



# City of Gunnison—Recruitment Services Comparison

Topic	Strategic Government Resources	Prothman
<b>Profile Development</b>	Similar profile development	Similar profile development
<b>Advertisement</b>	Similar advertisement plan	Similar advertisement plan
<b>Screening</b>	Similar application review <i>10-12 semifinalists</i> Similar interviews Similar internet media search <i>Written questionnaire</i>	Similar application review <i>8-15 semifinalists</i> Similar interviews Similar internet media search
<b>Semifinalist Selection</b>	Similar briefing to get 4-6 finalists	Similar briefing to get 4-6 finalists
<b>Finalist Evaluation</b>	<i>Additional media search includes video interviews, blog posts, etc.</i>	
<b>Background Check</b>	Similar background check <i>(SGR includes credit report )</i>	Similar background check
<b>Reference Checks</b>	<i>Up to 20 reference checks per candidate</i>	<i>4-5 reference checks per candidate</i>
<b>Assessment</b>	<i>Two tests measuring management style, motivation, cooperation, interaction and perception.</i>	
<b>Public Input</b>	<i>Exercise to evaluate skills, based on electeds', direct reports' and community input prior to interviews</i>	<i>Public reception with participant feedback</i>
<b>Interviews</b>	Similar interview as complex as desired	Similar interview as complex as desired
<b>Warranty</b>	<i>2 years</i>	<i>1 year</i>
<b>Timeline</b>	Similar overall at 15 weeks <i>3 weeks for advertisement</i> <i>4 weeks for screening/assessments</i>	Similar overall at 15 weeks <i>5 weeks for advertisement</i> <i>2 weeks for screening</i>

*See other side for cost comparison*

# City of Gunnison—Recruitment Services Comparison

Topic	Strategic Government Resources	Prothman
<b>Cost</b>		
Professional Services Fee	18,500	21,500
Expenses—not to Exceed	6,500	
Est. Direct Expenses		6,500
3% B&O Markup		840
<b>TOTAL EST. COST</b>	<b>\$25,000</b>	<b>\$28,840</b>
<u>Direct Expenses</u>		
Brochure	\$1,500	\$1000-\$1400
Ad Placements	Actual—no markup	\$1000-\$1500
Briefing Books	23 cents per page	\$350 - \$750
Screening Interviews	\$200 each up to 8	
Psychometric Assessment	\$300 each	
Media Searches	\$350 each	
Background Searches	\$300 each	\$175 each
Consultant Travel	\$50 per diem, IRS mileage (approx. \$838)	900 - \$1,400 per trip
<u>Other Costs</u>		
Candidate Travel	Paid by City	Paid by City
Public Forum Refreshment	Paid by City	Paid by City
<u>Optional Add'l Costs</u>		
Recruitment Video	\$5,000	
Post-hire Team Building	\$4,000	
Site visits to finalists	\$1,000 per day plus travel	

**CITY OF GUNNISON COUNCIL AGENDA  
MEETING IS HELD AT CITY HALL, 201 W. VIRGINIA AVENUE  
GUNNISON, CO, IN THE 2<sup>ND</sup> FLOOR COUNCIL CHAMBERS**

**FEBRUARY 23, 2016** **REGULAR SESSION** **7:00 P.M.**

- I. Call Regular Session Meeting to Order:  
Open Public Hearing

**II. PUBLIC HEARING 7:00 P.M.**

- A. Receive Input on Retail Marijuana Store License Application from White Porch LLC, dba Hashish Hut, 827 N. Main Street in Gunnison, CO
  - B. Close Public Hearing and Return to Regular Session
- III. Consideration of Minutes
    - A. Minutes of February 9, 2016, Regular Session Meeting
    - B. Minutes of the February 16, 2016, Special Session Meeting
  - IV. Pre-Scheduled Citizens:
    - A. 2015 Gunnison Municipal Court Report: Judge James McDonald
  - V. Unfinished Business: None.
  - VI. New Business:
    - A. Action on Hashish Hut Retail Marijuana Store License Application
    - B. Action on Contract for Service with WSCU Center for Environment and Sustainability in the Amount of \$500.00 for Sage Grouse Summit
    - C. Action on Letter of Support for Gunnison Arts Center Grant Application
    - D. Action on Selection of New City Manager Executive Search Firm
  - VII. Resolutions and Ordinances:
    - A. Resolution, No. 2, Series 2016; Re: Cancelling March 22, 2016 Regular Session Council Meeting
  - VIII. Reports:
    - City Attorney Report: Kathleen Fogo
    - City Manager Report: Mark Achen
    - Acting City Manager: Community Development Director Steve Westbay Semi-Annual Report and Safe Streets Update
    - City Clerk Report: Gail Davidson
    - WSCU Liaison Report: Alex Alejandre
  - VIII. Non-Scheduled Citizens: **At this agenda time, non-scheduled citizens may present issues of City concern to Council. Per Colorado Open Meetings Laws, NO action or Council discussion will be take place until a later date, unless an emergency situation is deemed to exist by the City Attorney. Speaker has a time limit of 3 minutes.**
  - IX. City Council Meeting Reports, Discussion, Items for Future Work Sessions
  - XII. Meeting Adjournment

The City Council Meeting agenda is subject to change. The City Manager and City Attorney reports may include administrative items not listed. Regular Meetings and Special Meetings are recorded and action can be taken. Minutes are posted at City Hall and on the City website at [www.cityofgunnison-co.gov](http://www.cityofgunnison-co.gov). Work sessions are recorded, minutes are not produced and formal action cannot be taken. For further information, contact the City Clerk's office at 970-641-8140.

**TO COMPLY WITH ADA REGULATIONS, PEOPLE WITH SPECIAL NEEDS ARE REQUESTED TO CONTACT THE CITY CLERK 24 HOURS BEFORE ALL MEETINGS AT 970-641-8140.**

## PUBLIC HEARING FORMAT

7:00 P.M., Tuesday, February 23, 2016

On the Merits of a Retail Marijuana Store License Application from White Porch LLC dba Hashish Hut, 827 N. Main Street, in Gunnison, Colorado.

- I. **Mayor Open Public Hearing**  
Open Public Hearing and State the time, date, location, and name those in attendance – City Council, City Attorney, Interim City Manager, City Clerk, Finance Director, Police Chief, Community Development Director, and  
\_\_\_\_\_.
- II. **State Reason for Public Hearing - Mayor**  
Receive Input on the merits of a Retail Marijuana Store License Application from White Porch LLC, dba Hashish Hut, 827 N. Main Street, in Gunnison, Colorado.
- III. **Proof of Publication – City Clerk**
- IV. **Applicant Identification – Applicant Stand and State Name**
- V. **City Staff Comments/Recommendation – City Clerk**
- VI. **Determination of the Neighborhood within the City Limits. – City Clerk**
- VII. **Applicant's Testimony – Applicant come forward and testify**
- VIII. **Public Testimony in Favor of Application**  
Ask anyone wishing to comment in favor of the application to step up to the microphone, state their name, and sign the sign-in sheet for the record.
- IX **Public Testimony in Opposition of Application**  
Ask anyone wishing to comment against the application, to step up to the microphone, state their name, and sign the sign-in sheet for the record
- X. **Enter letters, emails or other comments received from the public into the record - City Clerk**
- XI. **Call for any final comments – when hearing none, Mayor Close the Public Hearing.**

**NOTICE OF PUBLIC HEARING  
APPLICATION FOR A RETAIL MARIJUANA STORE LICENSE  
WHITE PORCH LLC dba HASHISH HUT**

**PURSUANT TO THE MARIJUANA LAWS OF THE STATE OF COLORADO AND THE CITY OF GUNNISON, COLORADO, WHITE PORCH LLC dba HASHISH HUT, 827 N. MAIN STREET, GUNNISON, COLORADO, has requested the licensing officials of the City of Gunnison to grant a Retail Marijuana Store License for selling retail marijuana and allowed retail marijuana-infused products in the City of Gunnison.**

**A Public Hearing on the application will be held in the City Council Chambers, second floor of City Hall, 201 West Virginia Avenue, Gunnison, CO, at 7:00 P.M., Tuesday, February 23, 2016, at which time and place you may give testimony on the application.**

Date of Application: January 12, 2016

Petitions or remonstrances may be filed at the City Clerk's Office, City Hall, 201 W. Virginia Avenue, Gunnison, CO, mailed to: City Clerk, P.O. Box 239, Gunnison, CO 81230, or emailed to [gail@cityofgunnison-co.gov](mailto:gail@cityofgunnison-co.gov) until 5:00 P.M., Tuesday, February 23, 2016.

By order of Gail A. Davidson, City Clerk

/s/Gail A. Davidson

To: City Council  
From: City Clerk Gail A Davidson  
Date: February 17, 2016  
Re: Retail Marijuana Store License Application  
White Porch, LLC  
Hashish Hut, Gunnison, Colorado

### City Staff Report and Recommendations

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.

White Porch, LLC dba Hashish Hut, 827 N. Main 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 store to be located at 827 N. Main Street, in Gunnison. 100% Principal in the LLC is: Kimber L. Arsenault; PO Box 1085, Paonia, CO 81428.

The proposed store location property is owned by Kimber Arsenault. The proposed store location is within the allowed zoning district for a retail marijuana store establishment within the City.

The State MED submitted their completed forms back to the City within the required seven days of their submission. The Colorado Cannabis Cabin LLC has paid the City-required license and application fees. 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:

- Clerk's Department: the required complete application was filed including the property owner consent forms. All City-required fees have been paid. The City has received a copy of the conditional State-approved Retail Marijuana Store License.
- 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 LLC Principals - Mr. Louis Costello and Mr. Gary Fabiano.

Hashish Hut  
Staff Report  
Page Two

- 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 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.
  - A minimum of 3 exterior parking spaces with one handicap accessible space shall be dedicated to this retail Marijuana establishment operation.
  - 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 7:00 P.M., Tuesday, February 23, 2016, the premises was posted with the Public Hearing notice poster, and the public hearing notice was published as required in the Gunnison Country Times Newspaper.

Based on the review and investigations of the license application, City Staff recommends approval of White Porch LLC dba Hashish Hut, to be located at 827 N Main Street, Gunnison, Colorado, 81230, with the stated conditions.

## Retail Marijuana Establishment Permit Community Development Department

Applicants Name: White Porch, LLC dba Hashish Hut

Applicants Address: PO Box 684, Gunnison, CO 81230

Establishment Address: 827 N. Main Street, Gunnison, Co 81230

**APPROVED WITH CONDITIONS**



February 4, 2016

Compliance	Initial Compliance Criteria and Standards for all Marijuana Establishments
OK	<i>Buffers:</i> Marijuana establishment is not located within 1000 feet of a public school; private or charter school; daycare school, center or home; and mental health facilities. Establishments shall not be located on real property that fronts, abuts or is adjoining to any Residential District zone.
OK	Marijuana establishment complies with the district zone location standards set forth in Table 2-3, Principal Use Table of the <i>Land Development Code</i> .
OK	Marijuana establishment complies with all provisions, standards and regulations of the <i>Land Development Code</i> .
OK	Marijuana establishment is served by city water, wastewater, and electrical utility services and complies with all provisions, standards and regulations of the <i>City of Gunnison Municipal Code</i> , Title 12, Utilities.
CHECKED	<i>State Regulations:</i> Marijuana establishment complies with all applicable requirements of Colorado State Law and <i>Code of Colorado Regulations</i> , Medical Use of Marijuana and Retail Marijuana Code.
OK W/ Conditions	A source capture system cable of removing particulate and odors to achieve levels that do not constitute a nuisance to adjacent occupants, structures and properties has been approved.
OK W/ Conditions	Marijuana establishment complies with International Code Council building and fire codes adopted by the City.
Compliance	Additional Standards for Retail Marijuana and Medical Marijuana Centers
1/ 60 sq ft = 8 total	Retail establishments shall be located in buildings that comply with occupancy standards established by the International Code Council codes and adopted by the City.
OK	Retail establishments shall be located on lots in buildings that comply with the regulations in the Land Development Code including, but not limited to, landscaping, buffers, lighting, screening and parking standards.

The Community Development Director finds that initial compliance with Mechanical, Fire and Technical Codes and Land Use Requirements have been met with the following conditions:

**Conditions:**

1. Said 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.
2. The mechanical source capture and exhaust system shall be installed and subject to inspection and approval by the Building Official.
3. A minimum of 3 exterior parking spaces with one handicap accessible space shall be dedicated to this retail Marijuana establishment operation.
4. Building occupancy for the licensed retail marijuana establishment shall be subject to a final inspection and approval by the Building Official, Fire Marshal and Director Community Development.

