

**OURAY CITY COUNCIL
SUMMARIZED MINUTES
TUESDAY, JULY 6, 2021, 6 PM
320 6th Ave – Massard Room**

Zoom Meeting for Non-participants:

<https://zoom.us/j/9349389230>

Meeting ID: 934 938 9230

Passcode: 491878 or by phone: +1 408-638-0968 +1 669-900-6833

- 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 6:00 pm.

2. ROLL CALL

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

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

3. The PLEDGE OF ALLEGIANCE was recited

4. APPROVAL OF MINUTES – June 7, 21, and 29

Mayor Pro Tem Wood made a motion to approve the minutes. Councilor Lindsey seconded the motion. Councilor Boyd stated that since he did not attend the June 29th meeting that should be voted on separately. Mayor Pro Tem Wood amended his motion to only include June 7th and June 21st. Councilor Lindsey seconded the amendment.

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

The motion passed on unanimous roll call vote.

Mayor Pro Tem Wood made a motion to approve the minutes from June 29th, Councilor Lindsey seconded the motion.

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

The motion passed on unanimous roll call vote.

5. CITIZENS' COMMUNICATION

Mayor Nelson opened the floor for public comment.

Dee Williams asked Council to stop approving any new short term rentals, to put a cap on the number of licenses and not allow STRs to take over the city.

Bruce Gulde asked the City to announce business trash pickup in addition to the residential trash messaging.

Bill Leo suggested putting motorcycle parking signs on Main St since the current paint is worn off.

Mayor Nelson closed the floor.

6. CITY COUNCIL REPORTS/INFORMATION

- a. **Glenn Boyd** – Out of town, nothing to report
- b. **Ethan Funk** – Nothing to report
- c. **Peggy Lindsey** – Beautification committee is still cleaning up the River Walk every week on Tuesday. Registered for Colorado Association of Ski Towns meeting in Telluride.
- d. **John Wood** – Nothing to report
- e. **Greg Nelson** – Nothing to report

7. DEPARTMENT REPORTS

a. City Administrator – Silas Clarke

Six Basins sign to be installed soon at the horseshoe; location has been altered from their original presentation to City Council. Geothermal line progress. Communications and Community Engagement Coordinator (old Events Coordinator position) will be opening soon. A Parks and Facilities Maintenance Manager job offer has been made, should have an answer tomorrow. Proposed attainable housing project on the property north of the BIOTA building is progressing nicely through regulatory approvals.

b. Police Chief – Jeff Wood

Chief Wood presented June service calls, which are up significantly from May 2021, but normal for tourist season. Chief Wood recognized the late Richard Zortman's 22 years of service as Police Chief in Ouray, stating a memorial will be held on July 24th in Fellin Park at 10:30 am. Councilor Boyd said he saw complaints on Facebook about lack of police response to firecrackers, etc., and stated that the police were

working very hard to meet all the service calls, and asked the public to call dispatch with any concerns instead of posting on Facebook.

c. Fire Chief – Adam Kunz

Report in packet. Mayor Nelson thanked the Fire Department for making the 4th of July celebrations a success.

d. Public Works Director – Joe Coleman

Water and Sewer Eligibility surveys have been submitted to CDPHE, allowing City to borrow from State Revolving Fund. Held work session with Engineering firm, construction firm and City staff to discuss water treatment plant design. Construction and engineering team will meet with CDPHE quarterly throughout the process. Construction on Water treatment plant is still scheduled to start in April 2022, but City will be in violation by October 2022, the deadline set by federal law. This will mean the City will be required to send out notices about violations, but will announce them beforehand so there are minimal surprises to citizens.

e. City Resources Director – Rick Noll

Box Canon Falls and Hot Springs Pool 4th of July weekend visitation was higher than 2020, but 2019 was still higher than 2021. Mayor Pro Tem Wood suggested that the Pool get one of the Wibit sections replaced for safety reasons, since it seems to have a leak. Councilor Boyd agreed, but would like to see a total replacement to the Wibit since many EMS calls to the pool involve the Wibit. Councilor Funk thanked Mr. Noll for getting the City’s music royalty licenses taken care of.

