

MARCH 25, 2014

CITY OF GUNNISON COUNCIL
REGULAR SESSION MEETING MINUTES

7:00 P.M.

The City Council Regular Session meeting was called to order at 7:00 P.M., by Mayor Drexel, with Councilors Ferguson, Steinbeck and Hagan present along with City Attorney Fogo, City Manager Coleman, City Clerk Davidson, Parks and Recreation Director Ampietro, Police Chief Robinson, WSCU Liaison Leal, many citizens and the press. Councilor Riggs was not present. She arrived at 7:20 P.M. A Council quorum was present.

MARCH 25, 2014

PUBLIC HEARING

7:00 P.M.

Receive Public Input on Hotel & Restaurant Liquor License Application from Sodexo America LLC, dba Sodexo, for Western State Colorado University Center, 600 N. Adams Street, Gunnison, CO.

Mayor Drexel opened the public hearing at 7:01 P.M. and stated the reason for the public hearing is to receive input on the Hotel & Restaurant Liquor License Application from Sodexo America LLC, dba Sodexo, for the Western State Colorado University Center, 600 N. Adams Street, in Gunnison and present at the hearing are City Councilors Richard Hagan, Ann Steinbeck, Stu Ferguson, Carolyn Riggs, himself Mayor Bob Drexel, City Attorney Kathy Fogo, City Manager Ken Coleman, City Clerk Gail Davidson, WSCU Liaison Amber Leal and the applicants.

Mayor Drexel asked the applicants to stand and introduce themselves. WSCU Sodexo Manager Jon Coady, Vice-President of Student Affairs Gary Pierson, and Sodexo Regional Manager Mathew Dukefel introduced themselves.

Mayor Drexel then asked for the Duties of the Board and the procedural aspects of the Hearing. City Clerk Davidson stated Article 47, Title 12, of the Colorado Revised Statutes (CRS) sets the general rules and regulations for the proper manufacture, distribution and sale of alcoholic beverages. It states the state licensing authority and the local licensing authority have dual responsibility for regulating the sale of alcoholic beverages and issuing licenses to do so. If the State doesn't approve a license, the City cannot grant a license and the State will not issue a license without the City's approval. Article 47, Title 12 sets the application requirements and process for each type of liquor license. The applicant is applying for a Hotel & Restaurant Liquor License for the entire Western State Colorado University Center, located at 600 N. Adams Street in Gunnison, Colorado. The applicant has filed the proper application with the required documentation, has paid the required fees, the required Public Hearing was noticed in the Gunnison Country Times and the premises was posted for the Hearing. The principals in the LLC are: George S. Chavel, Robert A. Stern, and Scott E. Robbins. Part 3 of C.R.S. 47-12 allows for concurrent state and local review of the license application. The applicant has paid the fees for a concurrent review and the State is conducting their review at this time. The City Attorney, City Clerk, Building Official, Fire Marshal and Police Chief have reviewed the application and the premises. Copies of their memos are included in Council packets and are included in the official record of the public hearing.

A liquor license is a property right and as such, the application hearing is a quasi-judicial proceeding where any party in interest can present evidence regarding the issuance of the liquor license. The duty of the Local Licensing Authority is to determine if the applicant is of good moral character, that the issuance of the license meets the reasonable requirements of the neighborhood and the needs and wants of the neighborhood will be met by the issuance of the license. The Neighborhood is defined as the entire City Limits of the City of Gunnison.

