

The City Council Regular Session meeting was called to order at 7:00 P.M., by Mayor Jonathan Houck with Councilors Drexel, Seymour, and Nesbitt present along with City Attorney Landwehr, City Manager Coleman, City Clerk Davidson, Acting City Manager/Community Development Director Westbay, Police Chief Robinson, Fire Chief Spritzer, Finance Director Hanson, Finance Clerk Elam, several interested citizens and the press. A Council quorum was present.

Nicholas "Nick" Edwards, the new WSC Liaison to the City Council, introduced himself. Nick is the VP of External Affairs on the Student Government Association on campus. He is a football player and a 5th year senior. Council welcomed Nick to the Council and Mayor Houck stated it is great to have the bond between the community and the campus.

Consideration of Minutes:

Regular Session Meeting Minutes of August 9, 2011.

Councilor Nesbitt moved and Councilor Drexel seconded the motion to approve the Council Regular Session Meeting minutes of August 9, 2011, as submitted.

Roll call vote, yes: Drexel, Houck, Seymour, Nesbitt. Motion carried.

Roll call vote, no: None.

Pre-Scheduled Citizens:

Finance Director Hanson.

- **2nd Quarter 2011 City Financial Update.** Finance Director Hanson reviewed the 2nd Quarter 2011 Finance Report that was included in the Council packets. Director Hanson stated that the report goes through August 24th. The City has received \$27,000 as a Worker's Compensation dividend from Pinnacol Assurance. There is also receipt of a \$25,000 for the renovation of the North Teller Ballfield and that will be appropriated later in the year. The following topics were discussed: the General Fund is on target with 64% operating expenses expended; 94% of the Capital Improvements have been expended; as previously discussed with Council, the rock bucket for the Parks Department has been moved from operations to capital improvements; the IOOF Park kiosk project has been completed and cost less than \$200; the Nordic Club will request their grant later in the year and the tree carving contest expenses have not been finalized at this time; General Fund revenues are tracking at 51%; sales tax from the State is sent to the City two months behind; revenue from interest on investments is bleak; Mineral Leasing Funds are received in October; the contributions for the Firemen's Pension Fund have been made; approximately \$305,000 has been paid from the Insurance Reserves for claim payments; Fleet, Electric, Water, Wastewater and Refuse are all tracking on schedule; Capital Investment Fees are down this year; the Communication Fund is tracking on schedule with some of the users paying revenues up front and others paying throughout the year; operations expenses at the pool are at 53%; the climbing belay devices were paid out of cash reserves; the rink operation expenses are at 64% with the rest of the revenues coming in late in the year; events expenses are at 247% due to the USA Pro Cycling Challenge and expenses and additional revenues are not finalized for the race at this time; operation expenses for the trails include the bike lane striping; and we are just getting into trails construction for the year after the ditches are turned off. Director Hanson informed Council we are on-schedule for the 2012 budget development. Councilor Drexel asked about the auditors discussion and Director Hanson explained the audit process and how the City contracted out the preparation of the financial report again this year.

- **Sales Tax Auditing.** Finance Director Hanson and Finance Clerk Elam addressed Council. Ms. Elam processes the sales tax collection for the City. Currently, the City doesn't audit each business if they are paying the correct exemptions each month. We do compare our business list with the State list each year. Director Hanson stated she would like to get expert consultants to do the sales tax audit. These firms could do random audits each year. The consultant would select the businesses to be audited and would be paid on an hourly basis, not by commission. The City would be responsible for the actual collection, if any. Director Hanson stated we want to make sure everyone is reporting correctly. Some audit firms have said there can be a seven times return on the investment. Director Hanson would like to start the process in late 2011.

Councilor Nesbitt moved and Councilor Drexel seconded the motion to direct staff to proceed with sales and use tax audits and to obtain quotes from auditing firms who provide this service.

Roll call vote, yes: Houck, Seymour, Nesbitt, Drexel. Motion carried.

Roll call vote, no: None.

Unfinished Business: None.