CITY OF GUNNISON, COLORADO  
MARIJUANA ESTABLISHMENT LICENSE APPLICATION



CITY CLERK'S DEPARTMENT  
201 W. VIRGINIA AVENUE - P.O. BOX 239  
GUNNISON, CO 81230  
970-641-8140 (phone) 970-641-8051 (FAX)  
gail@cityofgunnison-co.gov (email)

Date Application Received by Clerk: 12 10 15 (ind City/state)  
Application Fee Paid: 11 1 231 15 (see attached fee schedule)  
License Fee Paid: 11 123 1 15  
Application Received By: HAA

TYPE OF LICENSE: (please choose ONE)

- Medical Marijuana Center
- Retail Marijuana Store
- Cultivation Establishment: Medical \_\_\_ Retail \_\_\_
- Marijuana Product Manufacturing Establishment: Medical \_\_\_ Retail \_\_\_
- Marijuana Testing Facility
- License Renewal
- Modification of Premises
- Transfer License Ownership
- Transfer of License Location
- Other (please specify) \_\_\_\_\_

BUSINESS PREMISES INFORMATION

Legal Business Name: White Porch LLC  
Trade Name of Business (dba): Hashish Hut  
FEIN: 47-5430098 City Sales Tax #: 99-745  
State Sales Tax #: 29868154-0000  
Physical Address of Business: 827 N. Main St.  
Mailing Address of Business: PO Box 1085 Paonia, CO 81428  
Business Telephone Number: 970-261-3254 - owner  
Business Email: kimberaga@tds.net - owner hhgunnison15@gmail.com  
Property Owner Name: Kimber Arsenault  
Property Owner Address and Phone Number: PO Box 1085 Paonia, CO 81428  
Building Owner Name: Kimber Arsenault + Dana Lillard KDL Properties LLC  
Building Owner Address and Phone Number: PO Box 1085 Paonia, CO 81428

If the applicant is not the owner of the land or building where the marijuana establishment is to be located, the applicant shall submit a lease and a notarized "Property Owner Consent Form" granting consent from the property and/or building owner for the City to initiate the review process.

**APPLICANT INFORMATION**

APPLICANT is applying as a: (please choose ONE):

- Corporation
- Limited Liability Company (LLC)
- Partnership (includes Husband/Wife Partnerships)
- Individual (Sole Proprietor)
- Other (Specify)

APPLICANT NAME: Kimber L. Arsenault

Individual or Sole Proprietorship:

Applicant Full Legal Name: Kimber Leigh Arsenault Social Security Number: [REDACTED] DOB: [REDACTED]

Applicant's Physical Address: [REDACTED]

Applicant's Mailing Address: P.O. Box 1085 Paonia CO 81428

Applicant's Home and Cell Phone Numbers: [REDACTED] [REDACTED] \*

Applicant's Current Email Address: kimberaga@tds.net

What Marijuana License(s) does the Applicant or any member of the LLC, Corporation, Partnership/Association currently hold with the State of Colorado?

- Medical Marijuana Center License #: \_\_\_\_\_
- Retail Marijuana Establishment License #: \_\_\_\_\_
- Marijuana Product Manufacturing License #: \_\_\_\_\_
- Marijuana Testing License #: \_\_\_\_\_
- Cultivation Center License #: \_\_\_\_\_
- Other License #: \_\_\_\_\_
- None

What Marijuana License(s) does the Applicant hold with the City of Gunnison?

- Type: \_\_\_\_\_ License #: \_\_\_\_\_
- Type: \_\_\_\_\_ License #: \_\_\_\_\_

Additional Licenses Use Additional Pages

- None

**OATH OF APPLICANT**

I declare under penalty of perjury in the second degree that this application and any required attachments are true, correct and complete to the best of my knowledge. I also acknowledge that it is my responsibility and the responsibility of my agents and employees to comply with the provisions of the Colorado Marijuana Code that will affect my license.

Authorized Signature: Kimber L. Arsenault  
Printed Name and Title: Kimber L. Arsenault  
Date: Nov. 23, 2015

(This page BELOW to be completed by City Staff)  
CITY OF GUNNISON DEPARTMENTAL APPROVALS

Each Department Must Review, Approve, Sign, Check-Off, and Date for Application Approval to be forwarded to City Council for approval.

CITY CLERK'S DEPARTMENT

- Includes payment of application and licensing fees; submission of complete application forms and any other forms as required.

Date approved: 01/21/16 By: [Signature]

COMMUNITY DEVELOPMENT DEPARTMENT

- Compliance with Mechanical, Fire and Technical Codes of the Gunnison Municipal Code
- Compliance with Land Use Requirements as defined in the Gunnison Land Development Code.

Date approved: 2/4/16 By: see attached

FINANCE DEPARTMENT

- Compliance with sales tax collection and remittance Code requirements

Date approved: 12/10/15 By: [Signature]

POLICE DEPARTMENT

- Successful completion of local background checks and investigations

Date approved: 1/29/16 By: [Signature]

PUBLIC WORKS DEPARTMENT

- Compliance with City Utilities Codes

Date approved: 1/29/16 By: Verbal from Tex Bradford

**REQUIRED ATTACHMENTS FOR CITY COUNCIL PUBLIC HEARING**

Results of local background check by City of Gunnison Police Department.  
Approved Site Development Application and/or Conditional Use Permit.  
Completed State of Colorado License Application Forms to Application.

Date Application Accepted by City Council: 01/26/16

Date of Public Hearing: 02/23/16

APPLICATION APPROVED:   /  /  

APPLICATION DENIED:   /  /

Colorado Marijuana Licensing Authority  
**Retail Business License Application**

License Types & Fees (See Application Checklist for details on license types and fees.)			
<input checked="" type="checkbox"/> Retail Marijuana Store	<input type="checkbox"/> Tier 1 = 3600 or fewer plants <input type="checkbox"/> Tier 2 = 3601 – 6000 plants <input type="checkbox"/> Tier 3 = 6001–10200 plants	<input type="checkbox"/> Retail Marijuana Products Manufacturer	
<input type="checkbox"/> Retail Marijuana Cultivation		<input type="checkbox"/> Conversion	
<input type="checkbox"/> Retail Marijuana Test Facility		<input type="checkbox"/> Retail/Medical Marijuana Combined Use	
		<input type="checkbox"/> Affiliated Business	
Applicant's Legal Business Name (Please Print) <i>White Porch LLC</i>		Marijuana License Number (Assigned by Division)	
Trade Name (DBA) (Provide Trade Name Registration) <i>Hashish Hut</i>		Website Address	
Physical Address			
Street Address of Marijuana Business <i>827 N. Main St</i>		City <i>Gunnison</i>	State ZIP <i>CO 81230</i>
Business Phone Number	Business Fax Number	Email Address <i>hhgunnison15@gmail.com</i>	
Mailing Address (if different from Business Address)			
Address <i>P.O. Box 1085</i>		City <i>Paonia</i>	State ZIP <i>CO 81428</i>
Primary Contact Person for Business <i>Kimber L. Arsenault</i>		Title <i>owner sole proprietor</i>	Primary Contact Phone Number <i>970-261-3254</i>
Primary Contact Address (city, state ZIP) <i>P.O. Box 1085 (redacted) Paonia, CO 81428</i>		Primary Contact Fax Number <i>970-527-4367</i>	
Federal Taxpayer ID <i>47-5430098</i>	Colorado Sales Tax License #	Email Address <i>kimberaga@tds.net</i>	
Type of Business Structure			
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Partnership	<input checked="" type="checkbox"/> Limited Liability Company
<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Publicly Traded Corporation	<input type="checkbox"/> Trust <input type="checkbox"/> Other _____
State of Incorporation or Creation of Business Entity <i>colorado</i>			Date <i>10/28/15</i>
Date of Qualification to Conduct Business in Colorado (Provide Certificate of Good Standing from the Colorado Secretary of State's Office) <i>10/28/15</i>			
If a Corporation, List all States Where the Corporation is Authorized to Conduct Business			
List all Trade Names used by the Business Entity (other than above)			
Attach copies of all articles of incorporation, bylaws, articles of organization, or a true copy of any partnership or trust agreement, including any and all amendments to such.			
If a corporation, attach copies of all annual and bi-annual reports, SEC filings, if any, and all minutes from all corporate meetings for the past 12 months.			

1. Is the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager under the age of twenty-one years?		Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	
2. Has the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager ever (in Colorado or any other state);			
(a) been denied a privileged license (ie: Liquor, Gaming, Racing and Marijuana)?		<input type="checkbox"/> <input checked="" type="checkbox"/>	
(b) had a privileged license (ie: Liquor, Gaming, Racing and Marijuana) suspended or revoked?		<input type="checkbox"/> <input checked="" type="checkbox"/>	
(c) had interest in another entity that had a privileged (ie: Liquor, Gaming, Racing and Marijuana) license denied, suspended or revoked?		<input type="checkbox"/> <input checked="" type="checkbox"/>	
If you answered yes to 2a, b or c, explain in detail on a separate sheet.			
3. Has a Marijuana license ever been issued to the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation)?			
If yes, identify the name of the business and list any current or former financial interest in said business including any loans to or from a licensee.		<input type="checkbox"/> <input checked="" type="checkbox"/>	
4. Does the applicant have legal possession of the premises by virtue of ownership, lease or other arrangement? Attach all documentation showing legal possession. Deed, Title, sale or lease agreements etc.			
<input type="checkbox"/> Ownership <input checked="" type="checkbox"/> Lease <input type="checkbox"/> Other (Explain in Detail) _____			
(a) If leased, list name of landlord and tenant, and date of expiration, EXACTLY as they appear on the lease:			
Landlord KDL Properties LLC	Tenant White Porch LLC	Expires Nov. 30, 2016	
Attach a diagram of the premises to be licensed and outline or designate the area (including dimensions) which shows the limited access areas, walls, partitions, entrances, exits and what each room shall be utilized for in this business, including security equipment locations. This diagram should be no larger than 8 1/2" X 11". (It does not have to be to scale)			
5. Who, besides the owners listed in this application (including persons, firms, partnerships, corporations, limited liability companies, trusts), will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money or profits from this business. Attach a separate sheet if necessary.			
Name	Date of Birth	FEIN OR SSN	Interest
Attach copies of all notes and security instruments, and any written agreement, or details of any oral agreement, by which any person (including partnerships, corporations, limited liability companies, etc.) will share in the profit or gross proceeds of this establishment, and any agreement relating to the business which is contingent or conditional in any way by volume, profit, sales, giving of advice or consultation.			
<b>Local Licensing Authority (To be filled out by Applicant)</b>			
Local Licensing Authority/Department City of Gunnison		Address 201 W. Virginia Ave, Gunnison, CO 81230	
Local Licensing Authority contact name Gail Davidson		Contact Phone 970-641-8140	Contact Email gail@cityofgunnison-co.gov
6. Has the Applicant filed for a retail marijuana cultivation?		Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>	
What City or County? (Fill out a separate and complete application)			
7. Does the Retail Applicant have evidence of a good and sufficient bond in the amount of \$5,000.00 in accordance with 12-43.4-303 C.R.S. (Include evidence with application)?		<input checked="" type="checkbox"/> <input type="checkbox"/>	
Printed Legal Business Name White Porch LLC		Printed Trade Name (DBA) Hashish Hut	

**Ownership Structure**

List all persons and/or entities with any ownership interest, and all officers and directors, whether they have ownership interest or not. If an entity (corporation, partnership, LLC, etc.) has interest, list all persons associated with such entity, their ownership in the entity, and their effective ownership in the license. List all parent, holding or other intermediary business interest. An Associated Key License Application form must be submitted for all persons in a privately held company or a publicly traded corporation, and all officers and directors.

Name <i>Kimber L. Arsenault</i>		Title <i>sole owner</i>		SSN/FEIN [REDACTED]	DOB [REDACTED]	App submitted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Address <i>P.O. Box 1085</i>		City <i>Paonia</i>	State <i>CO</i>	ZIP <i>81428</i>	Phone Number <i>970-261-3254</i>	
Business Associated with (Parent business or sub-entity) <i>White Porch LLC</i>		Own. % Business Associated with <i>100%</i>		Effective Own. % in Applicant <i>100%</i>		
Name		Title		SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address		City	State	ZIP	Phone Number	
Business Associated with (Parent business or sub-entity)		Own. % Business Associated with		Effective Own. % in Applicant		
Name		Title		SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address		City	State	ZIP	Phone Number	
Business Associated with (Parent business or sub-entity)		Own. % Business Associated with		Effective Own. % in Applicant		
Name		Title		SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address		City	State	ZIP	Phone Number	
Business Associated with (Parent business or sub-entity)		Own. % Business Associated with		Effective Own. % in Applicant		
Name		Title		SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address		City	State	ZIP	Phone Number	
Business Associated with (Parent business or sub-entity)		Own. % Business Associated with		Effective Own. % in Applicant		
Name		Title		SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address		City	State	ZIP	Phone Number	
Business Associated with (Parent business or sub-entity)		Own. % Business Associated with		Effective Own. % in Applicant		
Name		Title		SSN/FEIN	DOB	App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No
Address		City	State	ZIP	Phone Number	
Business Associated with (Parent business or sub-entity)		Own. % Business Associated with		Effective Own. % in Applicant		

Are there any outstanding options and warrants?

