

NOVEMBER 9, 2021

**CITY OF GUNNISON COUNCIL  
REGULAR SESSION**

5:30 P.M.

The Gunnison City Council Regular Session meeting was called to order at 5:31 p.m. by Mayor Jim Gelwicks with Councilor Boe Freeburn, Councilor Mallory Logan, and Councilor Diego Plata present in Council Chambers, located at 201 W. Virginia Avenue. Also present in Chambers were City Manager Russ Forrest, City Attorney Kathy Fogo, City Clerk Erica Boucher, Finance Director Ben Cowan, Parks and Recreation Director Dan Vollendorf, and Community Development Director Anton Sinkewich. A few interested residents attended the meeting in Chambers and online. A Council quorum was present. Mayor Pro Tem Jim Miles was absent. The press was present.

**PUBLIC HEARING  
Proposed 2022 City Budget**

Mayor Gelwicks called the public hearing to order on Tuesday, November 9, 2021, at 5:32 p.m. in Council Chambers located at 201 W. Virginia Avenue in Gunnison, Colorado. The Mayor stated that the public hearing was also being conducted remotely. He stated that he, Mayor Jim Gelwicks, Councilor Diego Plata, Councilor Boe Freeburn, Councilor Mallory Logan, City Manager Russ Forrest, City Attorney Kathy Fogo, City Clerk Erica Boucher, Community Development Director Anton Sinkewich, Finance Director Ben Cowan, and Parks and Rec Director Dan Vollendorf attended the public hearing in Council Chambers.

Mayor Gelwicks stated that the purpose of the public hearing was to receive input on the proposed 2022 City budget. Mayor Gelwicks requested confirmation that the hearing had been properly published. City Clerk Boucher confirmed that the hearing had been properly published in the newspaper, posted on the City Hall bulletin boards, and posted on the City's website for the appropriate amount of time.

Mayor Gelwicks asked for staff comments. Finance Director Cowan began by stating that the proposed budget for 2022 stands at \$35,730,000. There have been no changes since the October 26, 2021, Work Session, but staff did have some updates for Council. The first update involved the fitness room for \$180,000. That amount is currently in the budget but could be removed at the direction of Council. Staff will continue to take Council's and the public's feedback regarding the proposed budget. Having the public hearing tonight meets the state's statutory requirement and the City's charter requirement. A public hearing must be held by November 15. Next Monday or Tuesday Council will receive a presentation on the cost of services from the City's MEAN consultant in order to have an in-depth discussion on the proposed 2022 rate schedule for water, sewer, and electrical.

The Mayor called Parks and Rec Director Dan Vollendorf to the podium to present on the proposed fitness area at the Rec Center. Director Vollendorf explained that the game room at the Rec Center is an underutilized space for the majority of the year. It gets some use during the summer months and when school is not in session. Behind the game room is also a lounge area and an unused computer room. Customers often ask staff where the weight/cardio room is located. Staff must explain that the Rec Center will not have a permanent fitness area until Phase 3 is completed. Staff would like to renovate those underutilized spaces to put in a fitness room. The remodel would include new flooring, lighting, paint, and a glass barrier between the climbing wall and the fitness room. Weights and cardio equipment would be added to the facility and customers would have a new amenity. Director Vollendorf noted that the price included in the budget was based on a quote from Commercial Fitness Solutions. Less expensive packages are also available. The cost is also dependent on the type of flooring and barrier selected. Staff is working with Trout Creek Engineering on design plans. If Phase 3 does occur in the future, this fitness room could be repurposed based on community needs.

Councilor Freeburn asked how staff would supervise the fitness room. Director Vollendorf explained that the room would be in eyesight of the front desk staff who would monitor the room. With clarification on how staff has addressed previous vandalism issues, Councilor Freeburn stated support for the proposed use of the space. City Manager Forrest confirmed that the Parks

and Rec Advisory Committee supported this idea. Councilor Logan inquired if the list of itemized cardio equipment, such as spin bikes, would be enough equipment to offer classes. Director Vollendorf stated that his staff has done research on the equipment and spoke with Jane Tunnadine of Colorado Fitness who thought there would be enough equipment and room for classes. It is only a 1,000 square foot space. He also said that the room contains forced air for ventilation. Councilor Logan also asked where the game equipment would be stored. The Director explained that there is a large storage space off the gym and could be used as storage for the game equipment. Councilor Logan asked if the City would need additional liability. The response was that this issue still needed to be researched. Councilor Logan inquired about how much additional staff time would be required to properly clean and manage the room. Director Vollendorf shared that staff would be responsible for maintaining the equipment. Staff is already cleaning the area, but would need to spend a little more time, which they are willing to do. The new space would also provide the City with the opportunity to offer more fitness classes.

