

CITY COUNCIL
REGULAR MEETING
TUESDAY, JULY 27, 2021

1. The meeting was called to order in the City Council Chambers at 7:30 p.m., with the Pledge of Allegiance. Councilmembers present included Mayor Mike Lavey, Robert Dobry, Matthew Keefauver, Orly Lucero, Mayor Pro-tem Rachel Medina, David Rainey, and Arlina Yazzie. Staff present included Director of Finance Kelly Koskie, Detective Lieutenant Ryan Loyd, Director of Public Works Phil Johnson, Associate Planner Neva Connolly, City Clerk Linda Smith, City Manager Drew Sanders, and City Attorney Mike Green. There were nine people present in the audience.

2. The Consent Agenda items acted upon by Council were as follows:
 - a. Approval of the Worksession and Regular Meeting Minutes of July 13, 2021.

 - b. Approval of the payment of the Expenditure Vouchers of July 27, 2021.

 - c. Approval of a renewal Hotel and Restaurant Liquor License for Ocean Pearl Cortez LLC, DBA Ocean Pearl Chinese Restaurant, located at 300 East Main Street, Cortez.

 - d. Approval of a renewal Hotel and Restaurant Liquor License for Thai Cortez LLC, DBA Thai Cortez, located at 1430 East Main Street, Suites 1, 2, and 3, Cortez.

 - e. Approval of a Permanent Modification of Premises for Wildedge Brewing Collective, LLC, DBA Wildedge Brewing Collective, located at 111 North Market Street, Cortez.

 - f. Approval of a renewal Retail Marijuana Store for NuVue Pharma LLC, to be located at 503 Patton Street, Cortez.

 - g. Approval of a Modification of Premises for Mountain Annie's LLC, DBA Medicine Man of Cortez, located at 310 East Main Street, Cortez.

 - h. Approval of a Special Event Permit for the Cortez Area Chamber of Commerce to host the Business After Hours on Thursday, August 5, 2021, from 4:00 p.m. to 8:00 p.m., at the FB Organics and Run + Hike, located at 1 West Main Street, Cortez.

 - i. Approval of the June Financial Report.

City Attorney Green stated that, as part of the Cortez Area Chamber of Commerce Special Event Permit, a Temporary Outdoor Dining Agreement and a Certificate of Insurance has been executed and signed for the use of the sidewalk area outside the businesses. He stated that all the documents are in place and will be included with the event paperwork. Councilmember Dobry asked that the June Financial Report (2i) be removed from the Consent Agenda for a brief report by the Finance Director. Councilmember Dobry moved that the Consent Agenda be approved with the removal of

2i. Councilmember Rainey seconded the motion, and the vote was as follows:

Dobry	Keefauver	Lavey	Lucero	Medina	Rainey	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

Director of Finance Koskie gave a report on the June Financial Statement explaining how the document is formatted and noting that revenues and expenditures are highlighted at the top of each page. She stated that the information includes what has been spent by each of the departments through June 2021. She noted that the City has received half of the funding from the American Rescue Fund and the City will receive the other half of the funding in 2022. She noted that the June Financial Statement is available for the public to view on the City's website and/or a copy can be obtained through the Finance Department at City Hall. Councilmember Dobry moved that the June Financial Report be approved. Councilmember Yazzie seconded the motion, and the vote was as follows:

Dobry	Keefauver	Lavey	Lucero	Medina	Rainey	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

3. CITIZEN PARTICIPATION

a. Code of Ethics. Lynette Ward, Cortez, Colorado, spoke about the Council code of ethics and commented that Council should treat other Councilmembers and the public with respect. She spoke about comments made on social media and stated that the public needs to have trust in the City Council.

b. Harassment. Mindy Nelson, Road N, spoke about a person that is parked by the Police Department harassing people as they drive/walk by. She asked that something be done to address the issue before something happens.

c. Food Trucks. Julie Periman, 5258 Road 24.5, representing the Farmer's Market, asked that the food truck issue be readdressed. She stated that food trucks would be a good draw to the downtown area and that the Farmer's Market would like to have a food truck at the event held on Saturdays; however, the current regulations do not allow for that due to the location of the Farmer's Market on Main Street.

d. Local Business Support. Colton Black, representing the Cortez Area Chamber of Commerce, 25 North Market Street, spoke about a grant program offered through the Department of Local Affairs (DOLA) that could be used for local businesses to help them with façade improvements and energy efficient upgrades. He stated that he would like the City to participate in the program and that a Downtown Business Stakeholders meeting will be held on Tuesday, August 3, 2021, noon to 1:00 p.m., at FB Organics should anyone like to attend.