Yes  No \*If YES, attach list of persons with outstanding options and warrants

Are there any other persons, other than those listed in the Ownership Structure, including but not limited to suppliers, lenders and landlords, who will receive, directly or indirectly, any compensation or rents based upon a percentage or share of gross proceeds or income of the Marijuana business?

Yes  No \*If YES, attach list of persons

Printed Legal Business Name <b>White Birch LLC</b>	Printed Trade Name (DBA) <b>Hashish Hut</b>
---	--

- |  |   |
|--|---|
| 1. Has the applicant, the applicant's parent company or any other intermediary business entity ever applied for a Marijuana license in this or any other jurisdiction, foreign or domestic, whether or not the license was ever issued? If YES, provide details on a separate sheet, including jurisdiction, type of license, license number, and dates license held or applied for.                                       | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 2. Has the applicant, the applicant's parent company or any other intermediary business entity ever been denied a Marijuana license, withdrawn a Marijuana license or had any disciplinary action taken against any Marijuana license that they have held in this or any other jurisdiction, foreign or domestic? If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

**Financial History**

- |   |   |
|---|---|
| 1. Is the applicant, the applicant's parent company or any other intermediary business entity delinquent in the payment of any judgments or tax liabilities due to any governmental agency anywhere? If YES, provide details on a separate sheet and attach any documents to prove settlement or resolution of the delinquency.   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 2. Has the applicant, the applicant's parent company or any other intermediary business entity filed a bankruptcy petition in the past 5 years, had such a petition filed against it, or had a receiver, fiscal agent, trustee, reorganization trustee or similar person appointed for it? If YES, provide details on a separate sheet and attach any documents from the bankruptcy court.  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 3. Is the applicant, the applicant's parent company or any other intermediary business entity currently a party to, or has it ever been a party to, in any capacity, any business trust instrument? If YES, provide details on a separate sheet.  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 4. Has a complaint, judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign antitrust, trade or security law or regulation ever been filed or entered against the applicant, the applicant's parent company or any other intermediary business entity? If YES, provide details on a separate sheet and attach any documents to prove the settlement of any of these issues. Include any items currently under formal dispute or legal appeal. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 5. Has the applicant, the applicant's parent company or any other intermediary business entity been a party to a lawsuit in the past 5 years, either as a plaintiff or defendant, complainant or respondent, or in any other fashion, in this or any other country? If YES, provide details on a separate sheet and attach any documents to prove the settlement of any of these issues. Include any items currently under formal dispute or legal appeal.  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 6. Has the applicant, the applicant's parent company or any other intermediary business entity filed a business tax return in the past two years?   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 7. Has the applicant, the applicant's parent company or any other intermediary business entity completed financial statements, either audited or unaudited, in the past two years? If YES, attach all financial statements completed in the past two years.   | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 8. Has any interest or share in the profits of the sale of Marijuana been pledged or hypothecated as security for a debt or deposited as a security for the performance of an act or to secure the performance of a contract? If YES, provide details on a separate sheet.  | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 9. Attach a list detailing the operating and investment accounts for this business, including financial institution name, address, telephone number, and account number for each account.   |   |
| 10. Attach a list detailing each outstanding loan and financial obligation obtained for use in this business, including creditor name, address, phone number, loan number, loan amount, loan terms, date acquired, and date due.  |   |

Person who maintains Applicant's business records <b>self - Kimberle Arsenault</b>	Title <b>owner</b>
Address <b>PO Box 1085 Paonia, CO 81428</b>	Phone Number <b>970-261-3254</b>
Person who prepares Applicant's tax returns, government forms & reports <b>Randy Fisher (personal returns)</b>	Title <b>CPA</b>
Address <b>3/4 W. Bridge St. Hotchkiss, CO 81419</b>	Phone Number <b>970-872-3664</b>
Location of financial books and records for Applicant's business <b>1101 2nd St Paonia, CO 81428 and 827 N. Main Gunnison, CO 81230</b>	

# STATE OF COLORADO

## DEPARTMENT OF REVENUE



### Marijuana Enforcement Division



### Retail Marijuana Conditional License

#### WHITE PORCH, LLC

827 North Main Street, Gunnison, CO 81230

Retail Marijuana Store - 402R-00538

Effective Date of License: January 7, 2016

License Valid Through: 01/07/2017

*Corrected  
date*

This license is conditioned upon Local Authority approval, pursuant to section 12-43.4-304(1) C.R.S.

This conditional license is issued subject to the laws of the State of Colorado and especially under the provisions of Title 12, Article 43.4, as amended. A licensee shall not exercise any of the rights or privileges of this license until such time as all such Medical Marijuana and Medical Marijuana-Infused Product are fully transferred and declared in the MITS system as Retail Marijuana and Retail Marijuana Product, pursuant to Rule R211 & R309. This conditional license is nontransferable and shall be conspicuously posted in the place above described. This conditional license is only valid through the expiration date shown above. Any questions concerning this conditional license should be addressed to: Colorado Marijuana Enforcement Division, 455 Sherman Street, Suite 390, Denver, CO 80203. In testimony whereof, I have hereunto set my hand.

*W. Lewis Koski*

W. Lewis Koski  
Division Director

*Barbara J. Brohi*

Barbara J. Brohi, Executive Director

# Affirmation & Consent

I, Kimber L. Arsenault, as an authorized agent for the applicant, state under penalty for offering a false instrument for recording pursuant to 18-5-114 C.R.S. that the entire Marijuana Business License Application Form, statements, attachments, and supporting schedules are true and correct to the best of my knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for the refusal to issue a Marijuana license by the State Licensing Authority. Further, I am aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for the denial or revocation of the license. I am voluntarily submitting this application to the Colorado Marijuana Licensing Authority under oath with full knowledge that I may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to 18-5-114 C.R.S. I further consent to any background investigation necessary to determine my present and continuing suitability and that this consent continues as long as I hold a Colorado Marijuana License, and for 90 days following the expiration or surrender of such Marijuana license. Note: If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

**Print Full Legal Agent Name clearly below:**

Applicant's Business Name <u>White Porch LLC</u>		Trade Name (DBA) <u>Hashish Hut</u>	
Legal Agent Last Name (Please Print) <u>Arsenault</u>	Legal Agent First Name <u>Kimber</u>	Legal Agent Middle Name <u>Leigh</u>	
Signature <u>Kimber Leigh Arsenault</u>		Date <u>10/28/2015</u>	

**OPERATING AGREEMENT**

of

**White Porch LLC**

**This Operating Agreement** (the "Agreement") made and entered into this 28th day of October, 2015 (the "Execution Date"),

**BY**

Kimber L. Arsenault of 1101 2nd St., Paonia, Colorado 81428

(the "Member").

**BACKGROUND**

- A. The Member wishes to be the sole member of a limited liability company.
- B. The terms and conditions of this Agreement will govern the member within the limited liability company.

**IN CONSIDERATION OF** and as a condition of the Members entering into this Agreement and other valuable consideration, the receipt and sufficiency of which is acknowledged, the parties to this Agreement agree as follows:

**Formation**

1. By this Agreement the Member forms a Limited Liability Company (the "Company") in accordance with the laws of the State of Colorado. The rights and obligations of the Member will be as stated in the Colorado Limited Liability Company Act (the "Act") except as otherwise provided here.

**Name**

2. The name of the Company will be White Porch LLC.

**Purpose**

3. Retail sales of marijuana products.

**Term**

4. The Company will continue until terminated as provided in this Agreement or may dissolve under conditions provided in the Act.

**Place of Business**

5. The Principal Office of the Company will be located at 1101 2nd St, Paonia, Colorado 81428 or such other place as the Members may from time to time designate.
6. The mailing address of the Principal Office of the Company will be PO Box 1085, Paonia, Colorado 81428 or such other place as the Members may from time to time designate.

**Capital Contributions**

7. The following is a list of all Members and their Initial Capital Contributions to the Company. Each of the Members agree to make their Capital Contributions to the Company, full and on time, according to the following terms:

<b>Member</b>	<b>Contribution Description</b>	<b>Value of Contribution</b>
Kimber L. Arsenault	Kimber will provide \$200,000 to start up and will be the sole owner and manager.	\$200,000.00

**Distribution of Profits/Losses**

8. Subject to the other provisions of this Agreement, the Net Profits or Losses of the Company, for both accounting and tax purposes, will accrue to and be borne by the sole Member:

Kimber L. Arsenault of 1101 2nd St., Paonia, Colorado 81428.

9. Distributions will be made according to the following schedule: annually.

10. Tax Allocations will be borne entirely by the sole Member:

Kimber L. Arsenault of 1101 2nd St., Paonia, Colorado 81428.

11. No Member will have priority over any other Member for the distribution of Net Profits or Losses.

**Voting**

12. Each Member will have a single equal vote on any matter.

**Nature of Interest**

13. A Member's interest in the Company will be considered personal property, and will at no time be considered real property.

**Withdrawal of Contribution**

14. No Member will withdraw any portion of their Capital Contribution without the unanimous consent of the other Members.

**Liability for Contribution**

15. A Member's obligation to make their required Capital Contribution can only be compromised or released with the consent of all remaining Members or as described elsewhere in this Agreement. If a Member does not make the Capital Contribution when it is due, he is obligated at the option of the remaining Members to contribute cash equal to the agreed value of the Capital Contribution. This option is in addition to and not in lieu of any others rights, including

the right to specific performance that the Company may have against the Member.

**Additional Contributions**

16. Capital Contributions may be amended from time to time, according to the requirements of the Company provided that the Members' interests are not affected, except with the unanimous consent of the Members. No Member will be required to make Additional Contributions. Whenever additional capital is determined to be required and an individual Member is unwilling or unable to meet the additional contribution requirement within a reasonable period, as required by business obligations, the remaining Members may contribute in proportion to their existing Capital Contributions to resolve the amount in default. In such case the allocation of Net Profits or Losses of the Company among all the Members may be adjusted to reflect the aggregate change in Capital Contributions by the Members.
17. Any advance of money to the Company by any Member in excess of the amounts provided for in this Agreement or subsequently agreed to, will be deemed a debt due from the Company rather than an increase in the Capital Contribution of the Member. This liability will be repaid with interest at such rates and times to be determined by a majority of the Members. This liability will not entitle the lending Member to any increased share of the Company's profits nor to a greater voting power. Resolution of such debts may have preference or priority over any other payments to Members as may be determined by a majority of the Members.

**Capital Accounts**

18. An individual capital account will be maintained for each Member and their initial Capital Contribution will be credited to this account. Any Additional Contributions made by any Member will be credited to that Member's individual Capital Account.

**Interest on Capital**

19. No borrowing charge or loan interest will be due or payable to any Member on their agreed Capital Contribution inclusive of any agreed Additional Contributions.

**Drawing Accounts**

20. An individual drawing account will be maintained for each Member. Each Member will be entitled to draw against their share of the profits in such amounts and at such time as will be agreed by the Members. The drawing account is a temporary account and is expected to have a debit balance if there have been any withdrawals. At the end of each accounting year, the drawing accounts are closed by transferring the debit balance to each Member's capital account.

**Compensation to Members for Services Rendered**

21. Members will not be compensated by the Company for services rendered to or on behalf of the Company, except reimbursement for expenses directly related to the operation of the Company.

**Management**

22. Management of this Company is vested in the Members.

**Authority to Bind Company**

23. Each Member, acting in their capacity as Member, will have the authority to act on behalf of or bind the Company in contract.

**Duty of Loyalty**

24. No Member or Manager will engage in any business, venture or transaction, whether directly or indirectly, that might be competitive with the business of the Company or that would be in direct conflict of interest to the Company. Any potential conflicts of interest will be deemed an Involuntary Withdrawal of the offending Member or Manager and may be treated accordingly by the remaining Members. A withdrawing Member or Manager will not carry on a similar business to the business of the Company within any established or contemplated market regions of the Company for a period of at least 1 year after the date of withdrawal.