Western Colorado University Liaison KC Wenlez joined Council at 5:39 p.m.

Councilor Plata overall supported the idea of the fitness room and liked that local vendors were being reached out to for completing some of the work. He hoped this change may lead to the support of Phase 3, which would be a permanent and expanded fitness space. Council thanked Director Vollendorf for the additional information.

Finance Director Cowan transitioned the discussion to mosquito abatement. Council asked why the City contributes annually to mosquito control during the October 26 Work Session. Director Cowan shared that a resolution was passed in April 1995, which established the Mosquito Control District and included a cost formula. Two-thirds of the cost to control mosquitos comes from an assessment on property owners' tax bill. The remaining one-third is a split between the City and Gunnison County. The City's share is about \$17,000 annually.

Council also requested additional information on a Nexus analysis. Mayor Gelwicks reminded staff and Council of a discussion that occurred in January 2019 on various scenarios for funding housing. One possible option mentioned in that discussion was linkage fees. Gunnison could not likely generate enough money from linkage fees to have substantial financial impact and it would increase the cost of building housing. Crested Butte generated about \$174,000 in one year through linkage fees. This option consists of a couple of stages. A community first determines the impact of new buildings and then uses a calculation to determine how a municipality generates funds associated with development.

Last, the Finance Director reviewed the City's per diem rates for travel. Currently, the per diem rate is \$54 and it has not been changed for decades. Some other municipalities use the General Services Administration (GSA) per diem calculator. Most of Gunnison's travel is in state. The average per diem in the state is \$59. Currently, department heads can direct their staff to submit receipts or use the per diem amount. Using the per diem rate is more time efficient for most staff. Staff has not complained about the amount. Councilor Freeburn supported keeping the rate the same. Council had no other questions on those topics.

Mayor Gelwicks told Council that a resident asked about a \$4,600 expense for dandelion control. The resident was concerned that dandelions were being controlled too early, which could affect an early pollination source for insects. Director Cowan also received the same question. Parks and Rec Director Vollendorf stated that prior to any control, Jorgensen Park was covered in dandelions. Mayor Gelwicks noted that weed control today is not the same as pesticide use from a decade ago. The City does not do any weed control of dandelions until after the first bloom.

The Mayor asked for other questions or concerns. No one spoke. He asked for public comments.

Steven Schechter came before Council and stated that the City is sending too much money out of the Valley to purchase energy. He stated that the community will not be vibrant or have prosperity if it does not generate its own energy and become more sustainable. He referred to Kit Carson as an example of a community that has installed massive solar, which provides all of the daytime energy needed and would also energy back-up their buildings. The City should start looking at

completing massive solar projects and building a local energy structure. Council thanked Mr. Schechter for his comments. No one else from the public came forward to speak.

The City Clerk stated that no additional comments or emails were received.

The Mayor mentioned having temporary signage installed at the corner of Main Street and Hwy 50 because the timing of the lights has not been changed. The cost for the signs could be paid for with strategic funds. The Mayor also asked about tourist and directional signs. He was referring to the blue and white information/promotion signs that are posted prior to entering a city to let people know of some restaurants or amenities that are available. The hope would be to encourage more people to stop in Gunnison. City Manager Forrest replied that there is a third-party entity where businesses couple to purchase a sign. The City could determine how many signs would be allowed per pole. There is a difference in cost between informational and promotion. The Chamber could help with communicating this information and the City could contribute some financial support. The conversation transitioned to the wayfinding signage in the north end of the valley. The north end's program focused on branding as well. Councilor Plata suggested that all options should be explored. City Manager Forrest recommended wayfinding systems be a topic for Council's strategic retreat in early 2022.

Hearing no further comments from the public, staff, or Council, the Mayor closed the public hearing at 6:07 p.m. Council returned to the Regular Session.

**Citizen Input.** Mayor Gelwicks asked if there was anyone who wanted to speak to Council for three minutes. No one came forward.

#### **Council Action Items**

**Approval of the October 26, 2021, Regular Session meeting minutes.** Councilor Logan moved and Councilor Freeburn seconded the motion to approve the October 26, 2021, Regular Session meeting minutes.

Roll call, yes: Freeburn, Gelwicks, Logan, and Plata. So carried.

