

July 28, 2020

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

5:30 P.M.

The City Council Regular Session was called to order at 5:30 p.m. on Tuesday, July 28, 2020, in Council Chambers located at 201 W. Virginia Avenue in Gunnison, Colorado, by Mayor Jim Gelwicks. Mayor Pro Tem Jim Miles, City Manager Russ Forrest, Deputy City Clerk Cassie Mason, Community Development Director Anton Sinkewich and Dick Bratton of Gunnison Valley Properties were physically present in Council Chambers. Councilor Mallory Logan, Councilor Diego Plata, Councilor Boe Freeburn, City Attorney Kathy Fogo, Public Works Director David Gardner, City Engineer Cody Tusing, Police Chief Keith Robinson, Finance Director Ben Cowan, and City Clerk Erica Boucher attended remotely. Also in remote attendance were Paul Backes and Yarida Miller of McMahan and Associates, Alex Joyce of Cascadia Partners and Ron Welborn of Gunnison Valley Properties. Two interested residents attended in person. The press and another two interested residents attended remotely. There was a Council quorum.

PUBLIC HEARING

Mayor Gelwicks called the public hearing to order on Tuesday, July 28, 2020, at 5:31 p.m. in Council Chambers located at 201 W. Virginia Avenue in Gunnison, Colorado. Mayor Jim Gelwicks, Mayor Pro Tem Jim Miles, City Manager Russ Forrest, Deputy City Clerk Cassie Mason and Community Development Director Anton Sinkewich were in attendance in Council Chambers. Councilor Mallory Logan, Councilor Diego Plata, Councilor Boe Freeburn, City Clerk Erica Boucher and City Attorney Kathy Fogo attended remotely.

Mayor Gelwicks stated that the purpose of the continued public hearing was to receive input on the merits of a Major Change to a Planned Unit Development application, ZA 20-1, which revises zoning designations and amends the Gunnison Rising PUD Development Standards and Annexation Agreement. He noted that the hearing was a continuation of a properly noticed public hearing, which had been continued by Council on July 14, 2020. Mayor Gelwicks then requested an update from staff.

Community Development Director Sinkewich indicated that, since the last meeting, staff had worked with the Applicant to modify the draft annexation agreement, including correcting names and reference dates, removal of inconsistencies and past actions, the addition of affordable housing, modifications to land dedications, and a new affordable housing eligible area map. The length of the Annexation Agreement had been reduced by nearly half by referencing existing codes and removing items that had already occurred since the previous annexation agreement.

Sinkewich stated that notable items that were discussed at the July 14th meeting were the PUD Standards of the application, the Annexation Agreement, and a Fiscal Impact Analysis. A main discussion point in the Annexation Agreements was in Section 8 regarding the cost sharing statement of intent, in which the City agreed to make good faith efforts to procure seven million dollars in infrastructure financing. Other significant changes were updates to land dedications in Section 6, most notably a 25% flexibility in the overall land dedications by City staff to address needed elements within projects, as well as the opportunity for common agreement between the City and applicants for other reallocations of dedicated land.

Sinkewich stated that the fiscal impact analysis (FIA) had been reviewed by a third party consultant. The consultant did a high-level review of the analysis, which indicated that long-term maintenance and operations solutions need to be developed, especially in relation to road construction and maintenance. Sinkewich noted, however, that maintenance of roads is currently a City-wide issue, not isolated to Gunnison Rising. While a fiscal impact analysis was a requirement for annexation, the City's *Land Development Code* does not require an FIA for a major change to a PUD. As such, staff recommended adding a condition that the Applicant and the City continue to work on the financial plan for public infrastructure, mainly focused on public roads, which may include financing tools available to the parties prior to the development of property. This condition would exclude the government campus, which has already been proposed. This condition had been agreed upon by City staff and the Applicant to ensure the long-term economic sustainability of Gunnison Rising public infrastructure.

Sinkewich then solicited questions from City Council.

Mayor Gelwicks asked if the adoption of the PUD or the Annexation Agreement required the completion of a road development and maintenance plan prior to adoption. Sinkewich responded that it did not. Sinkewich clarified that Gunnison's *Land Development Code* does not have a fiscal impact analysis as a requirement or criteria for approval. City Manager Russ Forrest indicated that the original annexation agreement had the fiscal impact analysis as a component, but that in terms of PUD approval, Council could not approve or deny based on a fiscal impact analysis. He explained that the issue had become a pragmatic discussion based on the City not wanting to dig a deeper hole, particularly in terms of road maintenance. As it stands, the developer is on the hook for public infrastructure, but there could be opportunities to explore additional public financing tools with the Applicant. The Real Estate Transfer fee and the Metropolitan tax could be used as financing tools. Those financing tools will take additional time, which is why staff is suggesting that this be a condition.