4. PRESENTATIONS – None.

5. PUBLIC HEARING

a. Ordinance No. 1290, Series 2021. Director of Finance Koskie stated that Ordinance No. 1290, Series 2021, amends the 2021 Budget adopted in Ordinance No. 1280, Series 2020. She stated that when the 2021 budget was completed there were items that were uncertain regarding revenue projections. She stated that more revenue is being received than was projected and staff is requesting that the expenditures be added back into the 2021 budget that had been cut. She noted that the citizens expect the same level of services that have been provided in the past and with the reset of the budget, it would allow for the same services to continue. In answer to a question from Councilmember Keefauver, Director of Finance Koskie stated that the City has a contract with Mesa Verde Country which outlines how they receive their funding and that process continues to be followed. City Manager Sanders added that Mesa Verde Country is on track with receiving funding as was projected for the year. Mayor Lavey opened the public hearing; however, no one spoke and the hearing was closed.

Councilmember Keefauver moved that Council approve on second and final reading Ordinance No. 1290, Series 2021, amending the 2021 Budget adopted in Ordinance No. 1280, Series 2020. Councilmember Rainey seconded the motion, and the vote was as follows:

Dobry	Keefauver	Lavey	Lucero	Medina	Rainey	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

6. UNFINISHED BUSINESS – None.

7. NEW BUSINESS

a. Request for Council Direction Regarding Possible Marijuana Tax Increase. City Manager Sanders stated that Council has had discussion over the past few weeks about the possibility of increasing the marijuana tax. He stated that Council and staff held a meeting with the marijuana retailers on July 8, 2021, to receive information on the marijuana tax and staff is asking Council how they would like to proceed on the issue. Councilmember Yazzie stated that she had invited members of the CTC (Communities that Care) Coalition to attend the meeting held on July 8, 2021, the group has an interest in the tax increase which could be used to help with youth substance prevention. She stated that it has been shown that a tax on tobacco products helps with prevention of use and the group would like to make a presentation to Council on substance use prevention. Councilmember Lucero and Councilmember Yazzie spoke about earmarking the marijuana tax for education as well as substance use prevention. Councilmember Dobry stated that information received at the meeting on the potential effects that an additional tax may have on the industry, such as the issues with the surrounding states legalizing marijuana, and knowing of the amount of tax that the City is already receiving, he commented that he would not support an additional tax at this time. He commented that if the City would like to have more youth prevention, the City could earmark some of the State marijuana tax already being received for that purpose. Councilmember Keefauver agreed with Councilmember Dobry’s comments and added that it wouldn’t be prudent to increase the tax at this time due to the amount that the industry is already paying. Mayor Lavey stated that he does not feel it is wise to increase the tax at this time. Mayor Pro-tem Medina stated that she does not support the tax increase any more. Discussion was held on the alternatives regarding the marijuana tax and City Manager Sanders suggested that Council could have a presentation regarding substance prevention and funding for that program could be discussed during

the budget process.

Councilmember Keefauver moved that Council direct staff to not move forward at this time on a marijuana tax increase with the possibility of revisiting the issue in the future. Councilmember Rainey seconded the motion, and the vote was as follows:

Dobry	Keefauver	Lavey	Lucero	Medina	Rainey	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

b. Resolution No. 19, Series 2021. Councilmember Lucero asked if he needed to recuse himself due to the title of the project (Empire Electric North Broadway Subdivision) and City Attorney Green noted that Empire Electric is not involved in the request; therefore, Councilmember Lucero did not recuse himself. Associate Planner Connolly stated that Resolution No. 19, Series 2021, approves an amended plat of Empire Electric North Broadway Subdivision. She stated the applicants (RC Southwest Development and Bed Roc, LLC) have requested the plat amendment of Lot 2 of the Empire Electric North Broadway Subdivision, noting that Lot 2 is located at 761 North Broadway and is approximately 4.55 acres in size. She stated that the applicants would like to split the existing lot into two lots at the City/County boundary. Lot 2A would be 2.45 acres entirely within the City limits and proposed Lot 2B would be 3.05 acres and is located within the County. Associate Planner Connolly noted that the existing building on Lot 2A borders the City/County line and would not meet City setbacks from the new property line. The proposed plat would include a 10-foot “no build and maintenance” easement on Lot 2B for the western portion of the building that would meet building code fire requirements and allow for future maintenance of the building. It was noted that access to Lot 2A would remain off of Broadway, through an existing access easement on Lot 1, and Lot 2B will have access from the same location. Associate Planner Connolly stated that there are several major underground transmission lines that run through Lot 2B and staff has been working with Ernie Maness and Empire Electric for the appropriate easements. In answer to a question from Mayor Pro-tem Medina, Associate Planner Connolly stated that a variance is not needed as the 10-foot no building statement would be sufficient for the project.

Councilmember Yazzie moved that Council approve the Amended Plat of the Empire Electric North Broadway Subdivision through Council Resolution No. 19, Series 2021, with four conditions. Councilmember Dobry seconded the motion, and the vote was as follows:

Dobry	Keefauver	Lavey	Lucero	Medina	Rainey	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

8. DRAFT RESOLUTION/ORDINANCES - None
9. CITIZEN PARTICIPATION – None.
10. OTHER ITEMS OF BUSINESS – None.
11. CITY ATTORNEY’S REPORT – None.
12. CITY MANAGER’S REPORT

a. Library Director/Finance Audits/American Red Cross Partnership. City Manager Sanders stated that Isabella Sharpsteen has been chosen as the new Library Director and noted that she has hit the ground running. He stated that the 2017 audit is still in the hands of the auditing firm as they are working on final review and inclusion of the embezzlement disclosure clause. He noted that the material for the 2018 audit has been submitted and testing will begin soon. Also, the 2019 audit paperwork is being compiled. City Manager Sanders thanked the Finance team for their hard work and dedication through the process. He also noted that the City has entered into a partnership with the American Red Cross to use the Recreation Center as an emergency shelter. He thanked Lori Johnson (City Emergency Management Coordinator) for handling all the details. He stated that the work stems from the Emergency Management Training that was held with the County and attended by several Councilmembers and himself.

13. CITY COUNCIL COMMITTEE REPORTS

a. Mayor's Report on Workshop. Mayor Lavey reported that Council interviewed three applicants interested in serving on the Planning and Zoning Commission. It was noted that appointment will be made at the August 10, 2021, Council meeting. City Planner Hughes reviewed the City's Master Street Plan and the process for its adoption. Mayor Lavey stated that introductions were made of 12 lifeguards.

b. Golf Advisory Board. Councilmember Yazzie stated that discussion at the Golf Advisory Board meeting included information on the revenue which is better than 2019 and the time period for irrigation water which has been extended for another two weeks. She stated that the golf course is looking good with what limited resources they have with water.

c. Free Gun Locks/Locking Boxes. Councilmember Yazzie stated that there are free gun locks and locking boxes available at the County Public Health Department. She commented that if anyone is experiencing depression or around someone that is at risk, the lock boxes can help store prescriptions or firearms safely. She asked that everyone spread the word on the free gun locks/locking boxes availability.

d. Cortez Cultural Center/Public Arts Commission. Councilmember Rainey stated that he has attended both the Cortez Cultural Center and Public Arts Commission meetings and both have several projects underway including the renovation at the Cortez Cultural Center building.

e. Mesa Verde County. Councilmember Keefauver stated that he and Mayor Pro-tem Medina attended two Mesa Verde Country board meetings. He stated that the regular meeting included information on the hotels which continue to remain pretty full; however, the downside is finding people to work in the service industry. He stated that the second meeting was with Mr. Black from the Cortez Area Chamber of Commerce which included discussion on how the Chamber and Mesa Verde Country can help one another.

The regular meeting was adjourned at 8:20 p.m.

Michael J. Lavey, Mayor

ATTEST:

Linda L. Smith, City Clerk