

**OURAY CITY COUNCIL MEETING
SUMMARIZED MINUTES
MONDAY, JUNE 21, 2021, 1 PM
320 6th Ave – Massard Room**

Zoom Meeting for Non-participants:
<https://zoom.us/j/9349389230>

Meeting ID: 934 938 9230 Passcode: 491878 Or dial: 408 638 0968 or 669 900 6833

- Electronic copies of the Council Packet are available on the City website at www.cityofouray.com. A hard copy of the Packet is also available at the Administrative Office for interested citizens.
- Action may be taken on any agenda item
- Notice is hereby given that a majority or quorum of the Planning Commission, Community Development Committee, Beautification Committee, and/or Parks and Recreation Committee may be present at the above noticed City Council meeting to discuss any or all of the matters on the agenda below for Council consideration

1. CALL TO ORDER

Mayor Nelson called the meeting to order at 1:00 pm.

2. ROLL CALL

Mayor Greg Nelson - present
Mayor Pro Tem John Wood - present
Councilor Glenn Boyd - excused
Councilor Ethan Funk - present
Councilor Peggy Lindsey - present

Also present were City Administrator Silas Clarke, Finance and Administration Director Melissa Drake, Public Works Director Joe Coleman, Community Development Coordinator Lily Oswald, City Resource Director Rick Noll, Administrative Accounting Clerk Julie Lancaster, and City Attorney Carol Viner.

3. PUBLIC HEARING – Sales Room Application by Mountain View Winery, Olathe, Colorado for Wine Sales at Ouray Manor B&B dba Ouray Wine Garden at 317 2nd Street, Ouray, Colorado

Amber Cunningham from The Ouray Manor B&B presented a brief overview of the partnership between herself and Mountain View Winery.

Mayor Pro Tem Wood asked if the applicants were aware this was a temporary situation, they affirmed they were aware and had permanent plans in process.

Mayor Nelson opened the floor for public comment.

Since there were no comments, Mayor Nelson closed the floor.

4. CEREMONIAL/INFORMATIONAL

a. Recognition of Public Works Staff

Mayor Nelson recognized the Public Works Department as “Department of the Year for 2020”, listing some notable accomplishments.

b. Introduction of Element Engineering Staff

Nick Marcotte and Alice Arsenault from Element Engineering presented a brief overview of the company and the water treatment plant design and building process for the City.

5. CITIZENS' COMMUNICATION

Mayor Nelson opened the floor for public comment.

Since there were no comments, Mayor Nelson closed the floor.

6. CITY COUNCIL REPORTS/INFORMATION

- a. Ethan Funk** – Will be out of town between July 1st and 5th. OIPI Meeting: Water Augmentation project is likely to not be underway by this coming ice season. Looking at bringing in additional events. OIPI concerned about property assignment long term use of land.
- b. Peggy Lindsey** – Flowers were delivered, extended a thank you to anyone involved in placing the planters and planting the flowers. Love Your Riverwalk is still happening every Tuesday between 7-9 am. Trees will be planted on the berm at Rotary Park this week.
- c. John Wood** – Unable to attend TAC and CEDC Meetings. Mayor Nelson provided the TAC update, Ms. Oswald will provide the CEDC update.
- d. Greg Nelson** – TAC discussed reorganization of City structure for creation of Parks and Facilities Maintenance Department, and when that is in place, creating a Parks and Rec Master Plan. Visitor Maps will be delivered from the printer soon. Meeting on potential partnerships for save the trails, leave no trace, etc campaigns and related grants for messaging to the public. Discussed City wayfinding app. Each City committee will be given a page on the City's website to publish information for the public.

7. DEPARTMENT REPORTS

a. City Administrator – Silas Clarke

Motlz agreement signed with no changes. Geothermal survey done, waiting on engineering plan now. Working on Forest Service special use permit for water tank storage. COP refinance completed; the deed to City Hall is now back in the City's name. Zoning and subdivision code update grant program from DOLA, working with SEH, Inc to get a quote. Wanakah Estates miner condo development site plans have been submitted.

b. Finance and Administration Director – Melissa Drake

i. May 2021 Financial Report

Parks Fund in much better shape than this time of year in 2019.

ii. Sales Tax – April 2021 Activity

Remote Sales Tax is up tremendously since 2019, partially attributed to COVID, and partially to increased vendor compliance in remitting sales tax.

iii. LOT – April 2021 Activity

April revenue is up 96% from 2019.

iv. Box Canon Falls Visitation – May YTD

Visitation up 108%, revenue up 78.6% over 2019.

v. Hot Springs Pool Visitation – May YTD

Visitation up 1.6%, revenue up 17.7% over 2019

c. Community Development Coordinator – Lily Oswald

Ms. Oswald listed current projects on her desk. She is conducting research into different housing opportunities, and updating the website and forms for public usability. 112 current permitted short-term rentals, City staff research shows 23 potentially un-permitted short term rentals; researching to resolve with property owners/managers. CEDC held a work session with updates from committee members; discussed quarterly business newsletter, Main Street opportunities and employment survey, with 24 responses so far. Planning commission June regular meeting was postponed due to lack of agenda items.