Mayor Drexel asked for proof of publication and proof of posting for the record. City Clerk Davidson stated copies of the proof of publication and proof of posting are included in Council's packets and are included in the official file of the Public Hearing. Mayor Drexel entered the application into the record. City Clerk Davidson then reviewed the Preliminary Investigation Report. She stated an investigation has been made, and based on the results thereof the following has been determined: (1) There has not been a denial of an application at the same location by either the State or the Liquor Licensing Authority of the City of Gunnison within the two years preceding the date of the application on the grounds that the reasonable requirements of the neighborhood were satisfied by the existing outlets. (2) It does appear from the evidence submitted by you that you are entitled to possession of the premises where the license is proposed to be exercised. The City is awaiting receipt of the amendment to the management contract that provides Sodexo exclusive control for the service of alcoholic beverages in the University Center. (3) Selling Malt, Vinous and Spirituous Liquor by the drink, in the manner proposed in the license application, is not in violation of the zoning, fire 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 sell malt, vinous and spirituous liquor by the drink is on the Western State Colorado University Campus and the 500 foot distance requirement has been waived by the City of Gunnison by Ordinance No. 2, Series 2013. (5) Within the City Limits where you propose to sell liquor, there are the following existing other outlets: 5 - Beer and Wine Type Licenses; 9 - Hotel/Restaurant Type Licenses; 5 - Retail Liquor Store Licenses; 1 - Arts License; 1 - Brew Pub License; 8- Tavern Licenses; 1 - Club License; 6 - 3.2% Beer Type Licenses; for 36 - Total Number of Active Liquor Licenses in City of Gunnison; (6) According to information of the State Liquor Enforcement Division and the Police Department of the City of Gunnison, the following records have been found with regard to the following applicant: (a) Applicants: A local background check has been conducted and a memo from Gunnison Police Chief Keith Robinson states he has no objections to the issuance of a license concerning the applicants but has a concern regarding the building. A Master File of the Applicants is on file with the Colorado Liquor Enforcement Division. The fingerprint card for Manager Jonathan Coady has been mailed to the CBI for a background check, and the City is awaiting results. Mayor Drexel reiterated that the Determination of the Neighborhood is the Incorporated City Limits of Gunnison, Colorado.

Mayor Drexel called for the applicant's testimony. Vice-President (VP) Pierson stated that approximately 1-1/2 years ago, the University began looking at opportunities for increased revenue. One item examined was obtaining a liquor license for the University Center to be able to serve alcohol at events such as conferences, special events and wedding receptions that could be held at the facility. They would also like to provide alcohol in a controlled environment for 21 and over student events on campus at the University Center. This would be an additional tool to provide on-campus entertainment in a safe environment for the students. They have held 4 to 5 special events at the facility this past year where alcohol was served without incident. Events where students are present and alcohol is available will have food present and alcohol will not be the main focus of the event. They have a partnership with WRAP that promotes responsible alcohol use. The University now has the second-year live-on campus requirement and having the addition of more events on campus provides a good impact on campus life. Colorado Mesa University has a similar liquor license and host many successful events there that bring in revenue for the school.

Jon Coady, stated that Sodexo is the current food and beverage provider. Their primary focus is food service to the students. Additional catering at the University Center will provide revenue for both Sodexo and the University. They have hosted approximately four wedding receptions in the past year and they have had others chose alternate locations due to alcohol not being available. If a liquor license is granted, all servers will have TIPS training and Sodexo will be the sole responsible party for alcohol service on campus. VP Pierson stated that Sodexo has a good alcohol service track record at other campuses including Mesa and Adams. They control the alcohol sale and access and are responsible for student safety. Western Administration has confidence in Sodexo to provide the alcohol service in a responsible manner. VP Pierson then provided a petition, showing the needs and wants of the community. It contains 60 signatures, 20 adults from Western and 40 from Gunnison residents and business owners. In his circulation of the petition, only one person declined to sign the petition. VP Pierson continued that the current process for a student event, where the student group obtains a Special Event Liquor License from the City, is laborious. They have not had any incidents but the new license will eliminate that process with Sodexo being the responsible party. Lastly, students feel there is a lack of things to do on campus and in Gunnison. The University wants to provide more events and activities on campus. Councilor Riggs arrived at the meeting at 7:20 P.M. Councilor Hagan asked about the percentage of over-21 students. VP Pierson stated that there are 2200 students on campus and he estimates that approximately 40% are 21 and over. Councilor Steinbeck asked VP Pierson if he contacted other licensed Universities and he stated that no, he didn't contact them but spoke with Sodexo about their operations at those facilities.

Mathew Dukefel, Sodexo Regional Manager, stated that he works out of Grand Junction and he went through this process at Colorado Mesa University over four years ago. There have been no incidents or violations at that campus. They work with the local Police Department and work with Compliance Services of America for their legal counsel on alcohol procedural questions. They serve mixed-aged groups at events and they provide procedures to serve only of-age people. They are current with inventory practices, procedures, logs and taxes. In addition to Mesa, Sodexo also has licenses at UCCS, Adams, DU and Fort Lewis. Councilor Hagan asked

about if they received comments from parents at Mesa. Mr. Dukefel stated that no, they really haven't had parental feedback. They are looking at bringing in a student-run operation in the Business Department at Mesa where students will learn about the business of a food and beverage service operation. Councilor Hagan then asked about licensing the future "ICE House" facility at Western. VP Pierson stated that no, this license is only for the University Center at this time. That may be a possible future licensing opportunity.

