

**Ouray City Council Regular Meeting  
Summarized Minutes  
Monday, August 6, 2018 at 6:00pm  
Massard Auditorium – Ouray Community Center**

**1. CALL TO ORDER**

Mayor Larson called the meeting to order at 6:02 p.m.

**2. ROLL CALL**

Mayor Pam Larson - Present  
Mayor Pro Tem Glenn Boyd - Present  
Council member Dawn Glanc – Excused  
Council member Dee Hilton - Present  
Council member Bette Maurer – Present

Also present were City Administrator Katie Sickles, Public Works Director Joe Coleman, Police Chief Justin Perry, Community Development Coordinator Chris Hawkins, Finance and Administration Director Melissa Drake, and City Attorney David Masters

**3. THE PLEDGE OF ALLEGIANCE WAS RECITED**

**4. APPROVAL OF AGENDA – Move or remove items or address conflict of interest**

Council member Maurer stated that she will recuse herself from the action item regarding the Elks Club.

Mayor Pro Tem Boyd made a motion to approve the agenda. Council member Hilton seconded the motion and it was approved on unanimous vote.

**5. APPROVAL OF MINUTES**

**a. July 2, 2018**

Mayor Larson asked if there were any changes. There were none. She stated that the minutes stand approved.

**b. July 16, 2018**

Mayor Larson asked if there were any changes. There were none. She stated that the minutes stand approved.

**c. July 30, 2018**

Mayor Larson asked if there were any changes. There were none. She stated that the minutes stand approved.

Mayor Pro Tem Boyd and Council member Hilton thanked Melissa Drake for her work on the minutes.

**6. CITIZENS' COMMUNICATION**

**a. Response to July Citizens' Communication**

Mayor Larson read a letter which was sent to Roland Hinkson regarding his requests concerning pool access for the Polar Bear Club. She confirmed with Council that the letter was appropriate.

**b. Unscheduled**

Sabrina Flores, Acting District Ranger for Ouray Ranger District gave an update on some US Forest Service activities within the Ranger District.

**7. CITY COUNCIL REPORTS/INFORMATION**

- a. Bette Maurer** – attended a Region 10 meeting and Ben Tisdell reported on a Gallagher Committee
- b. Dee Hilton** – Beautification Committee is working on budget requests and there will be a PARC Meeting next week
- c. Glenn Boyd** – the Community Master Plan in progress
- d. Pam Larson** – citizens have been calling her about not being able to use the County's ballot box and it may be moved near City Hall before the election in November

**8. DEPARTMENT REPORTS**

**a. City Administrator**

Ms. Sickles stated that she attended a CML session focused on the idea that there are "wicked problems, not wicked people." She asked everyone to keep this in mind while we all deal with issues.

She also stated that an IPAT meeting was held in July.

**b. Police Chief**

Police Chief Justin Perry noted that National Night Out is tomorrow from 5pm to 7pm at Fellin Park. He also stated that this will be the 35<sup>th</sup> anniversary of Community Policing.

The Sneffels Race will be held on Saturday and there will be a road closure on Main Street.

**c. Public Works Director**

**i. Wastewater Treatment Lagoon Aerators**

Joe Coleman stated that all 6 aerators arrived today and 2 were installed. Installation will continue tomorrow.

**ii. Enzyme Application**

Enzymes are being added daily and continues now.

Mr. Coleman stated that the pool discharge has been off the lagoon since July 26<sup>th</sup> and the color of the lagoon has changed which may be a good sign.

Benny Ellis presented a document to Council regarding a timeline of the wastewater treatment lagoon problems. He recommended a moratorium on all sewer permits until a solution is in place.

Jeanette Quay echoed the comments of Benny Ellis and asked for a moratorium on new development.

David Moore, resident of Whispering Pines, spoke about the smell of the lagoons and demanded that the Council do something about it.

Vivian Pilkington spoke about her research regarding wastewater treatment lagoons.

**d. City Resources Director**

Director Rick Noll stated that attendance is down by about 4% at the pool and Box Canon which he believes is due to fires and road closures. He also stated that the Hot Springs Pool has been recognized by Aquatics International as a dream design.

**9. COMMUNITY ORGANIZATIONAL REPORTS**

None

**10. CONSENT AGENDA**

None

## 11. ACTION ITEMS

### a. **Special Event Permit Application – Elks Lodge #492, Pig Roast August 11**

Council member Maurer recused herself from this item since her name is on the application.

Mayor Pro Tem Boyd made a motion to approve the application. Council member Hilton seconded the motion and it passed on unanimous vote.

Council member Maurer rejoined the meeting

### b. **Proclamation National Night Out August 7, 2018**

Mayor Larson read the proclamation

Council member Maurer made a motion to approve the proclamation. Council member Hilton seconded the motion and it was approved on unanimous vote.

### c. **Hot Springs Pool Pass/Entrance**

#### i. **Daily Winter Discount Structure based on pools at advertised temps**

Mayor Larson stated that this just makes official what has been practice at the pool.