**Duty to Devote Time**

25. Each Member will devote such time and attention to the business of the Company as the majority of the Members will from time to time reasonably determine for the conduct of the Company business.

**Member Meetings**

26. Member meetings will be held at any location that the Members may from time to time designate.
27. Any impending Member meeting will require 1 week notice be given to all Members.
28. A meeting may be called by any Member providing that appropriate notice has been provided to the other Members.

**Admission of New Members**

29. A new Member may only be admitted to the Company with a unanimous vote of the existing Members.
30. The new Member agrees to be bound by all the covenants, terms, and conditions of this Agreement, inclusive of all current and future amendments. Further, a new Member will execute such documents as are needed to effect the admission of the new Member. Any new Member will receive such business interest in the Company as determined by a unanimous decision of the other Members.

**Voluntary Withdrawal of a Member**

31. No Member may voluntarily withdraw from the Company for a period of 6 months from the execution date of this Agreement. Any such unauthorized withdrawal prior to the expiration of this period will be considered a wrongful dissociation and a breach of this Operating Agreement. In the event of any such wrongful dissociation, the withdrawing Member will be liable to the remaining Members for any damages incurred by the remaining Members including but not limited to the loss of future earnings. After the expiration of this period, any Member will have the right to voluntarily withdraw from the Company. Written notice of intention to withdraw must be served upon the remaining Members at least 14 days prior to withdrawal.
32. The voluntary withdrawal of a Member will have no effect upon the continuance of the Company.

33. It remains incumbent on the withdrawing Member to exercise this dissociation in good faith and to minimize any present or future harm done to the remaining Members as a result of the withdrawal.

**Involuntary Withdrawal of a Member**

34. Events leading to the involuntary withdrawal of a Member from the Company will include but not be limited to: death of a Member; Member mental incapacity; Member disability preventing reasonable participation in the Company; Member incompetence; breach of fiduciary duties by a Member; criminal conviction of a Member; Operation of Law against a Member or a legal judgment against a Member that can reasonably be expected to bring the business or societal reputation of the Company into disrepute. Expulsion of a Member can also occur on application by the Company or another Member, where it has been judicially determined that the Member: has engaged in wrongful conduct that adversely and materially affected the Company's business; has willfully or persistently committed a material breach of the Operating Agreement or of a duty owed to the Company or to the other Members; or has engaged in conduct relating to the Company's business that makes it not reasonably practicable to carry on the business with the Member.
35. The involuntary withdrawal of a Member will have no effect upon the continuance of the Company.

**Dissociation of a Member**

36. In the event of either a voluntary or involuntary withdrawal of a Member, if the remaining Members elect to purchase the interest of the withdrawing Member, the remaining Members will serve written notice of such election, including the purchase price and method and schedule of payment for the withdrawing Member's interest, upon the withdrawing Member, their executor, administrator, trustee, committee or analogous fiduciary within a reasonable period after acquiring knowledge of the change in circumstance to the affected Member. The purchase amount of any buyout of a Member's interest will be determined as outlined in the Valuation of Interest section of this Agreement.

37. In the event the remaining Members are unwilling or unable to purchase the interest of the Dissociated Member due to a voluntary or involuntary withdrawal from the Company then the Members will submit to mediation and, if necessary, binding arbitration for a final resolution. Valuation and distribution will be determined as described in the Valuation of Interest section of this Agreement.
38. The remaining Members retain the right to seek damages from a dissociated Member where the dissociation resulted from a malicious or criminal act by the dissociated Member or where the dissociated Member had breached their fiduciary duty to the Company or was in breach of this Agreement or had acted in a way that could reasonably be foreseen to bring harm or damage to the Company or to the reputation of the Company.
39. On any purchase and sale resulting from the voluntary or involuntary dissociation of a Member, a dissociated Member will only have liability for Company obligations that were incurred during their time as a Member. Immediately upon purchase of a withdrawing Member's interest, the Company will prepare, file, serve, and publish all notices required by law to protect the withdrawing Member from liability for future Company obligations. Where the remaining Members have purchased the interest of a dissociated Member, the purchase amount will be paid in full, but without interest, within 90 days of the date of withdrawal. The Company will retain exclusive rights to use of the trade name and firm name and all related brand and model names of the Company.

**Buyout Agreement**

40. In the event of a Member's interest in the Company becoming for sale, due to any reason, the remaining Members of the Company have a right of first purchase on the interest. The value of the interest in the Company will be determined as outlined in the Valuation of Interest section of this Agreement.

**Assignment of Interest**

41. A Member's financial interest in the Company can only be assigned to another Member and cannot be assigned to a third party.

42. In the event that a Member's interest in the company is transferred or assigned as the result of a court order or Operation of Law, the trustee in bankruptcy or other person acquiring that Member's interest in the Company will only acquire that Member's economic rights and interests and will not acquire any other rights of that Member or be admitted as a Member of the Company or have the right to exercise any management or voting interests.

**Valuation of Interest**

43. In the absence of a written agreement setting a value, the value of the Company will be based on the fair market value appraisal of all Company assets (less liabilities) determined in accordance with generally accepted accounting procedures. This appraisal will be conducted by an independent accounting firm agreed to by all Members. An appraiser will be appointed within a reasonable period of the date of withdrawal or dissolution. The results of the appraisal will be binding on all Members. A withdrawing Member's interest will be in proportion to their profit and loss share in the Company, less any outstanding liabilities a Member may have to the Company. The intent of this section is to ensure the survival of the Company despite the withdrawal of any individual Member.
44. No allowance will be made for goodwill, trade name, patents or other intangible assets, except where those assets have been reflected on the Company books immediately prior to valuation.

**Dissolution**

45. The Company may be dissolved by a unanimous vote of the Members. The Company will also be dissolved on the occurrence of events specified in the Act.
46. Upon Dissolution of the Company and liquidation of Company property, and after payment of all selling costs and expenses, the liquidator will distribute the Company assets to the following groups according to the following order of priority:
- a. in satisfaction of liabilities to creditors except Company obligations to current Members;
  - b. in satisfaction of Company obligations to current Members to pay debts; and

c. to the Members in proportion to their profit and loss share in the Company.

47. The claims of each priority group will be satisfied in full before satisfying any claims of a lower priority group. Any excess of Company assets after liabilities or any insufficiency in Company assets in resolving liabilities under this section will be resolved by the Members in proportion to the profit and loss share of each Member as set out in this Agreement.

**Records**

48. The Company will at all times maintain accurate records of the following:

- a. Information regarding the status of the business and the financial condition of the Company.
- b. A copy of the Company federal, state, and local income taxes for each year (promptly after becoming available).
- c. Name and last known business, residential, or mailing address of each Member, as well as the date that person became a Member.
- d. A copy of this Agreement and any articles or certificate of formation, as well as all amendments, together with any executed copies of any written powers of attorney pursuant to which this Agreement, articles or certificate, and any amendments have been executed.
- e. The cash, property, and services contributed to the Company by each Member, along with a description and value, and any contributions that have been agreed to be made in the future.

49. Each Member has the right to demand, within a reasonable period of time, a copy of any of the above documents for any purpose reasonably related to their interest as a Member of the Company, at their expense.

**Books of Account**

50. Accurate and complete books of account of the transactions of the Company will be kept in accordance with generally accepted accounting principles (GAAP) and at all reasonable times will be available and open to inspection and examination by any Member. The books and records of the Company will reflect all the Company's transactions and will be appropriate and adequate for the business conducted by the Company.

**Banking and Company Funds**

51. The funds of the Company will be placed in such investments and banking accounts as will be designated by the Members. All withdrawals from these accounts will be made by the duly authorized agent or agents of the Members as agreed by unanimous consent of the Members. Company funds will be held in the name of the Company and will not be commingled with those of any other person or entity.

**Audit**

52. Any of the Members will have the right to request an audit of the Company books. The cost of the audit will be borne by the Company. The audit will be performed by an accounting firm acceptable to all the Members. Not more than one (1) audit will be required by any or all of the Members for any fiscal year.

**Tax Treatment**

53. This Company is intended to be treated as a disregarded entity for the purposes of Federal and State Income Tax.

**Annual Report**

54. As soon as practicable after the close of each fiscal year, the Company will furnish to each Member an annual report showing a full and complete account of the condition of the Company including all information as will be necessary for the preparation of each Member's income or other tax returns. This report will consist of at least:

- a. A copy of the Company's federal income tax returns for that fiscal year.

- b. Balance sheet.
- c. A breakdown of the profit and loss attributable to each Member.

**Goodwill**

- 55. The goodwill of the Company will be assessed at an amount to be determined by appraisal using generally accepted accounting procedures.

**Governing Law**

- 56. The Members submit to the jurisdiction of the courts of the State of Colorado for the enforcement of this Agreement or any arbitration award or decision arising from this Agreement.

**Mediation and Arbitration**

- 57. In the event a dispute arises out of or in connection with this Agreement, the parties will attempt to resolve the dispute through friendly consultation. If the dispute is not resolved within a reasonable period then any or all outstanding issues may be submitted to mediation in accordance with any statutory rules of mediation. If mediation is not successful in resolving the entire dispute or is unavailable, any outstanding issues will be submitted to final and binding arbitration in accordance with the laws of the State of Colorado. The arbitrator's award will be final, and judgment may be entered upon it by any court having jurisdiction within the State of Colorado.

**Forbidden Acts**

- 58. No Member may do any act in contravention of this Agreement.
- 59. No Member may permit, intentionally or unintentionally, the assignment of express, implied or apparent authority to a third party that is not a Member of the Company.
- 60. No Member may do any act that would make it impossible to carry on the ordinary business of the Company.

61. No Member will have the right or authority to bind or obligate the Company to any extent with regard to any matter outside the intended purpose of the Company.
62. No Member may confess a judgment against the Company.
63. Any violation of the above forbidden acts will be deemed an Involuntary Withdrawal of the offending Member and may be treated accordingly by the remaining Members.

#### **Indemnification**

64. All Members will be indemnified and held harmless by the Company from and against any and all claims of any nature, whatsoever, arising out of a Member's participation in Company affairs. A Member will not be entitled to indemnification under this section for liability arising out of gross negligence or willful misconduct of the Member or the breach by the Member of any provisions of this Agreement.

#### **Liability**

65. A Member or any employee will not be liable to the Company or to any other Member for any mistake or error in judgment or for any act or omission believed in good faith to be within the scope of authority conferred or implied by this Agreement or the Company. The Member or employee will be liable only for any and all acts and omissions involving intentional wrongdoing.

#### **Liability Insurance**

66. The Company may acquire insurance on behalf of any Member, employee, agent or other person engaged in the business interest of the Company against any liability asserted against them or incurred by them while acting in good faith on behalf of the Company.

#### **Life Insurance**

67. The Company will have the right to acquire life insurance on the lives of any or all of the Members, whenever it is deemed necessary by the Company. Each Member will cooperate fully with the Company in obtaining any such policies of life insurance.

**Actions Requiring Unanimous Consent**

68. Actions requiring the unanimous consent of all Members will include, but not be limited to, the following:
- a. Assignment of ownership rights of Company property.
  - b. Endangering the ownership or possession of Company property.

**Amendment of Operating Agreement**

69. No amendment or modification of this Agreement will be valid or effective unless in writing and signed by all the Members.

**Title to Company Property**

70. Title to all Company property will remain in the name of the Company. No Member or group of Members will have any ownership interest in Company property in whole or in part.

**Miscellaneous**

71. Time is of the essence in this Agreement.
72. This Agreement may be executed in counterparts.
73. Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine gender include the feminine gender and vice versa. Words in a neutral gender include the masculine gender and the feminine gender and vice versa.
74. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, it is the parties' intent that such provision be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected, impaired or invalidated as a result.

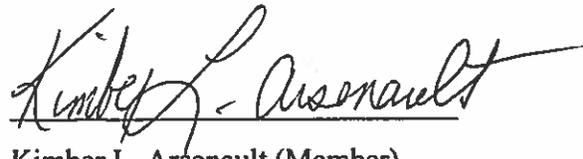
75. This Agreement contains the entire agreement between the parties. All negotiations and understandings have been included in this Agreement. Statements or representations that may have been made by any party to this Agreement in the negotiation stages of this Agreement may in some way be inconsistent with this final written Agreement. All such statements have no force or effect in respect to this Agreement. Only the written terms of this Agreement will bind the parties.
76. This Agreement and the terms and conditions contained in this Agreement apply to and are binding upon the Member's successors, assigns, executors, administrators, beneficiaries, and representatives.
77. Any notices or delivery required here will be deemed completed when hand-delivered, delivered by agent, or seven (7) days after being placed in the post, postage prepaid, to the parties at the addresses contained in this Agreement or as the parties may later designate in writing.
78. All of the rights, remedies and benefits provided by this Agreement will be cumulative and will not be exclusive of any other such rights, remedies and benefits allowed by law.