New Business:

Action on Lease Agreement between City, County and Fire District for Firehouse Lots. Mayor Houck explained this is a general housekeeping issue for the Council. The Fire Department is not asking for anything new, just an amendment to the existing Fire House Agreement. A copy of that Agreement is in the packets. Fire Marshal Spritzer explained to Council the storage shed that was previously located on the lots behind the firehouse was destroyed due to snow loading in the winter of 2007. They would like to place two portable storage units, either 2 – 10'x20' sheds or 1 – 10'x40' shed on the lots. Councilor Nesbitt had concerns about some typographical errors in the document.

Councilor Nesbitt moved and Councilor Drexel seconded the motion to authorize to sign the Amendment to the Fire House Agreement once the typographical errors are corrected.

Roll call vote, yes: Seymour, Nesbitt, Drexel, Houck. Motion carried.

Roll call vote, no: None.

Set Special Session for Tuesday, September 6, 2011, Following Council Work Session. City Manager Coleman explained that he and the Police Chief would like to meet in an Executive Session with Council regarding a property matter. In order to hold an Executive Session during a Work Session meeting night, a Special Session needs to be set.

Councilor Nesbitt moved and Councilor Seymour seconded the motion that a Special Session of City Council be set for Tuesday, September 6, 2011, at the conclusion of the Work Session meeting, in the City Council Chambers of City Hall, 201 W. Virginia Avenue in Gunnison, Colorado and the topic on the agenda will be: Executive Session: pursuant to C.R.S. 24-6-402(4)(a): for the purpose to discuss the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest; except that no executive session shall be held for the purpose of concealing the fact that a member of the City Council has a personal interest in such purchase, acquisition, lease, transfer or sale.

Roll call vote, yes: Nesbitt, Drexel, Houck, Seymour. Motion carried.

Roll call vote, no: None.

USA Pro Cycling Challenge Overview. City Manager Coleman reported that it was a world class bicycling event. The local organizing committee (LOC) will be holding a debriefing of the event. In general terms, it was a successful event. There was a huge volunteer and staff effort to make it successful. The Police, Public Works and Parks Departments were instrumental in the success. There was a festive setting for both days. John Messner deserves much credit for those festivities. The sponsors were significant. There was a huge in-kind effort from those sponsors as well. The media outlets gave wonderful exposure of Gunnison to the world. We may not see direct return but there was significant advertising world-wide. He has received positive feedback from several of the retail businesses. Manager Coleman thanked Mayor Houck for his participation. The Mayor was on the stage with professional athletes. City Manager Coleman stated this may become an established event. He and the LOC will be back to Council to discuss that future. He feels the community and Valley benefited from the event. Mayor Houck stated that there were 250,000 people in Denver for the last day and there was an estimate of 100,000 in Steamboat Springs for their stage. It was televised around the world. The huge American Flag that was flying from the Fire Department ladder truck in Gunnison was broadcast around the world. The Mayor stated he was proud of the community for all of the events that took place from Friday through Wednesday. The City Manager stated he will get more details to City Council in the near future. Councilor Nesbitt asked Police Chief Robinson if they experienced any problems. The Chief stated not really, and the PD will debrief with the other law enforcement agencies in the next couple of days.

Excuse Mayor Pro Tem Harriman from Meeting. Mayor Houck stated that Mayor Pro Tem Harriman is out of town this evening and unable to attend.

Councilor Nesbitt moved and Councilor Seymour seconded the motion to excuse Mayor Pro Tem Harriman from this evenings Regular Session Meeting.

Roll call vote, yes: Drexel, Houck, Seymour, Nesbitt. Motion carried.

Roll call vote, no: None.

Ordinances and Resolutions:

Ordinance No. 7, Series 2011; Re: Municipal Code Change Regarding Commercial Animal Establishments; 2nd Reading. Councilor Nesbitt introduced Ordinance No. 7, Series 2011, and it was read by title only by the City Attorney.

Councilor Nesbitt moved and Councilor Drexel seconded the motion that Ordinance No. 7, Series 2011, **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GUNNISON, COLORADO, REPEALING PORTIONS OF CHAPTER 5.40 OF THE CITY OF GUNNISON MUNICIPAL CODE REGARDING COMMERCIAL ANIMAL ESTABLISHMENTS**, be introduced, read, passed and adopted on second and final reading this 30th day of August, 2011, and copies be made available to the public.