Mayor Gelwicks invited Alex Joyce of Cascadia Partners to speak. Alex Joyce stated that they are in support of the PUD and Annexation Agreement and are intending to engage the City in conversations about funding public infrastructure.

Sinkewich indicated that, without further direction from Council, the next steps would be a motion at the next Council meeting to adopt the Annexation Agreement as well as the first reading of an ordinance. This being the first public representation of the completion of the Annexation Agreement and fully updated PUD application, staff would recommend continuing the public hearing to August 11, 2020, which would give a significant amount of time for public review and public comment at the meeting on August 11, 2020.

Gelwicks confirmed that Council would plan to close the public hearing on August 11th prior to Council voting on the updated PUD and Annexation Agreement. August 11, 2020, would be the final opportunity for public comment, although that could change.

Public Input:

Mayor Gelwicks called for citizen input.

Ralph "Butch" Clark, attending remotely, stated that one of the things he thinks should be examined was the cost of infrastructure over the period of development. There had been some discussion about this, but not about how to finance a lot of infrastructure that would be required, such as hospitals and other services that the City provides for residents.

Mayor Gelwicks stated that there are legal questions with the intergovernmental transfers of money and asked if that was something that City Attorney Kathy Fogo could respond to. Fogo stated that she could not speak to that component right now. Financial components of the development would be something that the City would be looking at and working on with the Applicant, primary as stated, being roads, but other services would be part of the discussion moving forward as well.

Mayor Gelwicks called for other comments. There being none, Mayor Gelwicks asked that written correspondence be mailed to the City Clerk's office electronically or by USPS to be read into the record, and indicated that there would be the opportunity for direct participation at the next public hearing, to be announced later.

Councilor Plata expressed his appreciation for Butch Clark's comments and indicated that he would still like to see how the plan for waste is developed, in particular incinerator-type systems that Butch had mentioned at a prior hearing.

Councilor Freeburn also appreciated Butch Clark's comments and stated that he was always concerned about expenses and was glad to hear that the roads were one of the bigger concerns. He stated that Council had talked about developing a City asphalt facility, and that might help with some expenses.

A ten minute recess was held due to technical difficulties with the Zoom meeting connection.

Mayor Gelwicks called the public hearing back to session at 5:59 p.m.

Councilor Logan indicated that she received two phone calls inquiring about what had been discussed at the July 14th hearing. Mayor Gelwicks confirmed that minutes and recordings were available on the website if anybody wished more information or details on the July 14th session or earlier sessions.

Ralph “Butch” Clark stated that there would be a lot of traffic and development on both side of Highway 50 going to the east. He indicated that he thought there should be underpasses similar to the current one near the Pioneer Museum, capable of draining flood water so that people would be able to cross under the road without problems. There should be designs for coping with flash flooding. Additionally, there should be design specifications so that the folks building on lots on the north-side of the blocks running east-west won’t be blocked by the houses to the south. Clark discussed ideas for affordable housing, especially south of highway 50. Clark stated that bike lanes and sidewalks should be on the north side where they get more sun and melt better. Clark observed that there should be management of the flow of traffic on Georgia since construction on Georgia will attract truck diving and that kind of thing. He stated that a possibility for local public transportation could be using aerial trams that have been removed from ski areas.

Mayor Gelwicks thanked Clark and indicated that many of the concepts went beyond the limits of the PUD and need to be considered city-wide.

Hearing no additional final comments the mayor continued the public hearing to 5:30 on Tuesday, August 11, 2020.

Citizen Input:

James O’Connor spoke in regard to Ordinance No. 15, Series 2020. Specifically, O’Connor asked for a change to the ordinance to permit the connection of utilities to an RV parked on a public street for the purpose of keeping RV house batteries charged.

Action Items:

Consent Agenda:

Approval of the July 14, 2020, Regular Session meeting minutes; approval of the July 14, 2020, public hearing meeting minutes; approval to excuse Councilor Freeburn from the July 14, 2020, Regular Session meeting; approval to excuse Councilor Freeburn from the July 14, 2020, public hearing.

Councilor Logan moved and Miles seconded the motion to approve the Consent agenda.

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

Roll call, abstain: Freeburn

Roll call, no: None.

Mayor Gelwicks stated for the record that he was not wearing a mask during the meeting for health reasons.

City of Gunnison 2019 Audited Financial Statements.

Finance Director Ben Cowan introduced Paul Backes, partner with McMahan and Associates, to present the 2019 City of Gunnison audited financial statements and explain the process of the annual audit. Cowan explained that the audit was more involved this year because the City had received more than \$750,000 in federal funds and also difficult because the Finance Department had to scan the documents to send to the auditors.