**Definitions**

79. For the purpose of this Agreement, the following terms are defined as follows:
- a. "Additional Contribution" means Capital Contributions, other than Initial Contributions, made by Members to the Company.
  - b. "Capital Contribution" means the total amount of cash, property, or services contributed to the Company by any one Member.
  - c. "Initial Contribution" means Capital Contributions made by any Member to acquire an interest in the Company.
  - d. "Net Profits or Losses" means the net profits or losses of the Company as determined by generally accepted accounting principles.

- e. "Operation of Law" means rights or duties that are cast upon a party by the law, without any act or agreement on the part of the individual including, but not limited to, an assignment for the benefit of creditors, a divorce, or a bankruptcy.
- f. "Principal Office" means the office whether inside or outside the State of Colorado where the executive or management of the Company maintain their primary office.

**IN WITNESS WHEREOF** the parties have duly affixed their signatures under hand and seal on this 28th day of October, 2015.

A handwritten signature in black ink, reading "Kimber L. Arsenault". The signature is written in a cursive style with a long horizontal flourish extending to the right. Below the signature is a solid horizontal line.

Kimber L. Arsenault (Member)

OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO

**CERTIFICATE OF FACT OF GOOD STANDING**

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

White Porch LLC

is a

Limited Liability Company

formed or registered on 10/28/2015 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20151698003 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 10/26/2015 that have been posted, and by documents delivered to this office electronically through 10/28/2015 @ 08:12:12 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 10/28/2015 @ 08:12:12 in accordance with applicable law. This certificate is assigned Confirmation Number 9350671 .



A handwritten signature in cursive script that reads "Wayne W. Williams".

Secretary of State of the State of Colorado

\*\*\*\*\*End of Certificate\*\*\*\*\*

Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/bit/CertificateSearchCriteria> do entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."

Document must be filed electronically.  
Paper documents are not accepted.  
Fees & forms are subject to change.  
For more information or to print copies  
of filed documents, visit [www.sos.state.co.us](http://www.sos.state.co.us).

Document number: 20151698851  
Amount Paid: \$20.00

ABOVE SPACE FOR OFFICE USE ONLY

**Statement of Trade Name of an Individual**  
filed pursuant to §7-71-103 of the Colorado Revised Statutes (C.R.S)

1. The true name of the individual delivering this statement is

Arsenault                      Kimber                      L.  
*(Last)*                                      *(First)*                                      *(Middle)*                                      *(Suffix)*

2. The principal address of such individual is

Street address                      827 N. Main St.  
*(Street number and name)*

Gunnison                                      CO                      81230  
*(City)*    *(State)*                                      *(Postal/Zip Code)*  
United States  
*(Province - if applicable)*                                      *(Country - if not US)*

Mailing address  
(leave blank if same as street address)                      PO Box 1085  
*(Street number and name or Post Office Box information)*

Paonia    CO                      81428  
*(City)*    *(State)*    *(Postal/Zip Code)*  
Colorado    United States  
*(Province - if applicable)*    *(Country - if not US)*

3. The trade name under which such individual transacts business or contemplates transacting business in this state is

Hashish Hut

4. A brief description of the kind of business transacted or contemplated to be transacted in this state under such trade name is

retail marijuana products

5. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

6. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)  
The delayed effective date and, if applicable, time of this document are \_\_\_\_\_  
*(mm/dd/yyyy hour:minute am/pm)*

**Notice:**

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that such document is such individual's act and deed, or that such individual in good faith believes such document is the act and deed of the person on whose behalf such individual is causing such document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S. and, if applicable, the constituent documents and the organic statutes, and that such individual in good faith believes the facts stated in such document are true and such document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is identified in this document as one who has caused it to be delivered.

7. The true name and mailing address of the individual causing this document to be delivered for filing are

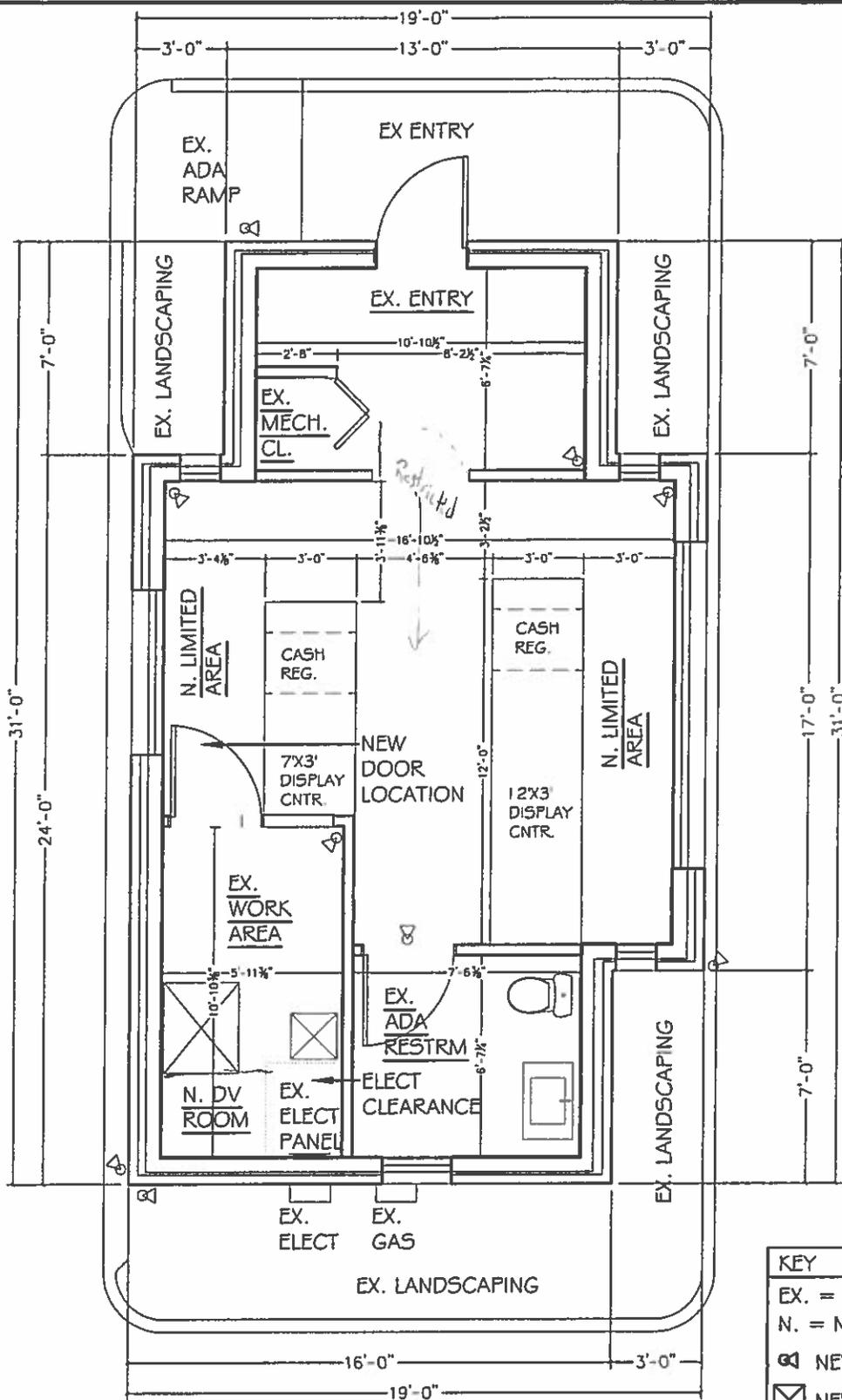
Arsenault	Kimber	L.	
<i>(Last)</i>	<i>(First)</i>	<i>(Middle)</i>	<i>(Suffix)</i>
PO Box 1085			
<i>(Street number and name or Post Office Box information)</i>			
1101 2nd street			
Paonia	CO	81428	
<i>(City)</i>	<i>(State)</i>	<i>(Postal/Zip Code)</i>	
	United States		
<i>(Province - if applicable)</i>	<i>(Country - if not US)</i>		

*(If the following statement applies, adopt the statement by marking the box and include an attachment.)*

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

**Disclaimer:**

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).



KEY	
EX.	= EXISTING
N.	= NEW
Ⓢ	NEW SECURITY CAMERA
⊠	NEW SAFE

526 S.F.

**EXISTING BUILDING  
MAIN LEVEL PLAN**

1  
A2.0

3/16" = 1'-0"



**J Reeser Architect, LLC**  
 Jody Reeser, AIA  
 p. 970.641.4740  
 c. 970.389.7576  
 PO Box 599  
 Gunnison CO 81230

**WHITE PORCH: MARIJUANA RETAIL**  
 827 N. MAIN ST. GUNNISON, COLORADO

job #: 1510	sheet:
date:	
10.27.15	PRELIMINARY
10.29.15	State App

**A2.0**

The City Council Regular Session meeting was called to order at 7:00 P.M., by Mayor Hagan, with Councilors Ferguson, Drexel, Morrison and Schwartz present along with City Attorney Fogo, City Clerk Davidson, Acting City Manager Westbay, Finance Director Cowan, WSCU Liaison Alejandro, and the press. Interim City Manager Achen was absent. A Council quorum was present.

**Consideration of Minutes of January 26, 2016, Regular Session Meeting.**

Councilor Drexel moved and Councilor Ferguson seconded the motion to approve the January 26, 2016, Regular Session meeting minutes as submitted.

Roll call vote, yes: Ferguson, Drexel, Hagan, Morrison, Schwartz. So carried.

Roll call vote, no: None.

**Pre-Scheduled Citizens:** Gunnison Library District Update: Director Nancy Trimm. Ms. Trimm addressed Council and discussed the following topics: Ms. Trimm thanked Council for their funding of the CAFÉ Program this year and for allowing her to come and speak with them about the Library; they had a great year and both visit and items circulated were up; circulated items were up 5% over 2014 and these included children's easy books, DVDs and both juvenile and adult fiction; there are over 13,000 library cardholders in the County and this is impressive considering the population of the County is approximately 16,000; they issued Museum Passes to encourage children to visit the CB Historical Museum, the Gunnison Pioneer Museum and the Children's Trailhead Program; over 229 children's programs included the summer reading program, a lego club, after school homework club and a STEM program; adult programming almost doubled in attendance; 9 public computers are being utilized and these saw a 5% increase over 2014; their Wi-Fi use is steady and use of e-books and e-audio books is growing; the Library technology program is now a one-on-one program and they had 88 technology appointments last year; the Library is now open on Sundays and for 2 more days each year; and Mary Burt is the new Director of the CAFÉ Program. They are starting a historic records digitizing project, are hosting a once a month "Tween" program, are beginning long-range planning, are rolling out a new logo and are working on a new Library App. The GED Program continues to struggle due to the local on-line GOAL Academy participation. Council briefly discussed a partnership between the City, County and the Library District. Council thanked Ms. Trimm for her report.

**Unfinished Business:** None.

**New Business:** None.

**Resolutions and Ordinances:** None.

**City Attorney Kathleen Fogo:** No report.

**Interim City Manager Mark Achen:** Absent.

**Acting City Manager Community Development Director Steve Westbay:** reported on the following: a new utility billing application has been developed to streamline that process; the new City website RFP has been advertised; there will be a Middle School Night at the Community Center on Friday night and the annual Oh-B-Joyful ski event will take place at Cranor Hill on Monday. Director Westbay then reported the Army Corp. of Engineers representatives have been monitoring the Gunnison River ice jam problem and their recommendation is to leave it alone.

**City Clerk Gail Davidson:** reported the Youth City Council met and discussed planning options at the Lazy-K Property. They would like to see a teen center opened in the old restaurant building.

**Western State Colorado University Student Liaison Alex Alejandro.** Alex informed Council the following: there are a lot of bake sales being held for various clubs this week; there will be a Latino Film Screening on Wednesday; a speed dating event will take place on Thursday; an Open Mic Night will take place at the Timber's; and the SGA is considering two funding bills. Alex then reported he will be participating in a student outreach and some of the questions that will be asked include what students would like to see in the downtown area, why the students don't go downtown and what events they would like to see downtown to prompt their participation.

**Non-Scheduled Citizens:** None.

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

**Councilor Drexel:** reported the following: he attended no meetings but did talk with some Chamber of Commerce members about a Councilor participation on the Advisory Board.