Roll call vote, yes: Houck, Seymour, Nesbitt, Drexel. Motion carried.

Roll call vote, no: None.

City Attorney: Rod Landwehr. Nothing to report, thank you.

City Manager: Ken Coleman asked Council to consider the request to take the \$3,000 budgeted in the 2011 budget for CityFest and divide those monies up between Customer Service in the amount of \$1,000 for the purchase of the annual pocket calendars, \$1,500 be added to the \$500 budgeted for the City Employee Christmas Party, and the remaining \$500 be used for employee appreciation this fall. Discussion ensued. Since the funds are being moved from one fund to another the Council needs to be made aware of the transfer. Council consensus was to allow the transfers. City Manager Coleman then discussed the following: dirt work continues on Thornton Way where the base material is inconsistent; concrete sidewalk replacement work continues; the irrigation ditches will be turned off for the season on Friday, September 30th and this will be advertised; the community center has been closed for cleaning and maintenance and the leisure pool has been drained, acid and power washed; approximately 50 dogs participated in the dog swim GVAWL fundraiser at the pool prior to its draining; the GOCO Grant application for the Skatepark has been submitted and Director Ampietro is revising the submitted budget due to changes in the application requirements; budget preparation is in full swing; and the school zones are well-manned now that school is open. City Manager Coleman informed Council that he, Parks & Recreation Director Ampietro, Parks Foreman Besecker and Mayor Houck met with Arch Coal/West Elk Mine Representative Kathy Wilson who presented the City a check for \$10,000 for the North Teller Renovation Project. The entire ballfield will be significantly improved. City Manager Coleman informed Council he received an email from the County Library District asking for support for the District's November Ballot Measures. A short discussion on options for a resolution ensued. Lastly, he, City Attorney Landwehr, and our Water Attorneys Timothy Beaton and Patricia DeChristopher, met with the County Manager, County Attorney and the Upper Gunnison River Water Conservancy District representatives and discussed how we can all work together. They also discussed possible joint projects, revisiting the Intergovernmental Agreement, and protection of the Gunnison Watershed as the primary goal for everyone. It was a good discussion.

Acting City Manager: Community Development Director Steve Westbay – Semi-Annual Department Report. Director Westbay reviewed the Community Development Department Semi-Annual Report that was included in Council packets. He discussed the following: his Department assisted in the Code amendment to prohibit Medical Marijuana businesses; assisted with land use changes, development and inspection on the Gunnison Valley Hospital addition and remodel; the Gunnison Rising Annexation Agreement was amended; the Planning Department has been busy with 10 development applications; work on the VanTuyl Ranch Annexation application is underway with the Gunnison County Library District as the co-signator on the annexation petition; the draft Land Development Code is under review by his Staff and the Planning Commission; the new sign code is under review as part of the LDC; potential amendments to the Gunnison Trails Master Plan, with priorities for the outer and inner-loop trails being included, are in the works; possible GOCO Legacy Grant opportunities are being assessed; the hospital addition, new County detention facility, and Taylor Hall renovation have been completed with review and inspection from the Building Department; 23 building permits have been issued with only one new residential dwelling unit permit; State of Colorado housing construction predictions show a drop of 1.5% by the end of 2011 and an increase of 10 to 20% in housing construction on the following two years; Building Official Eric Jansen has been providing contract inspection services, approximately three days a week, to Chaffee County on the construction of their new high school in Salida; Fire Marshal Dennis

Spritzer has worked on inspections of the new GCEA building, the new County Public Works Facility, the Taylor Hall addition and the Gunnison Valley Hospital addition; Fire Fighter 1 Continuing Education Classes were taught at WSC by the Fire Marshal last spring; input was given to the CSP by the Fire Marshal on hazardous material transport on Highway 114; the annual Household Hazard Waste Disposal Day is scheduled for Saturday, September 24th; the Fire Department responded to four large structural fires and assisted with flood monitoring; and they dealt with several swift-water rescues during the high spring runoff.