Mayor Pro Tem Boyd made a motion to approve the discount structure. Council member Hilton seconded the motion and it was approved on unanimous vote.

#### ii. **Winter Hours Starting mid-August with exception to Labor Day weekend**

Council member Maurer made a motion to approve the winter hours with review again in 2019. Council member Hilton seconded the motion.

The Council discussed this with Tom Kavanaugh and Administrator Sickles

John Wood stated that revenues for the pool seem low compared to budget. He suggested that pool prices should increase. Mr. Kavanaugh stated that June, July, and August constitute 2/3 of the annual revenue for the pool and since we are only seeing financial information through July, we cannot yet determine that.

Chad Leaver suggested a temporary agency in Montrose to fill lifeguard positions. Pool Manager Kavanaugh stated that the number one success for employment of lifeguards is word of mouth through existing lifeguards and following up on that.

The motion was approved unanimously.

**iii. Youth increased to age 17**

Council member Maurer made a motion to approve the change. Council member Hilton seconded the motion and the Council discussed this with Mr. Kavanaugh. The motion passed on unanimous vote.

**iv. Local Rates to include Ouray County residents**

Mr. Kavanaugh stated that the proposal is to extend the local resident membership discount to all of Ouray County. The Council discussed this with Mr. Kavanaugh, Ms. Sickles, and Mr. Noll.

Council member Hilton made a motion to keep the discount within the 81427 zip code. Mayor Pro Tem Boyd seconded the motion and it passed on unanimous vote.

**v. Corporate Membership (First Responder 40% is not affected by Corporate Memberships)**

The Council discussed this item with Ms. Sickles and Mr. Kavanaugh.

Council member Maurer made a motion to approve a corporate membership. Mayor Pro Tem Boyd seconded the motion and requested that the issue be revisited in a year.

The motion passed on a vote of 3 to 1 with Council member Hilton voting "No."

**i. Pass holder rates**

Mr. Kavanaugh stated that the pass would include the whole facility, not separating the pool and gym. The Council discussed this with him.

John Nixon spoke against having to pay more to include the gym when he never uses the gym. Ms. Sickles and Mr. Kavanaugh explained the difficulties and complexities of offering so many options and a new option to purchase a membership online.

Wendy Bazin asked if there will be a monitor for the gym. Mr. Kavanaugh stated that there are cameras and users can report problems.

Laszlo Kubinyi spoke against combining gym and pool memberships. Mr. Kavanaugh stated that nationally, gym usage drops off dramatically after about 3 months of membership.

The Council further discussed.

John Wood stated that gym users who do not use the pool will not buy a combination pass since it will be so much more expensive.

Council requested staff to develop 2 new rate structures: keeping gym and pool separate and showing a full change in January of 2019 and showing a phased approach.

**d. PSA – SGM Inc. Hot Water Infrastructure Improvements**

City Resources Director Rick Noll explained previous work done by SGM. They did a study of hot springs sources for the old pool. This proposal is to take the old data and complete a new study comparing costs/benefits of enhancing hot springs sources vs. a boiler system for the new pool configuration.

John Nixon asked if SGM was involved on the pool renovation. Mr. Noll said their data was used but they did not do any of the analysis.

Karen Risch said that using the natural hot springs is better than using carbon based fuels to heat water with a boiler.

Michael Bazin stated that the Manganese Mine Hot Spring has not been utilized by the City but is available.

Council member Hilton made a motion to approve the PSA with SGM. Mayor Pro Tem Boyd seconded the motion and it was approved on a vote of 3 to 1 with Council member Maurer voting "No."

**12. RESOLUTIONS, ORDINANCES, IGAS, OR OTHER OFFICIAL LOCAL GOVERNMENT APPROVALS**

**a. Resolution No. 12, 2018 – Perimeter Trail withdrawal of boundary adjustment and verify ownership interest**

Mayor Larson stated that Council has received a lot of criticism from the community believing that the Council does not support the Ouray Trail Group (OTG). That is not the case. She stated that the stairs are on private property and the Forest Service has stated that they must be removed.

Mayor Larson stated that the City Council has been put in a bad situation. Things like the wastewater treatment plant are more important than the stairs. She confirmed with Council that they agree with her statement. She proposed that the City take responsibility/ownership of the property where the stairs are located when the following conditions are met:

- Paul Chesley agrees to the transfer
- Paul Chesley and the Forest Service agree to the addition of a new trail from the top of the stairs to the Twin Peaks Trail
- There is a completed Forest Service permit for the new trail from the top of the stairs to the Twin Peaks Trail and from the bottom of the stairs

- The trail is upgraded from the tunnel to Pine Crest Road
- Resolution and completion of safety issues of rock fall protection for the High Bridge and Tunnel Trail
- Assist in the protection of the Box Canon Sign
- Provide signage at the top and the tunnel warning hikers of the difficulty on the stair section of the trail
- All conditions are met by December 31, 2019

The Council stated their support of the Mayor's message and possible solution and suggested that CIRSA approval should also be included.