**Councilor Morrison:** reported she attended the new website RFP development meeting and the OVPP Housing Sub-Committee meeting. The housing was a long and informative meeting and she was asked if the Gunnison Council was concerned about affordable housing. Council consensus was to discuss this at a future work session meeting after the Sub-Committee meetings are concluded.

**Councilor Schwartz:** reported the following: he attended the Trails Commission meeting where they discussed possible by-laws changes and the trails included in the State's "16 in 2016" Program; he attended the website meeting; and he too attended the all-day OVPP meeting. He will be attending the CML Legislative Policy meeting in Denver on Friday.

**Councilor Ferguson:** informed Council he attended the OVPP Housing meeting and received a lot of useful education on housing issues. He and Matt attended the Better Cities meeting and some of the consultant's initial ideas may not be the best fit for Gunnison. Those conversations will continue.

**Mayor Hagan:** reported he attended the Mayors/Managers meeting last Thursday. The topic of discussion was the OVPP. Also at that meeting, the short-term rentals issue taking place in the Town of Pitkin was discussed.

**Regular Session Recess:**

Councilor Ferguson moved and Councilor Schwartz seconded the motion to recess the Regular Session meeting until after the Council Work Session meeting discussion.

Roll call vote, yes: Drexel, Hagan, Morrison, Schwartz, Ferguson.

Roll call vote, no: None.

Following a Work Session meeting, Council returned to Regular Session at 8:12 P.M.

The proposals received for the new City Manager Recruitment Services were discussed during the Work Session meeting. The following firms were selected. Slavin, Austin Peters, Mercer Group, Strategic Government Resources and the Prothman Company.

Councilor Ferguson moved and Councilor Morrison seconded the motion for each Councilor to contact the references for their assigned City Manager recruitment firm and to amend the February 16<sup>th</sup> Special Session Agenda to include a discussion and possible action on the Selection of the City Manager Recruiting Firm.

Roll call vote, yes: Hagan, Morrison, Schwartz, Ferguson, Drexel. So carried.

Roll call vote, no: None.

**Adjournment:** Mayor Hagan called for any further discussion from Council, Staff or the public, and hearing none, adjourned the Regular Session meeting at 8:17 P.M.

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Mayor

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City Clerk

**FEBRUARY 16, 2016**

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

**7:00 P.M.**

The City Council Special Session meeting was called to order at 6:59 P.M., by Mayor Pro Tem Drexel, with Councilors Ferguson, Morrison and Schwartz present along with Interim City Manager Achen, City Clerk Davidson, Finance Director Cowan, Acting City Manager Westbay, Deputy City Clerk Kindall, Court Clerk McLeod, WSCU Liaison Alejandre, several citizens and the press. City Attorney Fogo and Mayor Hagan were absent. A Council quorum was present.

**FEBRUARY 16, 2016**

**PUBLIC HEARING**

**7:00 P.M.**

**Receive Public Input on Hotel & Restaurant Liquor License Application from Yard Bird KLC LLC dba Yard Bird, 107 S. 12<sup>th</sup> Street, Gunnison, CO.**

Mayor Pro Tem Drexel opened the public hearing at 6:59 P.M. and stated the reason for the public hearing is to receive input on the Hotel & Restaurant Liquor License Application from Yard Bird KLC LLC dba Yard Bird, 107 S. 12<sup>th</sup> Street, in Gunnison, and present at the hearing are himself Mayor Pro Tem Bob Drexel, City Councilors Stu Ferguson, Leia Morrison and Matt Schwartz, Interim City Manager Mark Achen, City Clerk Gail Davidson, Deputy City Clerk Tara Kindall, Court Clerk Melissa McLeod, various other staff members and the applicants.

Mayor Pro Tem Drexel asked the applicants to stand and introduce themselves. Cara Radca and Lauren Wentworth introduced themselves.

Mayor Drexel then asked for the Duties of the Board and the procedural aspects of the Hearing. Court Clerk McLeod 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, in this case the Gunnison City Council, 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 premises located at 107 S. 12<sup>th</sup> Street in Gunnison. This type of license allows for the sale and service of malt, vinous and spirituous liquor by the drink for on-premises consumption.

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 Cara Radca and Lauren Wentworth.

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 area within the City Limits of the City of Gunnison.

Mayor Pro Tem Drexel called for proof of publication and proof of posting for the record. Deputy City Clerk Kindall 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 Pro Tem Drexel entered the application into the record. Deputy City Clerk Kindall 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 the applicant that they are entitled to possession of the premises where

the license is proposed to be exercised. (3) Selling Malt, Vinous and Spirituous Liquor by the drink for on-premises consumption 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 for on-premises consumption does not appear to be within 500 feet of any public or a parochial school or the principal campus of any college, university or seminary. (5) Within the City Limits where the applicant proposes to sell liquor, there are the following existing other outlets:

- 4 - Beer and Wine Type Licenses
- 12 - Hotel/Restaurant Type Licenses
- 5 - Retail Liquor Store Licenses
- 1 - Arts License
- 1 - Brew Pub Licenses
- 7- Tavern Licenses
- 1 - Club Licenses
- 6 - 3.2% Beer Type Licenses
- 37 - Total Number of Active Liquor Licenses in City of Gunnison

(6) According to information of the Police Department of the City of Gunnison, the following Records have been found with regard to the following applicant: Yard Bird KLC, LLC; principals Cara Radca and Lauren Wentworth, 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. The fingerprint cards for the two principals of the LLC have been mailed to the CBI for a background check, and the City is awaiting results.

Mayor Pro Tem Drexel reiterated that the Determination of the Neighborhood is the Incorporated City Limits of Gunnison, Colorado.

Mayor Pro Tem Drexel called for the applicant's testimony. Ms. Cara Radca and Ms. Lauren Wentworth addressed Council. Ms. Wentworth handed out a petition with 75 signatures of local citizens wanting the license to be approved. They are excited to have another choice for people to go. There's not a whole lot of variety in Gunnison. They will be serving good Georgia southern cooking. They want to be a part of the community and have a good fun place for people. They hope to have some fun events. City Clerk Davidson passed the petitions on to Council.

Mayor Pro Tem Drexel called for testimony in favor of the application. There was no further testimony. Mayor Pro Tem Drexel called for any testimony in opposition of the application. There was none.

Mayor Pro Tem Drexel asked for any further comments and hearing none, closed the Public Hearing at 7:12 P.M.

Council returned to the Special Session Meeting at 7:12 P.M.

**Action on Hotel & Restaurant Liquor License Application from Yard Bird KLC, LLC dba Yard Bird, 107 S. 12<sup>th</sup> Street, in Gunnison, CO 81230**

Councilor Ferguson informed Council he has performed some minor computer business with the applicants but he doesn't think it is enough to recuse himself from this action. Council concurred.

Councilor Schwartz moved and Councilor Morrison seconded the motion that the Hotel & Restaurant Liquor License for Yard Bird KLC, LLC dba Yard Bird, 107 South 12th Street, Gunnison, Colorado, 81230, be approved 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, be 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. 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. Selling malt, vinous and spirituous liquor by the drink for the on-premises consumption in the manner proposed in the 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 for on-premises consumption, does not appear to be within 500 feet of any public or parochial school or the principal campus of any college, university, or seminary.
5. Within the city limits of the City of Gunnison, where liquor is proposed to be sold, there are the following existing other outlets:
  - 6 – 3.2% Beer Type Licenses
  - 1 – Arts License
  - 4 – Beer & Wine Licenses
  - 1 – Brew Pub License
  - 1 – Club License
  - 12 – Hotel & Restaurant Licenses
  - 5 – Retail Liquor Store Licenses
  - 7 – Tavern Licenses
6. All fees necessary for the application have been paid.
7. According to the information obtained through testimony by the applicants before the Local Licensing Authority, the applicant is of good moral character and possesses the qualifications necessary to conduct the type of business proposed.  
Roll call vote, yes: Ferguson, Drexel, Morrison, Schwartz. So carried.  
Roll call vote, no: None.

**Discussion and Possible Action on Selection of City Manager Recruiting Firm.**

Each Councilor reported on their findings from calling the references on their assigned recruiting firm. Councilor Ferguson reported on Slavin, Mayor Hagan, through a written report by Interim City Manager Achen, reported on Austin Peters, Mayor Pro Tem Drexel reported on Waters & Company, Councilor Morrison reported on Strategic Government Resources and Councilor Schwartz reported on Prothman and Company. After a detailed discussion, Council selected two firms to further interview during a work session meeting for the recruiting services. Those firms are: Strategic Government Resources and Prothman Company. Council indicated next Monday morning or Tuesday afternoon may be possible for a further work session meeting to interview the firms. Manager Achen will contact the firms to set up interview times and will get back with Council on the schedule. No further Council action was taken.

**Adjournment:** Mayor Pro Tem Drexel called for any further discussion on the Special Session agenda items, and hearing none, adjourned the Special Session meeting at 8:02 P.M.

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Mayor

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City Clerk

# Gunnison Municipal Court

## 2015 Annual Report

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The Gunnison Municipal Court operates under the leadership of Judge James R. McDonald. Our City Attorney, Kathy Fogo, acts as City Prosecuting Attorney. Administrative operations are supervised by City Clerk Gail Davidson and the day-to-day operations of the Municipal Court are carried out by Court Clerk Melissa McLeod and Deputy City Clerk Tara Kindall.

Our Court is a member of the Colorado Association of Municipal Court Administrators. This organization provides a valuable network to municipal courts all over the State and enables our court employees to receive up to date information and training on court procedures and new legislation affecting our operation. Judge McDonald is a member of the Colorado Municipal Judges Association. He networks with other Municipal Judges by attending workshops and conferences hosted by CMJA.



Municipal Court  
Judge James R McDonald  
And Clerk of Court, Melissa McLeod

Colorado municipal courts operate under the State Statutes and procedures outlined in C.R.S. 13-10-101 et seq. and the Colorado Municipal Court Rules.

Our Municipal Court is a “Court of Record” which means the Judge must be an attorney and all court proceedings are recorded.

Since 1999, Gunnison Municipal Court has utilized Justice System’s FullCourt Software System. This enables us to enter all court cases and track them with greater accuracy. Monthly statistics, financial records, and case documentation can be easily accessed via this computerized system. The FullCourt software was updated in 2013 to FullCourt *Enterprise*.

The Gunnison Municipal Court meets approximately twice a month on Wednesday afternoon at 2:00 P.M., in the City Council Chambers on the second floor of the Municipal Building, 201 W. Virginia Avenue. A copy of the 2016 Court schedule is included in this report. Our Court schedule is flexible and may be changed, with good cause shown, to meet the needs of any individual unable to meet their scheduled court time. The Court is also flexible in meeting some of the out of town defendant’s needs by conducting arraignments and hearings via telephone. Gunnison Municipal Court is ADA accessible and we utilize local contract citizens

as translators to provide translation as needed. Many pertinent court documents, such as the advisement of defendant rights, are available in Spanish. Municipal Court operations information is available to the public on the City's website at [http://www.cityofgunnison-co.gov/clerk/municipal\\_court.html](http://www.cityofgunnison-co.gov/clerk/municipal_court.html).

### To answer some of the frequently asked process questions

City Police Officers can write citations (tickets) into Municipal or County Court. Some violations are only written into County Court. Examples of these include domestic violence, DWAI, DUI, and all felony offenses. The Municipal Court does not process civil suits. Most citations are violations under Title 5 General Offenses under our City Code. The City Code can be found at <http://www.codepublishing.com/co/gunnison/>.

### Paying Out of Court

Once a person receives a municipal citation, they can pay the ticket out of court, thus pleading guilty. They can do this by mail, in person at the Clerk's office or via telephone or online. Payment is accepted by cash (If paying in person), check, money order or credit card. The link to the online payments is:

<https://www.citepayusa.com/payments/welcome.do?court=gunniMUNico>. Defendants can only pay ahead of their court date if the ticket is written as a penalty assessment, that is, the preset fine is written on the face of the ticket. If the ticket is written as a summons, then the defendant must appear in court. If a person chooses to appear in court, either because he or she wants to contest the ticket and plead not guilty or because the ticket is written as a summons, then they appear on the court date written on the ticket.

### Appearing in Court

If a person appears in court, the first appearance is called an arraignment. At the arraignment, each person is given a written copy of the advisement of their rights and they are also verbally told their rights by the Judge. The person then pleads guilty, not guilty or asks for a continuance. If they plead guilty, they can make a statement to the Judge, and are assessed fine, fees and in some circumstances additional penalties such as useful public service hours, certified driving classes or substance abuse evaluations. The current court cost for appearing in court is \$20.00. In some instances, a defendant may be offered a deferred sentence or a modification to a different charge. The deferral or modification is offered at the discretion of the City Attorney acting as the City's Prosecuting Attorney and has to be approved by the Judge.