Councilor Seymour indicated he would like to see more joint meetings between the Council and the Planning & Zoning Commission as the rework of the LDC continues. Councilor Nesbitt stated he would like to see work on a Valley-wide drought plan and watershed ordinance.

City Manager Coleman stated that Eric Jansen is to be commended for getting his State Certification. He was able to inspect the Gunnison High School project and is now inspecting the Chaffee County project. The City Manager commended all of the Community Development employees: Andie, Dennis, Eric, Pam and Steve, they are a great professional team.

City Clerk: Gail Davidson. Reported she has posted/noticed that three or more Councilors may be attending Thursday's Mayors'/Managers' meeting and the WSC Taylor Hall Open House. She stated that she continues to advertise for the vacancy on the Board of Adjustments and Appeals but hasn't received any letters of interest. The Youth City Council informational meeting will take place on Monday, September 5th in the Council Chambers.

WSC Liaison: Nicholas Edwards. Reported the WSC Taylor Hall Open House is this Thursday from 4 to 6pm. Saturday will be the first Home Football Game at 1pm and will be against Angelo State. The following week they will be in Idaho. In regards to the USA Pro Cycling Challenge, everyone is proud of how the students responded. Mayor Houck informed everyone that Western's inflatable "Mad Jack" Mountain Man was on the top of Cottonwood Pass. It was great.

Non-Scheduled Citizens: Ms. Scottie Willey, Gunnison resident, came before Council and asked for their assistance in getting a bike rack placed in the area of the south end of City Market Store. She voiced her concern for biking safety in that area. She has tried speaking with City Market but has not received much assistance. The bike parking was north of the store in the gravel during the summer months. The situation is an accident in the making. City Manager Coleman stated that the entire area is private parking. He will work with the property owners, City Market, the City Engineer and Public Works Director, and see what solutions can be made. The Mayor suggested that perhaps the Bicycle Pedestrian Advisory Committee (BPAC) could assist with a solution and then thanked Ms. Willey for bringing the issue to their attention. The City Manager concurred that it's important to resolve this problem.

City Council Discussion, Meeting Reports, Items for Work Session:

Councilor Nesbitt: shared two newspaper articles with Council. The first is regarding struggles to fill relocated big box stores and the second is about Adams State College wanting to go for university status. He attended the annual Bureau of Reclamation Aspinall Unit Project meeting. If anyone is interested in what was discussed they can call him. At the Colorado Water Congress meeting he attended, he listened to an interested session on "Myth-busting of Fracking". There was also a discussion on future energy vs food water issues. It was reported that Aurora spent \$7 million on a wastewater project to filter then recharge their aquifer. He attended the local Water Board meeting last night. Blue Mesa is at 93% capacity and Taylor is at 81%. He also attended this morning's Chamber Board meeting. The WSC Taylor Open House is on Thursday and they have a fundraising golf tournament coming up.

Councilor Seymour: reported the Planning & Zoning Commission is working on the Sign Code. Downtown was very impressive on Tuesday and Wednesday during the bike race events. He thanked all of the volunteers who helped make the race a success.

Mayor Houck: reported he attended the RTA last month. There are no real changes there. He didn't attend the DOW Discovery Center meeting in Alamosa due to the last minute changes but he continues to contact the parties involved in the decision-making process. The Mayor thanked staff for the new business directory kiosk downtown. It looks great. Finally, he reminded

everyone that the community is invited and urged to attend the 1st home GHS football game this Friday night. It is the first game under the new lights.

Councilor Drexel: informed Council there will be a CML District 10 meeting in Delta on October 19th. The Mayor and Councilor Seymour stated they will attend. Councilor Drexel stated he was unable to attend the Region 10 Board meeting last Thursday but there are problems between the "All-Points Transit" Board in Montrose and the Region 10 Executive Board. They are trying to resolve these issues.

Adjournment: Mayor Houck called for any further discussion, and hearing none, adjourned the meeting at 9:16 P.M.

Mayor

City Clerk