Mayor Pro Tem Wood asked what happens to the 23 purportedly illegal short term rentals. City Administrator Mr. Clarke said there are no set fines other penalties for violations of the ordinance, which need to be set by council in order to effectively enforce.

d. Visitor Center Coordinator – Paula Damke

Ms. Damke's report included in the packet.

8. CONSENT AGENDA

- a. **Special Events Permit Application – BPOE Lodge #492 – June 25th Crawfish Boil Fundraiser**
- b. **Special Events Permit Application – BPOE Lodge #492 – July 4th, 4th of July Celebration**
- c. **Special Events Permit Application – BPOE Lodge #492 – July 19th, Birthday Party**
- d. **Huckstering Permit Application – Mountain Air Music Series – June 24th**
- e. **Huckstering Permit Application – Ouray Middle School – June 24th**
- f. **Huckstering Permit Application – Ouray County Young Life – June 24th**
- g. **Huckstering Permit Application – Camp-Bell's Cajun Cuisine – June 24th, July 4th**
- h. **Huckstering Permit Application – Colorado West Jeep Rentals Inc. – June 24th, July 3rd**
- i. **Huckstering Permit Application – Ourayce, July 4th**
- j. **Huckstering Permit Application – Ouray Masonic Lodge #37, July 4th**
- k. **Huckstering Permit Application – MSLLC dba Dippin Dots, July 4th Huckstering Permit**

I. Appoint City Administrator to Review and Approve Additional Huckstering Permits before July 4th

m. Acceptance of Todd Mayfield's Resignation from CEDC

n. Modification of Liquor Licensed Premise – Full Tilt Saloon

Councilor Funk made a motion to approve the consent agenda as presented. Mayor Pro Tem Wood seconded the motion.

Council Member	For	Against	Abstain	Absent
Councilor Lindsey	X			
Mayor Pro Tem Wood	X			
Mayor Nelson	X			
Councilor Boyd				X
Councilor Funk	X			

The motion passed on unanimous roll call vote.

9. ACTION ITEMS

a. Ratification of Mayor's Declaration of Stage 1 Fire Restrictions

Mayor Pro Tem Wood made a motion to approve the ratification. Councilor Lindsey seconded the motion.

Council Member	For	Against	Abstain	Absent
Mayor Pro Tem Wood	X			
Mayor Nelson	X			
Councilor Boyd				X
Councilor Funk	X			
Councilor Lindsey	X			

The motion passed on unanimous roll call vote.

b. Consideration of a Sales Room Application by Mountain View Winery, Olathe, Colorado for Wine Sales at Ouray Manor B&B dba Ouray Wine Garden at 317 2nd Street, Ouray, Colorado

Mayor Pro Tem Wood made a motion to approve the application. Councilor Lindsey confirmed with other council members that the application would only apply to B&B guests due to zoning, and seconded the motion.

Council Member	For	Against	Abstain	Absent
Councilor Boyd				X
Councilor Funk	X			
Councilor Lindsey	X			
Mayor Pro Tem Wood	X			
Mayor Nelson	X			

The motion passed on unanimous roll call vote.

c. Consideration of Agreement with Idarado Mining Regarding Red Mountain Ditch Maintenance

Councilor Funk made a motion to approve the agreement in order to discuss. Mayor Pro Tem Wood seconded the motion.

Ms. Viner said this agreement is a win-win situation for the City and Idarado Mining.

Council Member	For	Against	Abstain	Absent
Councilor Boyd				X
Councilor Funk	X			
Councilor Lindsey	X			
Mayor Pro Tem Wood	X			
Mayor Nelson	X			

The motion passed on unanimous roll call vote.

d. Consideration of Tourism Advisory Committee (TAC) Recommendations on Tourism Application

Councilor Lindsey and Mayor Pro Tem Wood spoke in favor of the app. Councilor Funk spoke against the app development, citing security concerns and other consumers' concerns with the software developer, saying the money proposed for app development should be used to install physical signs in town for wayfinding to help everyone, regardless of if they have a smart phone, and a phone-optimized web app can be developed without the app interface for much less money.

Mayor Pro Tem Wood made a motion to table the item until the next council meeting. Councilor Funk seconded the motion.

Council Member	For	Against	Abstain	Absent
Councilor Funk	X			
Councilor Lindsey	X			
Mayor Pro Tem Wood	X			
Mayor Nelson	X			
Councilor Boyd				X

The motion passed on unanimous roll call vote.

e. Consideration of ActiveNet Agreement for Point of Sale Software for the Hot Springs Pool

Rick Noll presented the background about the agreement. Mayor Pro Tem Wood researched other software packages and found lower prices, and got a high level quote from CommunityPass, which was lower in credit card fees, setup costs and yearly subscription. Mayor Nelson stated council has not heard positive reports about the existing software and don't necessarily want to keep working with them, and believes there are features in the software we would never use.