Mayor Drexel asked if education as a component. VP Pierson stated that they are working through the LEAD student office with the 21 and over students to be role-models for the younger students in responsible alcohol consumption. LEAD is a peer-education student group. They are teaching that people can consume alcohol in moderation and still have a good time. Binge drinking is not required for a good time.

Mayor Drexel then asked Police Chief Robinson about his concerns about the licensing. Chief Robinson stated that his concern was about licensing the entire facility but he has talked with Western's staff and they will work out where in the Center alcohol can be served and consumed and he is satisfied with their responses.

City Manager Coleman informed Council that he is the point person for the City regarding conferences, banquets and other events that could be held in the City but some of those events have had to be deferred to Crested Butte in the past because of the lack of alcohol service at the University Center. He sees a benefit for the community for future large events and conferences if alcohol is available at the University Center.

Mayor called for any further testimony in favor of the application. WSCU Liaison Leal stated the Liquor License would be a positive addition to the campus for events.

Mayor Drexel called for any testimony in opposition of the application. There was none.

Mayor Drexel asked for any further comments and hearing none, closed the Public Hearing at 7:30 P.M.

Council returned to the Regular Session Meeting at 7:30 P.M.

Consideration of Minutes:

Regular Session Meeting Minutes of March 11, 2014.

Councilor Riggs asked that the word "planning" be changed to "considering" on page three in her Councilor report. City Clerk Davidson stated she will make the change.

Councilor Ferguson moved and Councilor Steinbeck seconded the motion to approve the Regular Session Meeting minutes of March 11, 2014, as amended.

Roll call vote, yes: Riggs, Ferguson, Drexel, Steinbeck. Motion carried.

Roll call vote, no: None.

Pre-Scheduled Citizens:

Gunnison-Crested Butte Tourism Association Quarterly Update – Executive Director Pamela Loughman. Ms. Loughman introduced Gunnison/Crested Butte Tourism Association (TA) Board Member Jacob Callicutt, who is the General Manager of the Holiday Inn Express. Ms. Loughman asked Council if they had any questions regarding the quarterly report that was included in their packets. Councilor Hagan received clarification on some abbreviations used in the report. Ms. Loughman then discussed the following: the TA has hosted journalists in the first quarter 2014 including a groups from Germany, the UK and Canada; the journalists are introduced to both places and people in the Gunnison Valley and are encouraged to visit local businesses; Ms. Loughman thanked Councilors Steinbeck and Hagan for greeting the German journalists when they visited; the Gunnison Getaways program that offers discounted lodging and lift tickets was successful with approximately 1400 packages sold; over 2.4 million people were reached through the TA's winter program marketing efforts; and the TA is the marketing arm for the Chamber of Commerce offices and participating partner businesses. She attended the Chicago Travel Show in January that had 20,000 paid attendees. They did interviews with the media, highlighted the winter air program with flights from Chicago and had banners and displays of the Gunnison Valley. In the upcoming second quarter, the TA will be working with the media to remind in-state journalists about what the Gunnison Valley has to offer. Ms. Loughman then distributed and described to Council the 8-page special Gunnison-Crested Butte

tear-out insert that will be included for a year in the official Colorado Vacation Guide. Over 550,000 copies of this guide are distributed by mail and in person from Colorado Visitor Welcome Centers around the state. The City was a partner in this exciting marketing tool. Already in February, visitor inquiries were up over 1,000 contacts. Council thanked Ms. Loughman and Mr. Callicutt for the quarterly report.

Jason Roland - Retail Marijuana Sales Discussion. Mr. Roland was not present.

Unfinished Business: None.

New Business:

Action on Hotel & Restaurant Liquor License Application for Sodexo America LLC, dba Sodexo, Western State Colorado University Center, 600 N. Adams Street, Gunnison, CO. The required Public Hearing on the application took place at the beginning of the Council meeting.