Roll call, no: None.

**Proposed Budget 2022 Discussion.** Finance Director Cowan reminded Council that they would be receiving the rate analysis for cost of services for water, sewer, and electrical at the November 15 or 16 rescheduled Regular Session meeting. The ordinances for water and sewer are slated to occur on December 7 and December 14. Staff will recommend electrical rates to be approved in time for the April 10 billing cycle. Other up-coming ordinances will be for the mill levy, budget adoption, and budget amendments on November 15 or 16 so the budget could be adopted by December 7. If changes were requested, a special meeting would be required to meet the official adoption date of December 15. Grant applications are being reviewed and compiled for Council's discussion on January 11. For 2022, \$2,000 is available for youth grants, \$55,500 for public service grants, and \$39,000 for economic development grants. There is \$209,000 allocated for strategic partnerships, which includes the chamber operations, the Gunnison Valley Regional Housing Authority, the ICELab, support of the COVID-19 website, and noxious weed control with the County.

**State of Colorado Opioid Settlement.** City Manager Forrest attended a regional discussion about the opioid settlement with the three "big" opioid distributors as it relates to claims by the state and local governments. The three big distributors will pay a maximum of \$21 billion dollars over 18 years and Johnson and Johnson will pay five billion dollars over 5 years. From this nationwide settlement, the state of Colorado will get approximately \$300 million dollars. In order for Colorado to receive its maximum share of the settlement, a majority of local governments must sign onto a MOU and other related documents. Colorado would receive around \$300 million dollars and be divided as such: 10% for state related programs, 20% for local governments, 60% for newly created regions, and 10% for infrastructure projects. Gunnison is a part of Region 14. The City of Gunnison is projected to receive about \$13,000/year. A future decision for Council to make will be if the municipality will keep the money, pool it with Region 14, or combine it with the County to keep the money locally to support Gunnison Valley Hospital or the Gunnison Country Substance Abuse Prevention and Program. By signing into the agreement, the City forfeits its

ability to independently sue any of the companies named in the lawsuit. It was mentioned that Western Colorado University should be made aware of the pending settlement and funding. Councilor Logan shared her support for this settlement and optimism for its potential to help those in need. Councilor Logan moved and Councilor Plata seconded the motion to direct the City Manager to sign the four accompanying documents related to the State of Colorado's opioid settlement: 1) the state MOU; 2) Settlement Participation Form; 3) Subdivision Settlement Participation Form and 4) a Colorado Subdivision Escrow Agreement.

Roll call, yes: Gelwicks, Logan, Plata, and Freeburn. So carried.

Roll call, no: None.

**Ordinance No. 10, Series 2021, First Reading:** *An Ordinance of the City Council of the City of Gunnison, Colorado Amending Chapter 9 of the Gunnison Municipal Code by the Addition of Section 9.80 Events.* Councilor Plata introduced Ordinance No. 10, Series 2021, and read it aloud by title only. Councilor Plata moved and Councilor Logan seconded the motion to adopt Ordinance No. 10, Series 2021, on first reading and order to publish.

City Clerk Boucher opened the discussion by stating that the purpose of the proposed new code section is to formalize the City's existing procedures for events held on City public property and the public right-of-way, to provide clarity regarding when an event permit is required for guests and residents, and provide the City the ability to deny or place conditions on an event permit. City Clerk Boucher thanked internal staff and external stakeholders who helped in developing the Code. Key features of the proposed Events Code are that under the proposed code, an event would be defined as any organized activity that brings a group of people together for a limited period of time at which *any* of the following apply: 1) The activity will be conducted in whole or in part on public property or public rights-of-way within the City of Gunnison; 2) The activity is likely to obstruct, delay or interfere with the free and normal use of public rights-of-way or other public property within the vicinity of the event; and 3) The expenditure or use of City services is requested or deemed necessary by the City to maintain public health, safety and welfare, above and beyond those expenditures and services routinely performed. Exemptions to the permit requirement include the routine use of City Parks for leisure and non-organized recreational activities, regularly scheduled athletic events, and activities held at facilities designed for events purposes, such as auditoriums and school athletic stadiums. This proposed Code also gives the City the ability to approve, deny, or impose such conditions or fees as deemed necessary to protect the integrity of the event site and surroundings, and to mitigate any impacts the event may have upon the health, safety and welfare of residents and guests. It was noted that facilities, which have been traditionally used as an event venue, do not need a City event permit unless the event required Extraordinary Services from the City. It was also clarified that a house party on private property would not need to get an event permit, but would be subject to City noise and public nuisance ordinances.