Mayor Pro Tem Wood made a motion to direct staff to take the existing proposal and get more quotes from other companies to compare and negotiate. Councilor Funk seconded the motion.

Council Member	For	Against	Abstain	Absent
Councilor Lindsey	X			
Mayor Pro Tem Wood	X			
Mayor Nelson	X			
Councilor Boyd				X
Councilor Funk	X			

The motion passed on unanimous roll call vote.

f. Consideration of Buildfire Agreement for Visit Ouray Application Creation

Mayor Pro Tem Wood made a motion to table the agreement to the next council meeting in conjunction with the previous item 10(d). Councilor Funk seconded the motion.

Council Member	For	Against	Abstain	Absent
Mayor Pro Tem Wood	X			
Mayor Nelson	X			
Councilor Boyd				X
Councilor Funk	X			
Councilor Lindsey	X			

The motion passed on unanimous roll call vote.

g. Discussion and Possible Action to Allow Recreational Vehicles to be Utilized as Workforce Housing on Private Property

Mayor Pro Tem Wood highlighted the action as a quick measure the City can take to help alleviate workforce housing shortage this summer, issuing permits through September 30th, 2021.

Erin Eddy from the Ouray Brewery stated that this would help him recruit and retain employees, but believes the time should be extended into November to accommodate fall business, and that vehicles could be parked on City Right-of-Way to expand usable space.

Councilors were not in favor of using City Right-of-Way and/or City Parks such as Rotary Park due to liability, but in favor of moving the date to November. Council feels that RVs should not be parked in front of a building, but could be parked on either side or the back of the property, even if it is visible from the front of the property.

Ms. Oswald saw no problems with enforcement as long as the rules are stated clearly, but felt that the number of RVs on a lot could vary based on lot size.

Dolgio Nergui asked if property owners would be required to live in the property with an RV on the property, or if empty houses with RVs on the lot would become prevalent. Ms. Nergui also asked if the property owners would be allowed to charge rent for the space. Mayor Pro Tem Wood expressed agreement with Ms. Nergui on not wanting to allow empty properties to have RVs behind them, but noting there are certain places that could immediately accommodate RV hookups that would not qualify if such a rule was created.

Amber Cunningham stated her support for Mr. Eddy and his business, but also agreed with Ms. Nergui that she did not want to see RVs parked in lots of empty houses, and that there should be a rule that occupants have to work in the City. Ms. Cunningham also said the property owner should have the right to charge a small nominal fee for the use of their property Council discussed regulating rental fees charged by property owners to avoid price gouging, but decided to leave it up to the property owners.

Phil Suitt felt that there should be restrictions on residential zones on how many RVs get parked in the street in order to not change the character of the neighborhood.

Councilor Funk suggested allowing 1 RV on R-1 zoned property, and 2 on R-2 property. Mayor Pro Tem Wood said lot size will inherently limit how many RV's and what size would fit on a lot, so regulating that would be irrelevant.

Amber Cunningham agreed with Mayor Pro Tem Wood, stating she lived in zone R-2 on a double lot, but could still only put 1 RV on her property because of limited open area on conforming surfaces (gravel or concrete).

Councilor Lindsey made a motion to draft an emergency ordinance to allow RVs parked on private property as workforce housing for the remainder of the summer. Mayor Pro Tem Wood seconded the motion.

Council Member	For	Against	Abstain	Absent
Mayor Nelson	X			
Councilor Boyd				X
Councilor Funk	X			
Councilor Lindsey	X			
Mayor Pro Tem Wood	X			

The motion passed on unanimous roll call vote.

11. DISCUSSION ITEMS

a. Short-term Rentals (Cap and Trade Discussion)

Mayor Pro Tem Wood proposed a model for capping and regulating short term rentals in the City, limiting 120 short-term rentals in the city, only to be raised by 4 units being developed with a 25% STR limit leaving 3 long term rentals in the development.

b. City-owned Property for Potential Partnership with Home Trust of Ouray County

Councilor Lindsey along with Councilor Funk would like the City to donate two potential parcels to Ouray Land Trust, or with a 99-year lease and retain ownership, to develop workforce/attainable housing.

c. Future Agenda Items

Tuesday, June 29th, 2:00 pm: Private property RV parking special meeting
 Thursday July 8th, 1:00-4:00 pm: ADU Joint work session
 Mr. Clarke 6-month evaluation needs to be scheduled

12. ADJOURNMENT

Mayor Pro Tem Wood made a motion to adjourn at 3:40 pm, Councilor Funk seconded the motion. The motion passed on unanimous vote.

ATTEST:



Greg Nelson, Mayor

8/9/21

Date



Melissa M. Drake, City Clerk

CERTIFICATION

I, Melissa M. Drake, do hereby certify that I am the City Clerk of the City of Ouray, Ouray County, State of Colorado, and that the above minutes are a true and correct summary of the meeting of the Ouray City Council held on June 21, 2021. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 22nd day of June, 2021.



Melissa M. Drake, City Clerk