### Deferred Sentence

If the defendant was cooperative with the officer and there are no negative mitigating circumstances, a deferred sentence may be offered by the City. The defendant does appear in Court, pleads guilty, is found guilty, is ordered to pay a fine, fees which if granted a deferred sentence by the Judge will include a \$50.00 deferral fee, and sometimes additional penalties depending on the facts of the case. At the end of the one year deferred sentence term, if there has been no other violations of the law and all other terms of the deferral have been met then the original charge is dismissed. This hopefully creates a learning experience rather than a penalty that will stay with the defendant for years.

## Requesting a Trial

If a person pleads not guilty, they are given a court date for a trial to court, where the trial is conducted in front of the Judge, or if they request in writing within 21 days and pay a fee of \$25.00, a jury trial. All trials are prosecuted by the City Attorney. In 2015, we had no requests for jury trials.

## Court Activity

Attached is a six year breakdown of the Municipal Court activity for the years 2010 through 2015. The total number of cases filed and processed in Municipal Court in 2015 was 487 cases, with a total of \$34,496.80 in fines and fees collected. All fines and fees, except for the saferide surcharge, collected by the Municipal Court are revenues placed into the City's General Fund to pay for general city services. Fines and fees collected by the Court are not used to directly fund either the Court or Police Department. A breakdown of violations, fines and fees collected is included in this report.

In 2013, the City Council approved the revamping of the parking fines and procedures. Parking violations were increased from \$10.00 to \$30.00, for most violations, with a reduced fine to \$20.00 if the fine is paid within 30 days. Both the 2014 and 2015 trend appears that more parking violations are being paid with the lower fine opportunity. Fewer parking tickets were written in 2014 and 2015 due to the unavailability of a parking enforcement officer for part of those years.

**CITY OF GUNNISON MUNICIPAL COURT  
2016 COURT SCHEDULE**

Court will be held on the 2<sup>nd</sup> floor, in the City Council Chambers  
201 W. Virginia Avenue in Gunnison, CO

**All Court dates are on Wednesdays at 2:00 PM**

<b>January</b>	13 <sup>th</sup>	27 <sup>th</sup>	
<b>February</b>	10 <sup>th</sup>	24 <sup>th</sup>	
<b>March</b>	9 <sup>th</sup>	30 <sup>th</sup>	<i>(WSCU &amp; RE1J Spring Break 3/21/2015 - 3/25/2015)</i>
<b>April</b>	13 <sup>th</sup>	27 <sup>th</sup>	
<b>May</b>	11 <sup>th</sup>	25 <sup>th</sup>	
<b>June</b>	15 <sup>th</sup>	29 <sup>th</sup>	
<b>July</b>	13 <sup>th</sup>		
<b>August</b>	10 <sup>th</sup>	24 <sup>th</sup>	
<b>September</b>	7 <sup>th</sup>	21 <sup>st</sup>	
<b>October</b>	5 <sup>th</sup>	19 <sup>th</sup>	
<b>November</b>	2 <sup>nd</sup>	16 <sup>th</sup>	
<b>December</b>	7 <sup>th</sup>		

Receipts By Fee Report  
 All Case Types and Sub-Types  
 From 01/01/2015 to 12/31/2015  
 Fee Type: Criminal: All Fees  
 Total Only

Defendant	Charge	Received	Receipt	Amount
	Fee: Bench Warrant Fees			
		<b>Total For Bench Warrant Fees:</b>		\$360.00
	Fee: Court Costs			
		<b>Total For Court Costs:</b>		\$1,372.13
	Fee: Default Judgement Fee			
		<b>Total For Default Judgement Fee:</b>		\$30.00
	Fee: Deferral Sentence Fee			
		<b>Total For Deferral Sentence Fee:</b>		\$300.00
	Fee: Fine			
		<b>Total For Fine:</b>		\$25,490.00
	Fee: Fine not paid or postmarked within 30 days of violation			
		<b>Total For Fine not paid or postmarked within 30 days of violation:</b>		\$470.00
	Fee: SafeRide Surcharge			
		<b>Total For SafeRide Surcharge:</b>		\$2,550.00
	Fee: Shelter Fee			
		<b>Total For Shelter Fee:</b>		\$450.00
	Fee: Victim Restitution			
		<b>Total For Victim Restitution:</b>		\$3,474.67
	<b>Total:</b>			<b>\$34,496.80</b>

Citation Activity  
All Case Types and Sub-Types  
Citations issued 2010-2015  
Cases With and Without Disposition

<b>Citation Report</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Abatement	3	1	0	4	1	3
Alcohol	50	59	60	36	42	29
Animal	75	67	61	63	79	77
Bike	2	5	20	10	9	10
Conduct	92	35	61	57	49	52
Drugs	72	61	46	24	9	38
Parking	492	500	661	559	359	217
Tobacco	0	0	0	0	2	0
Traffic	122	70	76	72	88	61
<b>Totals</b>	<b>908</b>	<b>798</b>	<b>985</b>	<b>825</b>	<b>638</b>	<b>487</b>



- 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 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) A minimum of 3 exterior parking spaces with one handicap accessible space shall be dedicated to this retail Marijuana establishment operation.
- (4) 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.

Dated this 23rd day of February, 2016

MARIJUANA LICENSING AUTHORITY  
CITY OF GUNNISON

---

Gail A. Davidson, City Clerk  
City of Gunnison  
201 W. Virginia Avenue  
Gunnison, CO 81230

**CERTIFICATE OF DELIVERY**

I hereby certify that I have mailed via USPS certified mail, the foregoing "**FINDINGS & DECISION**" on \_\_\_\_\_, 2016, to the following address:

---

Gail A. Davidson, City Clerk

## MOTION

I move that the Retail Marijuana Store License for White Porch, LLC dba Hashish Hut, 827 N. Main 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 establishment.
- (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) Selling Retail Marijuana and Allowed Retail Marijuana-Associated 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 sell Retail Marijuana and allowed marijuana-associated 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 and Marijuana-associated products are proposed to be sold, there are the following existing other licensed marijuana establishment:  
7 – 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 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) A minimum of 3 exterior parking spaces with one handicap accessible space shall be dedicated to this retail Marijuana establishment operation.
- (4) 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.

## MEMORANDUM OF AGREEMENT

This Memorandum of Agreement ("MOA") made effective this \_\_\_\_\_ day of \_\_\_\_\_, 2016, is by and between CITY OF GUNNISON, a Colorado home-rule municipality, existing under the laws of the State of Colorado, hereinafter called "CITY", and WESTERN STATE COLORADO UNIVERSITY, a non-profit corporation of the State of Colorado, hereinafter called "WESTERN".

### RECITALS

WHEREAS, WESTERN believes it to be in the interest of the citizens of the City of Gunnison for CITY to contract for WESTERN to perform certain services to the community; and

WHEREAS, CITY has budgeted certain funds for said services to be provided in the agreed time period; and

### AGREEMENT

NOW THEREFORE, in consideration of the Recitals and the mutual covenants and obligations hereinafter set forth, the parties agree as follows:

1. TERM.

The term of this Agreement shall commence on January 1, 2016 and shall terminate on December 31, 2016, unless sooner terminated or replaced as provided herein.

2. COMPENSATION, BONUS AND EXPENSES.

- (a) CITY hereby agrees to provide the funds previously appropriated and budgeted to WESTERN in the amount of Five Hundred Dollars and No Cents (\$500.00), within thirty (30) days of execution of this agreement to be used for bringing together a diverse group of managers, biologists, researchers policy makers and a variety of stakeholders to learn about and discuss the conservation of the Gunnison sage-grouse during the Sage-grouse Summit scheduled for March 9 through 11, 2016.
- (b) This Agreement is subject to CITY making an annual budget appropriation in an amount sufficient to fund this Agreement. If CITY fails or refuses to make such an appropriation, CITY reserves the right to terminate this Agreement without penalty to WESTERN pursuant to paragraph 10 of this Agreement.
- (c) CITY reserves the right to amend this agreement to reduce the contribution stated herein if the 2015 CITY audit should result in a significantly lower fund balance than projected.

3. CONSIDERATION.

- (a) WESTERN agrees acknowledge the financial support of the City of Gunnison in advertising and promotional literature. Copies of such advertising and literature must be provided to the Finance Director of the CITY pursuant to paragraph 9 of this Agreement and may be submitted in an electronic format. Photos will be accepted as satisfaction of this requirement.

- (b) WESTERN agrees to provide the CITY with a synopsis of the program's accomplishments during the term of this agreement no later than October 31, 2016, which includes the program's actual revenues and expenditures for 2015 and estimated revenues and expenditures for 2016. Such written synopsis must be provided to the Finance Director of the CITY pursuant to paragraph 9 of this Agreement and may be submitted in an electronic format.
- (c) WESTERN agrees to demonstrate on-going efforts to cooperate and collaborate with other community based organizations and groups.
- (d) WESTERN agrees to demonstrate financial support (both cash and in-kind) from other resources (exclusive of the City of Gunnison).

4. INDEMNIFICATION.

- (a) WESTERN agrees to indemnify, defend and hold harmless CITY, its Council, agents and employees of and from any and all liability, claims, liens, demands, actions and causes of action whatsoever (including reasonable attorney's and expert's fees and costs) arising out of or related to any loss, cost, damage or injury, including death, of any person or damage to property of any kind caused by the misconduct or negligent acts, errors or omissions of WESTERN or its employees, sub-contractors or agents in connection with this Agreement.
- (b) This provision shall survive any termination or expiration of this Agreement with respect to any liability, injury or damage occurring prior to such termination.

5. INSURANCE.

WESTERN agrees that at all times during the Term of this Agreement that WESTERN shall carry and maintain, in full force and effect and at its sole cost and expense, the following insurance policies. Within thirty (30) days of the execution of this Agreement, WESTERN will provide insurance certificates to CITY, listing CITY as an additional insured, for the coverage's required herein which shall state that such policies shall not be materially changed or cancelled without thirty (30) days prior notice to CITY.

- (a) Worker's Compensation Insurance in accordance with Colorado and Federal law which adequately protects all labor employed by WESTERN during the term of this Agreement.
- (b) Comprehensive General Liability Insurance or the equivalent for any injury to one person in any single occurrence, Three Hundred Fifty Thousand and No/100 U.S. Dollars (\$350,000.00); and For an injury to two or more persons in any single occurrence, the sum of Nine Hundred Ninety Thousand and No/100 U.S. Dollars (\$990,000.00).
- (c) Comprehensive automobile liability insurance on all vehicles used in the Services, in an amount no less than Three Hundred Fifty Thousand and No/100 U.S. Dollars (\$350,000.00) for any injury to one person in any single occurrence and in an amount no less than Nine Hundred Ninety Thousand and No/100 U.S. Dollars (\$990,000.00) for any injury to two or more persons in any single occurrence.

6. INDEPENDENT CONTRACTOR.

- (a) In carrying out its obligations and activities under this Agreement, WESTERN is acting as an independent contractor and not as an agent, partner, joint venture or employee of CITY. WESTERN does not have any authority to bind CITY in any manner whatsoever.
- (b) WESTERN acknowledges and agrees that WESTERN is not entitled to: (i) unemployment insurance benefits; or (ii) Workers Compensation coverage, from CITY. Further, WESTERN is obligated to pay federal and state income tax on any moneys paid it related to the services.

7. DELEGATION AND ASSIGNMENT.

This is a personal services contract with WESTERN and, therefore, WESTERN shall not delegate or assign its duties under this Agreement without the prior written consent of CITY which consent CITY may withhold in its discretion. Subject to the foregoing, the terms, covenants and conditions of this Agreement shall be binding on the successors and assigns of either party.