City Clerk Boucher further explained the term "Extraordinary Services." "Extraordinary Services" are items such as traffic control, street closures, additional refuse removal, or Public Works overtime that are requested or deemed necessary. For events that would request or require a public consumption permit, if Ordinance No. 11, Series 2021, is adopted, the organizers would work with the Clerk's Office. An event like the Wet Grocer softball tournament would need to get a public consumption permit. Historically, Cattlemen's Days has just worked one-on-one with the police department for additional security and has not completed an event permit with the City, as the Fairgrounds are the historical use for the carnival. The Police Department is working internally and with organizers to establish a parade route. The work on this proposed event code revealed a need for the City to examine its noise ordinance and possibly make amendments. Managing noise in the City is a much larger topic and has multiple applications.

Roll call, yes: Logan, Plata, Freeburn, and Gelwicks. So carried.

Roll call, no: None.

**Ordinance No. 11, Series 2021, First Reading:** *An Ordinance of the City Council of the City of Gunnison, Colorado, Amending Title 5, Chapter 5.10, Section 5.10.220 of the Gunnison Municipal Code.* Councilor Freeburn introduced Ordinance No. 11, Series 2021, and read it aloud by title only. Councilor Freeburn moved and Councilor Logan seconded the motion to adopt Ordinance No. 11, Series 2021, on first reading and order to publish.

City Clerk Boucher reminded Council that Ordinance No. 11, Series 2021, is a follow-up to a previously proposed ordinance allowing public consumption in all parks. Based on external



feedback and staff input, the Clerk's Office redrafted the ordinance to only allow public consumption of alcohol in two City parks with a public consumption permit. Those two parks are Legion and Jorgensen Parks. The public consumption permit is different from a Special Events Liquor Permit in that the selling of alcohol would be prohibited. The public consumption permit is designed for events such as wedding receptions or family reunions where the organizer is reserving a park and is providing alcohol only for their guests who are at least 21 years old. The event organizer must reserve the park and receive a public consumption permit through the Clerk's Office. The Clerk's Office would issue the permit for a specific amount of time and inform the Police Department of such permit. Public consumption under this permit would be allowed within the pavilion structure at Legion Park and within the boundaries of Legion Park on the North, East and South, and no closer than 20-feet from the playground and athletic courts to the West. Public consumption would also be allowed within the gazebo at Jorgensen Park and a 75-foot radius from the center of the gazebo thereof, except where limited by Pacman Pond and at the Jorgensen Softball Fields, limited to the areas in-between playing fields but not extending past outfield fencing, and excluding dugouts, parking lots, public rights-of-way, and any area within 20 feet of the playground. With a permit, participants in activities like Sundays at Six or adult rec softball would be able to bring their own alcohol for consumption. Event organizers could still apply for a Special Events Liquor Permit and serve alcoholic beverages to those who are least 21 years old in other public areas. The Clerk's Office has worked with the Police Department and the Gunnison Health Coalition to develop this ordinance. Requiring a public consumption permit also aims to give more clarity to the Police Department when consumption is approved and to make enforcement clearer. The Clerk's Office will follow-up with the appropriate agencies to see whether or not this permit is effective.

Roll call, yes: Plata, Freeburn, and Logan. Motion carried.

Roll call, no: Gelwicks.

**Resolution No. 22, Series 2021:** *A Resolution of the City Council of the City of Gunnison, Colorado, Rescheduling the November 23, 2021, Regular Session Meeting to November 16, 2021.* Councilor Logan introduced Resolution No. 22, Series 2021, and read it aloud by title only. Councilor Logan moved and Councilor Freeburn seconded the motion to adopt Resolution No. 22, Series 2021.

Council had a brief discussion to confirm that the rates discussion with MEAN for public services could occur on November 15. With that confirmation, Council and staff supported having the rescheduled meeting on November 15 to accommodate travel and other work schedules.

Councilor Logan made an amendment to the original motion and changed the date to November 15, 2021. With consensus by the motion maker and a second, the date listed on the resolution will be amended to November 15, 2021.

Roll call, yes: Freeburn, Gelwicks, Logan, and Plata. So carried with amendment.

Roll call, no: None.