Paul Backes of McMahan and Associates provided a summary the audit process and explained that the Gunnison’s financial statements are covered by an unmodified opinion, or “clean opinion,” meaning that anybody looking at the financial statements can rely on them to make financial decisions about the City. Backes explained that a “clean opinion” means that the auditors have done the work to verify that the statements accurately portray the financial position of the City of Gunnison.

Backes summarized the management’s discussion and analysis section of the Audited Financials, Section B, which shows financial highlights and the big picture of what is happening with the City’s funds, such as beginning and ending fund balances. Backes stated that Gunnison has healthy fund balance reserves and is financially healthy. He explained that current fund balances include

debt that was issued and that the General Fund balance reflects savings for rollover projects for asphalt.

Backes explained that, in the short term, 2019 was a good year financially and in the long term, he doesn't see anything that would cause problems. Backes continued with a broad overview of other information that could be found within the audited financial statements, such as changes in debt, budget actuals, pension funds, highway user reports, and the schedule of expenditures of federal awards. Backes indicated that the main thing was that the statements are covered by a clean opinion and the numbers look prudent.

With no questions from Council regarding the financial statements, Backes transitioned to the auditor's letter. The letter talks about qualitative aspects of accounting policies. First, there have been no accounting standard changes that impact the City's financial statements. The second part deals with hard to estimate items which include how long fixed assets are going to last, accounts receivable collections, and the ending pension liability. The most critical part, explained Backes, was the audit didn't uncover any journal entry errors. There were no material adjustments, and that should give the Council comfort that the information they are receiving is accurate. There were no disagreements with management in how the audit information was presented.

Looking ahead, Backes indicated that there are new financial accounting standards on leases that are coming out. The accounting standards will no longer differentiate between leasing an asset and taking out a loan for the asset. All those assets will have to be accounted for as debt transactions.

Backes presented several recommendations to tighten the City of Gunnison's internal controls. These recommendations included verifying an excel spreadsheet used by Community Development to calculate building and permit fees, improved accounting of gift certificates and punch cards at the Community Center, and tracking the citation books that are issued to police officers. Finance Director Ben Cowan described the steps that would be taken to implement the recommendations.

Council lauded Finance Director Cowan and Finance Department staff for their work getting the audit done without an extension.

Council asked about a concern raised during the previous year's audit regarding the processing of cash at the Community Center and whether that had been resolved. Backes said that the City had done a good job resolving that, but they had brought up the issue of the gift certificates and punch cards at the Rec Center.

Councilor Logan moved and Miles seconded the motion to accept the City of Gunnison's Audited 2019 Financial Statements as presented July 28, 2020.

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

Roll call, no: None.

Residential Street Traffic Study.

Police Chief Keith Robinson presented a summary of a traffic speed study prepared by the Police Department related to the issue of reducing the speed limit within the City of Gunnison residential districts from 30 miles per hour to 25 miles per hour. Chief Robinson explained that a speed trailer with built-in radar and software had been used to collect the data on average traffic speeds at seven locations in Gunnison with 30 mile per hour zones.

City Engineer Cody Tusing explained that there are four methods recommend by the Manual on Uniform Traffic Design and Control related to speed limits: 85 percentile, average speed, design speed, and pace. Tusing explained that, on a highway, where the natural pace of traffic is the 85 percentile, reducing the speed limit can lead to more passing and tailgating. As such, on a highway, determining the speed limit based on the 85 percentile makes sense. Within a city collection or distribution zone, average speed is actually more appropriate.

In terms of speed reduction and pedestrian safety, City Engineer Tusing stated that essentially every study conducted showed dramatic decreases in fatalities and extreme injuries with reduced speed. According to one National Highway Transportation Safety Administration study, the chance of severe injury decreases from 50% to 25% when speed is reduced from 31 mph to 23

mph. The chance of fatal injury goes down from 25% to 10% at those two speeds. Below 25 mph, the reductions in fatal and severe injuries flatten out.

Regarding the design of the speed study, Council asked how many vehicles were counted at each location included in the traffic speed study. Chief Robinson indicated that information was available, but he would need to figure out how to pull that information from the system. Regarding the cost of signage, Chief Robinson affirmed that the cost of 20 mph signs would be the same as 25 mph signs and also indicated that the actual price of the signs would be lower than \$37,500 figure included in the Council's memo. Chief Robinson indicated that he is researching different types of sign bases and that a less expensive base would drop the price by \$200 per base or more.

Chief Robinson indicated that "unless otherwise posted" signs placed on highways at each entrance to the City, on their own, would not provide a solid basis for speed limit enforcement in town. Based on state statute regarding signage on intersections, a speed limit sign would be needed on every street coming off the highways for solid enforcement. Since the prima facie residential speed limit is 30 miles per hour, anything above or below that needs to be posted in order to have a solid case in court, stated Chief Robinson.