Bob Risch, representing the Trail Group, stated that the OTG will have to discuss this at the next meeting but he likes the proposal. He asked that the City join the OTG in requesting a 2 month delay in the Forest Service's deadline.

Sabrina Flores, acting US Forest Service District Ranger, stated that it is questionable as to whether or not the conditions can be met. She stated that removing the stairs may be more productive. She stated that it may be possible to reimburse the OTG for removing the stairs. She stated that the success of the stairs does not mean the success of the Perimeter Trail. It is very successful without the stairs. She stated that agreements could be years in the future.

Mayor Larson asked if more time could be allowed for discussion. Ms. Flores stated yes, but it would take more time to negotiate to remove the stairs.

Karen Risch stated that she was president of the OTG in 2007-2008 when they worked with the City to start the Perimeter Trail. She stated that the Acting District Ranger should not have the right to scrap the project.

Administrator Sickles stated that she has hiked the Perimeter Trail and Tammy Randall Parker also told her that the stairs would have to come down. She stated that the stairs were built on private property.

Jenny Hart thanked Mayor Larson for her positive proposal and asked everyone to work together.

John Sullivan asked if the stairs are in the City. The answer was no, they are in the County.

The Council discussed.

Ms. Flores stated that a November 1 extension is most likely possible. She also stated that actual letters of support from the City and Mr. Chesley (the property owner) are needed. She also stated that the Forest Service's request would be that the City take over the entire trail.

Council member Hilton made a motion to extend this item to November 1, 2018. Mayor Pro Tem Boyd seconded the motion and it passed on unanimous vote.

**b. Resolution No. 13, 2018 – Refer Lodging and Occupation Tax (LOT) Ballot Question to the November 6, 2018 Coordinated Election**

Mayor Larson stated that this ballot question would change LOT to a percentage instead of a flat fee. Ms. Sickles stated that it also adds maintenance of capital improvements from the Beautification Fund.

The Council discussed these potential changes.

Mayor Pro Tem Boyd stated that the citizens should make the decision on this issue.

Sabrina Butler, chair of the Beautification Committee, spoke with the Council and Administrator Sickles to clarify the changes.

John Nixon stated that he was an original member of the Beautification Committee. He said there is much maintenance within the City that needs to be done.

Mayor Pro Tem Boyd made a motion to approve the resolution as presented in the packet. Council member Hilton seconded the motion. Council member Maurer stated that she will not vote yes because it changes LOT to a percentage.

The motion passed 3 to 1 with Council member Maurer voting “No.”

**13. DISCUSSION**

**a. Review of Box Canon Sign Drafted Operating Agreement**

Mayor Larson said that we requested a maintenance agreement but it has not been received.

Louis Fogelman, representing 5 Guys and a Sign, stated that the restoration and maintenance is governed by the State Historic Society. He said that they modified the hours to be 8:30pm to 10:30pm. He asked if different times should be considered seasonally.

Jeff Skoloda stated that he does not want the sign lit at any time.

**b. OCRA (OTO) Marketing Agreement – Recommendation for modifications**

Ms. Sickles stated that the Marketing Agreement is the only agreement with OCRA (OTO) relating to LOT funds. Larson stated that the City is responsible for LOT funds, not for other funds they receive or spend.



Council member Maurer stated that there is much confusion over the change from OCRA (Ouray Chamber Resort Association) to OTO (Ouray Tourism Office).

Chad Leaver stated that he and others are also confused. He gave the Council revised information on his research regarding OCRA financials. He stated that his involvement started with a newspaper article where the Executive Director was quoted as saying that they were about to be insolvent. He asked the Council to control the LOT. He also asked why an RFP would take 18 months. Mayor Larson stated that staff does not have the expertise to develop the RFP.

John Wood, CEDC Chair, stated that he agrees that the financial shortfalls must end but he stated that a percentage makes much more sense than the flat tax. The flat tax was 1970s-80s mentality. He stated that the revised tax should be 2.5% and also include tables, not just beds.

Michael Bazin stated the Chamber has a vital role in the City with the Visitors' Center.

The Council had further discussion on this topic with Mr. Leaver, Mr. Wood, Ms. Sickles, other citizens, Chris Hinkson (OTO Board President), and Kat Papenbrock (OTO Executive Director).

**c. CEDC Responsibility for Economic Development**

John Wood stated that the CEDC can only advise and has no budget. He believes that a downtown development authority should be formed.

**d. 2019 Pre-Budget Work Session and Strategic Plan**

Sickles stated that there are several conflicts with the September 17<sup>th</sup> meeting.

**14. ADJOURNMENT**

At 9:11pm, Mayor Pro Tem Boyd made a motion to adjourn the meeting. Council member Hilton seconded the motion and it was approved on unanimous vote.

Pamela J. Larson 9-4-18  
Pamela J. Larson, Mayor Date

ATTEST:  
Melissa M. Drake  
Melissa M. Drake, City Clerk