8. CONSENT AGENDA – Special Event Permit Application for Six Basins Fundraiser – BPOE Lodge #492 – July 16, 2021

Councilor Boyd made a motion to approve the consent agenda, Mayor Pro Tem Wood seconded the motion.

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

The motion passed on unanimous roll call vote.

9. ACTION ITEMS

a. Resolution 7, Series 2021 – Ratification of City Administrator’s Signature of USFS Special Use Permit Application

Councilor Lindsey made a motion to approve the resolution. Councilor Funk 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.

b. Resolution 8, Series 2021 – Ratification of City Council Directing Staff to Reject Any Application for a Short-Term Rental Permit if the Applicant Is or Has Been in Violation of Municipal Code, Section 7-5-J-11

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

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

The motion passed on unanimous roll call vote.

c. Discussion and Possible Action on Adoption of Fines and Penalties for Operating a Short-term Rental Without a License

Mayor Pro Tem Wood asked what the current penalties are for failing to pay LOT. Ms. Viner said there would be an exploratory investigation through court to acquire records showing payment or non-payment of LOT. Councilor Funk stated he wanted 3 things codified: a fine per year of non-compliance, collection of back taxes with interest and a barrier from future licenses for that property owner for 10 years. Mayor Pro Tem Wood felt 10 years was heavy-handed, but felt 5 years was fair. Councilor Lindsey felt a \$10,000 fine per year was fair since each property can make upwards of \$30,000 a year. Councilor Funk asked if an individual was banned from future licenses, would that person be able to take advantage of a loophole by transferring the property to an LLC? Council decided to require a list of shareholders if an LLC is filing for the license to monitor for potential transfer activity. Mayor Pro Tem Wood also suggested adding an honesty and integrity clause to the application and renewal. Council discussed the fine schedule, whether it was per unit if an owner was operating more than one illegal STR, and what happens if someone was simultaneously operating a legal and illegal STR. Council decided to create a housing fund where the fines would go.

d. Discussion and Possible Action on Hot Springs Pool Point of Sale Software (Tabled ActiveNet Agreement)

4 companies were contacted for quotes, 3 responded, one of them being ActiveNet. City Resources Director Rick Noll presented the 3 quotes provided, showing that ActiveNet was the cheapest software, and stated that the pool manager was already familiar with the software.

Councilor Funk made a motion to move forward with ActiveNet. 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.

e. Discussion and Possible Action Regarding Tourist App (Tabled BuildFire Agreement)

Markus Van Meter, Jason Perkins and Jen Norvell presented on behalf of the Tourism Advisory Committee (TAC) why they view the app built through BuildFire as the superior option.

Councilor Funk presented his arguments for developing a Progressive Web Application instead that can be accessed either via an app or a web browser instead of working with BuildFire, highlighting City ownership instead of 3rd party ownership. Mayor Pro Tem Wood sent Councilor Funk’s proposal to a software developer who lives in Ouray, and read his feedback on the proposal, citing a few concerns, but stating the project could be done as proposed.

Councilor Funk asked Mr. Perkins if anything he presented changed TAC’s recommendation to City Council. Mr. Perkins said the recommendation does not change. Mr. Van Meter said the reason for recommending BuildFire is because the deployment of the app would be relatively quick versus developing an entire new app.

Ms. Viner reminded Council that not owning intellectual property has been troublesome, legally-speaking, and owning the app would be preferable to her as the attorney.

Mayor Pro Tem Wood made a motion to approve TAC’s recommendation and move forward with BuildFire. Mayor Nelson 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 failed on 2-3 vote.

Councilor Funk made a motion to write a request for qualification to be put out for potential developers to bid, without releasing a dollar amount, moving forward as quickly as possible. Councilor Lindsey 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 3-2 vote.

10. DISCUSSION ITEMS

a. Future Agenda Items:

- Joint Meeting of City Council and Planning Commission on July 8th, 2021 at 1:00 pm (Public Hearing Process & ADUs)
- Mr. Clarke’s evaluation by council executive session on July 16th at 9:00 am

- Work session on STRs on July 19th at 4:00 pm after the regular council meeting

11. ADJOURNMENT

Councilor Boyd made a motion to adjourn at 8:19 pm, Mayor Pro Tem Wood 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 July 6, 2021. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 29th day of July, 2021.



Melissa M. Drake, City Clerk