Council discussed the potential effectiveness of placing signs coming into the City together with a limited number of signs on inner residential streets that don't have stop signs, storm drains, or other features to slow traffic, in order to curb costs. Chief Robinson and City Attorney Fogo stated that placing signs on all the intersecting streets coming off the highway would create a "web" that would cover all streets behind the signs, and that this would educate drivers and aid enforcement and prosecution. Fogo stated that she did not think that a "25 mph unless otherwise posted within City limits" was completely unenforceable, but that drivers might not know where city limits are and that it is important to notify drivers of speed limit changes where they occur to educate drivers and make enforcement easier.

Chief Robinson indicated that he would verify prices and explore available funding sources, and indicated that implementation of the new speed limits could be phased in based on installation and would likely target high traffic areas first. Fogo confirmed that the ordinance could go into effect at a future date rather than immediately upon adoption.

Councilors requested a broad information campaign related to any speed limit change through social media and by word of mouth.

Councilors discussed the merits of reducing the speed limit to 20 mph instead of 25 mph, given the data regarding reducing rates of serious injuries and fatalities, the tendency for drivers to travel 5 mph over the posted speed, economic benefits derived from slower traffic, and public feedback that "twenty is plenty." Questions were raised about whether other university or resort communities have set speed limits at 20 mph. Council discussed enforcement issues, especially related to visitors, students and part-time residents.

City staff clarified that Highway 150 and Highway 135 are under CDOT's jurisdiction and the State will set speed limits based on the 85th percentile, which is something that is written into CDOT's statutes. Staff indicated that in order to reduce highway speed limits, the City would need to invest in naturally slowing traffic down, then conduct a new traffic study to determine if the 85th percentile had been reduced.

Council requested confirmation from City Attorney Fogo that setting the residential speed limit at 25 mph would not negate the ability to set different speed limits in special zones, such as school zones. Fogo confirmed this, and indicated that the discussion was to decide the desired speed for City streets in general.

City Engineer Tusing noted that a multi-pronged approach that included engineering controls around intersections would also help with street safety – improving parking distance away from intersections, crosswalk paint, and site visibility triangles.

Council reached a consensus to direct staff to draft an ordinance to reduce residential speed limits to 25 mph, with an option to set slower speed limits in school zones, along the City's Safe Routes to School and other special areas. Council requested an opportunity to hear public feedback on the

speed ordinance and indicated that could take place on the same night as the first reading of the ordinance.

Without further comment, Mayor Gelwicks called a 10 minute recess at 7:50.

Mayor Gelwicks called the meeting back to session at 8:02.

COVID-19 Update.

City Manager Russ Forrest gave an update on COVID initiatives, including enforcement efforts by the Police Department, downtown parklets, mask distribution by the City, and the One Valley Leadership's Council's mid-term economic recovery plan. Mayor Pro Tem Miles asked if rental assistance would be available to individuals who had already received some assistance. The City Manager indicated that wasn't listed as a funding area of need, as far as he had heard. Childcare had emerged as a very fragile industry. Finance Director Ben Cowan indicated that HHS has \$10,000 for utilities that needs to be spent before the end of September, so the Finance Department was sending folks in need to HHS for assistance.

Mayor Gelwicks provided a summary of COVID research developments and updates. Mayor Gelwicks indicated that he planned to write a letter to the publications of the Valley related to COVID efforts and he requested input from the Councilors if they wanted anything included.

Finance Department Semi-Annual Report.

Finance Director Ben Cowan presented his semi-annual report of the department.

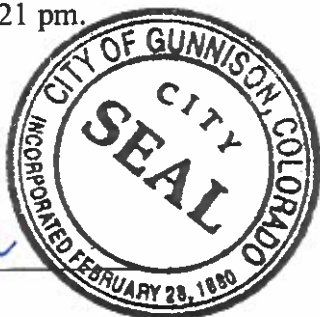
Reports.

Staff gave brief reports. Council gave brief reports. Mayor Gelwicks requested an update on plans for Community Center youth programming in the fall. Freeburn indicated that he'd like to further investigate the idea of electric charging stations. Mayor Pro Tem Miles requested that the Council consider providing funds for the Cattleman's Days Rodeo. Related to COVID, Mayor Pro Tem Miles requested that Council keep communication civil, not call out particular individuals or businesses, and go through the proper channels to deal with concerns.

With no further business for the Regular Session, Mayor Gelwicks adjourned the Regular Session meeting at 9:21 pm.

Attest:

E. Boucher
City Clerk



Jim Gelwicks
Mayor