**Resolution No. 23, Series 2021:** *A Resolution of the City Council of the City of Gunnison, Colorado, finding that the Annexation Petition Filed by the City of Gunnison, Rocky Mountain Christian Ministries, and Gunnison Secure Storage, LLC for the Annexation of Three Parcels of Land Totaling 11.93 Acres, More or Less, of Land Adjacent to the Boundaries of the City of Gunnison if Annexed in Order, is in Substantial Compliance with the Requirements of State Law; Setting Forth Findings of Fact Relating Thereto and Setting a Public Hearing Upon Said Petition for Annexation.* Councilor Freeburn introduced and read Resolution No. 23, Series 2021, aloud by title only. Councilor Freeburn moved and Councilor Plata seconded the motion to adopt Resolution No. 23, Series 2021.

Mayor Gelwicks stated that this resolution sets December 14, 2021, as the public hearing for Eligibility, which is the next step in the process. City Attorney Fogo emphasized that annexation is a legislative act needed for Council to complete the petition and eligibility review. Planning and Zoning plays a role in the subdivision process. The annexation will be contingent on subdivision approval. Eligibility in this situation is statutorily mandated. This will be a serial subdivision. The purpose of the public hearing is solely to determine Eligibility. From a real estate perspective, the public hearing process is required under the assumption that the City may not have 100% of the landowners agreeable to the annexation; however, in this case, Community Development Director Sinkewich believes that the all of the landowners will be agreeable to the annexation. A brief discussion occurred regarding if residents could come before Council to state desires for the

property. It was clarified that there will be an opportunity for those who have concerns or questions about the annexation to come before Council at a later date, as this up-coming hearing is just to determine eligibility. This is not the public hearing for the annexation.

Roll call, yes: Gelwicks, Logan, Plata, and Freeburn. So carried.

Roll call, no: None.

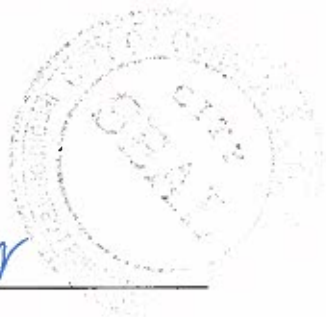
**Finance Department Semi-Annual Report.** Finance Director Ben Cowan presented the Finance Department's semi-annual report. The packet included the current expense report for the last six months and credit card transactions. He mentioned that property insurance claims were high this year because a number of vehicles were damaged. The City's deductible is \$25,000 per incident. Council's strategic plan fund balance is \$131,200. This amount is in next year's budget along with about \$473,000 for 2022. The investment report is down with the Treasury yield at 1.21%. The City does its best to invest funds at the best rate available. Rates are usually less than 1%. This will be a topic of conversation with the Investment Board.

The Finance Department has started doing disconnects again on utilities for non-payment. They are still not doing 24-hour set-up fees or \$30 reconnect fees at this time. After the first of the year, all disconnect policies and practices will go back into place. The Finance Director plans to allow delinquent customers to pay within 60 days, free of interest and penalties. After that, penalties and interest will be applied. Council was informed that last month 143 customers were issued disconnect warnings and 18 were disconnected. Council asked a few clarification questions regarding one-off occurrences. Director Cowan reported that August sales tax numbers just came in. Year-to-date the City was at 20.74% up, but August was 7.43% up so sales tax is tapering off from the high. The City is planning on being up 3% at the end of the year. Every percentage point over what was budgeted equates to about \$35,000 to the General Fund.

Mayor Gelwicks asked about the severance tax money that was received last year compared to this year. Director Cowan reported that funding took a large hit this year, close to a 95% reduction in severance tax. The department budgeted less in those accounts for next year. DOLA's available funds for grants will be impacted due to the decrease in funding collected from energy and mineral leasing.

**Staff, Western Liaison KC Wenlez, and Council gave brief reports.** As part of reports, Community Development Anton Sinkewich shared with Council that the Planning and Zoning Commission took their feedback on short-term rentals (STRs) into consideration. Planning and Zoning recoiled its support of a lottery for STR licenses because of the destabilization it could create. The Commission favored a few provisions, such as that a non-primary resident must have owned a property for at least two years before applying for a STR license. Moreover, a non-primary resident may only apply for one STR license. The Planning and Zoning Commission did agree with establishing a cap on the number properties available for STR licenses at under 3% of the free market residential units. They supported Council's other recommendations from the October 26, Regular Session meeting.

**With no further business before Council, the Mayor adjourned the Regular Session at 7:28 p.m.**



  
 Mayor

Attest:

  
 City Clerk