Councilor Steinbeck moved and Councilor Hagan seconded the motion that the Hotel & Restaurant Liquor License for Sodexo America LLC, dba Sodexo, for the Western State Colorado University Center, 600 N. Adams Street, Gunnison, Colorado, 81231, be conditionally approved, pending receipt of the amended operating agreement between the State of Colorado and Sodexo America, LLC, for the following reasons:

1. There has not been a denial of an application at the same location, or a location within 500 feet thereof, by either the state or local licensing authority within the two years preceding the date of the application on the grounds that the reasonable requirements of the neighborhood were satisfied by existing outlets.

2. Selling Malt, Vinous and Spirituous Alcohol by the drink for on-premises consumption as proposed in the license application is not in violation of the zoning, fire and other applicable codes of the City of Gunnison or the laws of the State of Colorado.

3. The building where the applicant proposes to sell Malt, Vinous and Spirituous Alcohol by the drink for on-premises consumption as proposed in the license application, has been waived by the City from the 500 foot distance requirement for the principal campus of any college, university, or seminary.

4. Within the City limits of the City of Gunnison, where liquor is proposed to be sold, there are the following existing other outlets:

- 5 - Beer and Wine Licenses
- 9 - Hotel/Restaurant Licenses
- 5 - Retail Liquor Store Licenses
- 1 - Arts License
- 1 - Brew Pub License
- 8 - Tavern Licenses
- 1 - Club Type Licenses
- 6 - 3.2% Beer Type License; and

5. All fees necessary for the application have been paid.

6. According to the information required by the State of Colorado Liquor Division and after testimony of the applicant at the public hearing, the applicant is of good moral character and possesses the qualifications necessary to conduct the type of business proposed.

7. It appears from the evidence submitted with the application that the applicant will have exclusive control for the service of alcoholic beverages in the University Center through an amendment to their management contract. This application approval is conditional upon the City's receipt of the management contract amendment.

Roll call vote, yes: Ferguson, Drexel, Steinbeck, Hagan, Riggs. Motion carried.

Roll call vote, no: None.

Action on Purchase of Lots 11 and 12, Block 13, Original Gunnison, aka IOOF Park. City Manager Coleman informed Council that Parks & Recreation Director Ampietro has been working with the Oddfellows Grand Secretary on the potential purchase. The purchase has been discussed for several years and \$80,000 was budgeted in the adopted 2014 City Budget, should the opportunity to purchase arise. The local IOOF Chapter is now defunct and the property has reverted to the Grand Lodge. There are no real estate comparables in the City so the sale price is a best guess estimate. The IOOF proposal is a discount to \$60,000 with the provisions the property remain a park and that signage or a monument highlighting the International Order of Oddfellows be placed in the park. City Manager Coleman stated that

proceeding this way will save an appraisal fee and owning the park will help secure the infrastructure investment the City has made in the property. The purchase is in the best interest of the City. The City Manager stated that if Council authorizes Staff to proceed with the purchase, the City Attorney will draw up a real estate offer and contract and the IOOF Grand Lodge will then take it under consideration at their meeting on March 28.

Councilor Hagan moved and Councilor Ferguson seconded the motion to authorize Staff to proceed with the offer and contract to purchase the IOOF Park property.

Roll call vote, yes: Drexel, Steinbeck, Hagan, Riggs, Ferguson.

Roll call vote, no: None.

Councilor Riggs asked about the additional funds left in the budget if the purchase price is less than the budgeted amount. City Manager Coleman stated Staff would make a recommendation for the use of those funds for possible improvements in the IOOF Park or they would revert back to the General Fund.

Ordinance and Resolutions: None.

City Attorney Kathleen Fogo: no report.

City Manager: Ken Coleman reported on the following: City Street crews are working on the County-owned VanTuyl Ranch road and the cattleguard closest to the ranch entry will be relocated to the west end of the road; an up-sized culvert has been installed to help alleviate ditch overflow issues onto the road; the streets crew are filling potholes with cold mix; the annual ditch maintenance bid was awarded to Ray Backhoe and Trucking; the crackfill bid was awarded to SealCo; snow and water samples have been taken from the City's hauled snow pile and there are no concerns with the results; Atmos Energy has announced an increased gas rate adjustment; a grant of \$45,000+ was awarded by the Colorado Water Conservation Board for restoration work on the Piloni Ditch diversion structure; and DOLA has awarded the City a \$200,000 grant for the upgrade of the City Hall HVAC system. The City will not be required to achieve LEED certification but will strive for high energy efficiency in the project