8. ILLEGAL ALIEN CERTIFICATION.

The Following Certifications are made by WESTERN pursuant to C.R.S. 8-17.5-101, et seq.:

- (a) WESTERN shall not knowingly employ or contract with an illegal alien to perform work under this Contract or enter into a contract with a subcontractor that fails to certify to WESTERN that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Contract;
- (b) WESTERN has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under this Contract through participation in either the e-verify program or the department program;
- (c) WESTERN certifies that it will use either the e-verify program or the department program procedures to undertake pre-employment screening of job applicants while this Contract is being performed;
- (d) If WESTERN obtains actual knowledge that a subcontractor performing work under this Contract knowingly employs or contracts with an illegal alien, WESTERN shall be required to: (1) notify the subcontractor and the CITY within three days that WESTERN has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and (2) terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to subsection (1), the subcontractor does not stop employing or contracting with the illegal alien; except that WESTERN shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien;

- (e) WESTERN shall comply with any reasonable request by the department made in the course of an investigation that the department is undertaking pursuant to the authority established in Section 8-17.5-102(5).
- (f) If WESTERN violates a provision of this Contract regarding requirements under Section 8-17.5-102(2), C.R.S., the CITY may terminate this Contract for a breach of the Contract. If the Contract is so terminated, WESTERN shall be liable for actual and consequential damages to the CITY. In the event of termination under this provision, the CITY is required to notify the Secretary of State.

9. NOTICES.

Any notice, demand or communication which either party may desire or be required to give to the other party shall be in writing and shall be deemed sufficiently given or rendered if delivered personally or sent by certified first class US mail, postage prepaid, addressed as follows:

CITY: Finance Director  
City of Gunnison  
201 W. Virginia Ave.  
Gunnison, Colorado 81230  
Phone: 970-641-8162

WESTERN: WESTERN STATE COLORADO UNIVERSITY  
Patrick Magee  
600 N. Adams, Western State CO University  
Gunnison, CO 81230

Either party has the right to designate in writing, served as provided above, a different address to which any notice, demand or communication is to be mailed.

10. TERMINATION.

Either party shall have the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days prior written notice to the other.

11. MISCELLANEOUS.

- (a) SEVERABILITY. If any clause or provision of this Agreement shall be held to be invalid in whole or in part, then the remaining clauses and provisions, or portions thereof, shall nevertheless be and remain in full force and effect.
- (b) AMENDMENT. No amendment, alteration, modification of or addition to this Agreement shall be valid or binding unless expressed in writing and signed by the parties to be bound thereby.
- (c) NO WAIVER OF GOVERNMENTAL IMMUNITY. Nothing in this Agreement is, or shall be construed to be, a waiver, in whole or part, by CITY of governmental immunity provided by the Colorado Governmental Immunity Act or otherwise.

12. ATTORNEYS FEES.

If any party hereto shall bring any suit or action against another for relief, declaratory or otherwise, arising out of this Agreement, the prevailing party shall have and recover against the other party, in addition to all court costs and disbursements, such sum as the court may adjudge to be reasonable attorneys fees and expert witness fees.

13. GOVERNING LAW.

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Colorado. Exclusive jurisdiction and venue for any legal proceedings related to this Agreement shall be in the state District Court governing Gunnison, Colorado.

14. ENTIRE AGREEMENT.

This Agreement contains the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes any and all prior agreements, proposals, negotiations and representations pertaining to the obligations to be performed hereunder.

15. COUNTERPARTS: FACSIMILE TRANSMISSION.

This Agreement may be executed by facsimile and/or in any number of counterparts, any or all of which may contain the signatures of less than all the parties, and all of which shall be construed together as but a single instrument and shall be binding on the parties as though originally executed on one originally executed document. All facsimile counterparts shall be promptly followed with delivery of original executed counterparts.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

CITY OF GUNNISON, a Colorado  
home-rule municipality

ATTEST:

By: \_\_\_\_\_  
Richard Hagan  
Mayor

\_\_\_\_\_  
Gail A. Davidson  
City Clerk

WESTERN STATE COLORADO UNIVERSITY

By: \_\_\_\_\_

February 23, 2016

Laura Jane Musser Fund  
PO Box 64713  
Saint Paul, MN 55164-0713

Dear Grant Directors,

The City Council of the City of Gunnison strongly supports the Gunnison Arts Center's application for \$10,000 of General Operating Support from your philanthropic organization.

The City of Gunnison has annually supported the Gunnison Arts Center by granting funds to provide a variety of high-quality arts programs including arts education for diverse and multi-age community members, visual arts exhibits, and performing arts events such as community theater, literary, film, and musical events.

The City of Gunnison with a population of approximately 5,500, is located in a high mountain valley of the central Rocky Mountains, 66 miles from the next largest community. Despite our relative isolation, collaboration and partnership with non-profit organizations like the Arts Center provides a robust and multi-faceted arts culture that is of value to not only our residents but to visitors to the Gunnison Valley.

We fully support the Arts Center's application for operational funding from your fund so that they can continue to provide this much-needed and appreciated service to our community.

Sincerely,

Richard Hagan  
Mayor, City of Gunnison

**RESOLUTION NO. 2  
SERIES 2016**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GUNNISON,  
COLORADO, CANCELING THE REGULAR SESSION MEETING  
SCHEDULED FOR MARCH 22, 2016.**

**WHEREAS**, it is provided by Section 5.1 of the Home Rule Charter of the City of Gunnison, Colorado, that the City Council shall provide for the time and place of its regular meetings; and

**WHEREAS**, the City Council wants to cancel one such meeting, initially scheduled for Tuesday, March 22, 2016.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GUNNISON, COLORADO**, that:

The Regular Session meeting of the City Council scheduled for Tuesday, March 22, 2016, is canceled due to a lack of quorum due to the school Spring Break.

**INTRODUCED, READ, PASSED AND ADOPTED** by the City Council of the City of Gunnison, Colorado, this 23rd day of February, 2016.

\_\_\_\_\_  
Mayor

(SEAL)

\_\_\_\_\_  
City Clerk

## **MEMORANDUM**

TO: City Council  
FROM: Steve Westbay  
DATE: February 23, 2016  
RE: Community Development Department Semi-Annual Report

This semi-annual report highlights the department's accomplishments during the past six months. Some accomplishments not specifically summarized herein include the following activities:

- Conducting the Annual Household Hazardous Waste Day
- Coordinating ice jam emergency management responses with Gunnison County
- Initiating the Lazy K Master Plan Process with the University of Colorado Denver
- Participating in the *Gunnison - Crested Butte Airport Master Plan* update.

### **PLANNING**

**Marijuana Licensing.** Processing marijuana establishment applications has kept the Planning and Zoning Commission (P&Z) busy, with three of nine license applications requiring Conditional Use approvals. Community Development Department staff has done an excellent job collaborating on land use and building code details associated with the processing of these applications. Applicants for the most part have been very proactive making the proceedings efficient. Except for some minor misunderstandings about code related matters, there have been no infractions to report.

**Safe Streets.** During the past six months, a substantial amount of community input, related to identifying the preferred design elements, has been garnered. The first community workshop (September 3<sup>rd</sup>) focused on a variety of general design examples that the community critiqued. The second community workshop (October 29<sup>th</sup>) presented various highway corridor illustrations and participants were tasked with identifying preferred treatments along Tomichi Avenue and on Main Street. In December the Council directed staff and the consulting team to move forward with the parking protected bike lane design on Tomichi Avenue.

The second phase of the project is now underway. Phase 2 will involve developing 30 percent design drawings of the highway corridors, establish preliminary cost estimates for a phased development plan and identify funding alternatives available for funding the proposed improvements.

Phase 2 will also focus on outreach to the greater community and CDOT Region 3 staff members, which is considered to be an essential element at this phase. It is intended to provide CDOT staff with ample opportunity to give input early and often. Community outreach efforts will include continued communication with community members who have participated in the past workshops, as well as outreach to business owners and other stakeholders who have not been involved in the process to date.

**OVPP.** During the late summer/fall season, the One Valley Prosperity Project (OVPP) focused on assessing existing governmental policies and priority actions of the individual jurisdictions. In October 2015, the focus shifted to develop implementation reports. Implementation topics are focused on economic resiliency, affordable housing, sustainable tourism and recreation and social service program needs.

Working on the Affordable Housing Committee has been informative and interesting. The first meeting addressed existing conditions within each of the three municipal jurisdictions. The second meeting included presentations from housing administrator representatives of Aspen, Vail and Summit County. These representatives summarized their respective programs and lessons learned. The third meeting concentrated on funding programs and successful elements for public/private partnerships. The affordable housing focus group is now working on a draft report including primary objectives that will be forwarded to the Community Builders Task Force.

**Gunnison Rising.** Representatives of Gunnison Rising contacted the Community Development Department in late December to discuss the submittal of a proposed Major Change Application for the Planned Unit Development. The application proposes to increase the non-residential floor area in the Commercial/Mixed Use District from 174,000 square feet (sf) 260,000 sf for private development entitlement. The application also proposes to allocate 100 dwelling units to private development and 20 units to accommodate potential housing for WSCU. The Planning and Zoning Commission will hold a public hearing for this application on March 9<sup>th</sup> and the Council will likely hold a public hearing on April 12<sup>th</sup>.

### ***BUILDING DEPARTMENT***

Activity in the Building Department has been steady during the past six months with a typical season-ending push to get concrete work completed. Graphs found at the end of this report depict valuation, permit fees, and use tax figures through time. There were 33 permits processed between August 2015 and January 2016. Only two permits have been issued since the beginning of 2016, but several builders are discussing projects with the staff.

Eric and I attended the annual Floodplain Managers Association meeting in September, which is needed to maintain credentials as a Certified Floodplain Manager. Eric will also attend the annual International Code Council training which occurs in early March.

### ***FIRE & HAZ-MAT***

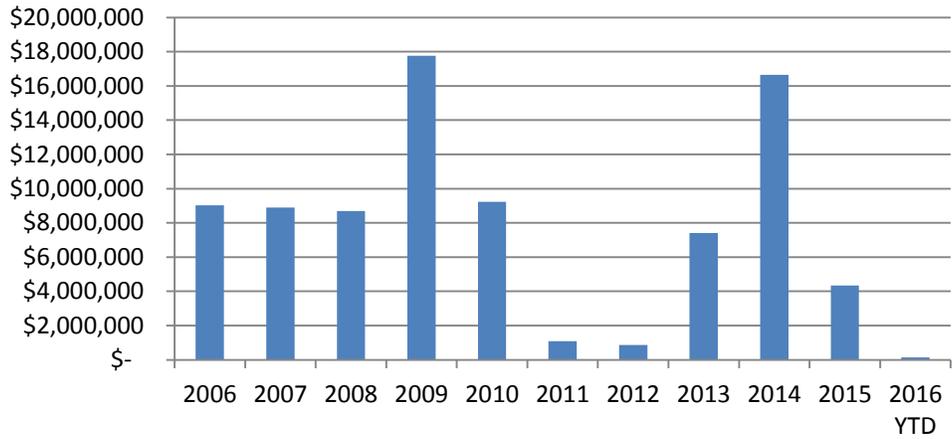
Fire Prevention Safety Week and the annual school inspections occurred this past September. Household Hazardous Waste Day was also held in September. Life-safety inspections at several businesses and restaurants were also completed. Inspection on the new fire suppression system at Quigley Hall has been conducted.

Several training certification classes are occurring presently. They include Fire-Fighter 1 and 2 courses and a Hazardous Materials class. The participant levels are strong and volunteer numbers are increasing.

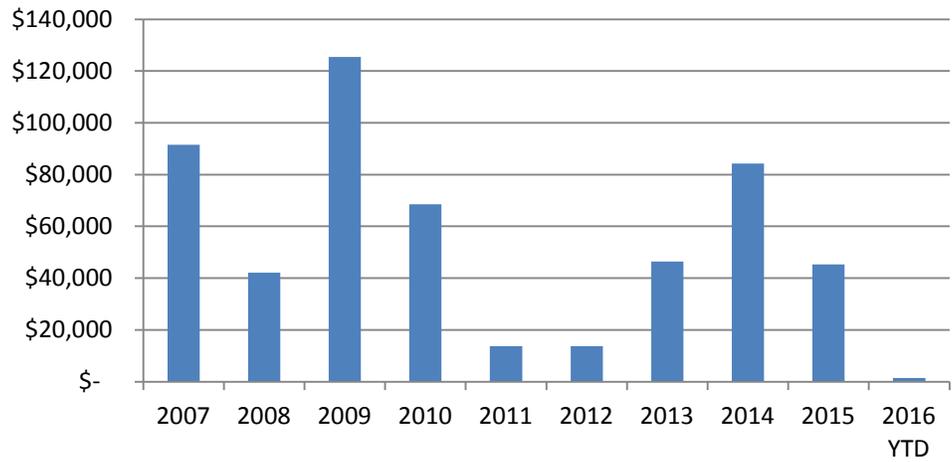
### ***CONCLUSION***

All of the Community Development Department staff does a great job of providing services and information to citizens. Accomplishments of the Department are directly attributed to their efforts and I am grateful for their comments and contributions to the City.

## Valuation



## Permit Fees Collected



## Use Tax Collected

