incurred by City in an effort to discourage people from overflowing their trash containers. Before the Public Works begins charging an overflow fee this summer they intend to first give one warning and initiate an educational program to inform residents about the excess costs overflowing causes and the troubles it causes for Streets and Alley and wildlife. Mr. Gardner believed that the approval of this fee is a good first step to bring awareness and to address some of the City's major issues with refuse collection.

Discussion occurred about the impact and intention of the fee on overfilled containers as well as issues around refuse container sizes, the number of refuse pick-ups Streets and Alleys does and the excess amount of refuse produced during certain times of the year, such as when the University adjourns after graduation. Discussion also occurred about who will be charged the overflow fees, especially in the cases of housing complexes or multiple rentals by a property owner. Mr. Gardner confirmed that whomever has the master account will be charged the fee and it will be his/her responsibility to distribute to cost of the fee as they deem appropriate.

Mr. Gardner stated that he has put together a committee to discuss issues regarding refuse and to develop recommendations for Council. One of the committee's first topics of discussion will be removal of small refuse containers. After discussion, the committee may recommend that only medium and large resident trash cans sizes be available and used. This may help with people who regularly overflow small cans. Also, Public Works' equipment does not function at full capacity with the small containers. However, the committee also needs to consider residents on fixed incomes and how having only two trash container sizes, medium or large, could affect their budget. Follow up discussion occurred about the timing of actually charging customers the overflow fee after a warning is given and the communication schedule. Mr. Gardner suggested using the next two months to educate residents on the problems overfilled trash containers cause and to communicate with them about up-coming charges. Communication will occur through a variety of methods, including but not limited to, an announcement in city utility bills, social media, print, PSAs and notices on containers.

Another step to be taken is a complete inventory of all trash containers and labeling each can with a specific address of the account owner.

A brief brainstorming session occurred about the city putting together a welcome packet for new residents to inform them on City procedures, policies and regulations regarding a variety of services. The mayor suggested that Public Works be proactive during times of the year when refuse is at its peak, such as in April and May when winter employees and Western students depart.

Mr. Gardner confirmed that the Tree Dump will accept the first five bags for free and then charge after that number and a brief discussion occurred about how fees are charged at the Tree Dump.

Roll call; yes: Miles, Gelwicks, Drexel, Morrison, and Logan. So carried.

Roll call; no: None.

Council took a five minute break and returned at 7:00 p.m.

City staff and Council gave reports.

With no further business, Mayor Gelwicks adjourned the Regular Session meeting at 7:39 p.m.

Attest:


Erica Boucher, City Clerk




Jim Gelwicks, Mayor