Acting City Manager: Parks & Recreation Director Dan Ampietro Semi-Annual Departmental Report. Director Ampietro stated the reports from each of the department's managers are in their packets and asked Council if they had any questions. Director Ampietro then reported on the following: the Department has undergone several personnel changes in the past six month and those have been largely positive; the Cranor Hill season is complete; the rink closed last Sunday and the ice is being removed by the Zamboni; he is working with the Boomers and Beyond Senior Group on the final design for the addition to the Community Center; and he is working on the Gates Foundation grant application that will be submitted next week for funding of the senior addition.

WSCU Liaison Leal stated that she rented a park facility for graduation and the staff members at the Community Center front desk that assisted her were great and she was very impressed. Mayor Drexel complimented the Parks & Rec staff as well and stated they have a great deal of pride in their facilities and programs. That pride is reflected in their reports. Councilor Steinbeck complimented Director Ampietro on his successful grant writing. City Manager Coleman stated the Parks & Recreation Staff go above and beyond and work tirelessly and Director Ampietro sets a high bar for his staff. All of Council thanked Director Ampietro and his Staff.

City Clerk: Gail Davidson informed Council that she has received an application from Don Calhoun for the transfer of the Tavern Liquor License from Knoll Holdings for the Last chance Saloon. The transfer of a license is the same process as a new license but does not require a public hearing since the premises are already licensed for the sale of alcohol.

WSCU Liaison: Amber Leal reported on the following: she will be conducting tours of the new Western Field House at the Grand Opening on Friday afternoon; the new University President will be starting next Monday; SGA elections start on April 3rd; the Mountain Sports Team took 2nd at Nationals in Lake Placid, New York; Spring Fest will be April 19th; and she attended a tea in honor of Women's History Month.

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Non-Scheduled Citizens: None.

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

Councilor Hagan: reported he attended the RTA meeting. They are utilizing a new consent agenda format for their meetings and they discussed the "Friends of Flight" program. It has been very successful with 40 businesses participating in the \$400 summer flight vouchers. The Tourism Association will now be a member of the RTA Advisory Board. The RTA also increased the routes to 11 per day starting next year.

Councilor Steinbeck: reported she also attended the Women's History Month tea today. There were over 200 in attendance. The tea was co-sponsored by the WSCU Trustees and the Westerners in Transition group. At the event, Dr. Gloria Beim gave an excellent presentation on her service as the Chief Medical Officer at the Sochi Olympics and her medical participation in past Olympic Games. Edith Cranor-Buck received an award at the tea for her teaching excellence.

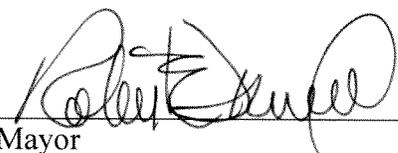
Mayor Pro Tem Ferguson: reported he had a delightful spring break.

Councilor Riggs: apologized for being tardy to the meeting. She was participating on a "Women in Leadership" panel at the Library. It was a good eclectic panel that included former Mayor Ellen Harriman, Katie Roos from the WSCU Student Government Association, Lauren Holbrook, Sally Romero, Julie Feier, County Commissioner Paula Swenson, and herself. There were many young people present for the panel discussion. Councilor Riggs stated she will be attending the Community Builders Task Force (CBTF) meeting tomorrow and the CBTF will be presenting to Council next Tuesday evening.

Mayor Drexel: reported he attended the Board of County Commissioners meeting this afternoon where the Gunnison River Basin Water Implementation Plan was discussed. The Gunnison Water Roundtable Board discussed their main goal of protecting the existing water uses in the Gunnison Basin and the seven sub-goals they have established. The water group is doing a survey for public input on these ideas. Mayor Drexel then reported he met with Karen Williams and had a picture taken regarding the City's "Take Back the Night" Proclamation.

Councilor Hagan then announced that Governor John Hickenlooper will be the WSCU commencement speaker this May.

Adjournment: Mayor Drexel called for any further discussion, and hearing none, adjourned the meeting at 8:30 P.M.



 Mayor



 City Clerk