

CITY COUNCIL
REGULAR MEETING
TUESDAY, JANUARY 14, 2020

1. The meeting was called to order at 7:30 p.m., and was opened with the Pledge of Allegiance. Councilmembers present were Mayor Karen Sheek, Mayor Pro-tem Orly Lucero, Sue Betts, Ty Keel, and Mike Lavey. Councilmember Gary Noyes was absent. Staff members present were Interim Chief of Police Andy Brock, Director of General Services Rick Smith, Associate Planner Neva Connolly, Management Intern Peyton Heitzman, City Clerk Linda Smith, City Manager John Dougherty, and City Attorney Mike Green. There were over 50 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 December 10, 2019.
 - b. Approval of the payment of the Expenditure Vouchers of January 14, 2020.
 - c. Approval of a renewal Hotel and Restaurant Liquor License for El Burro Pancho LLC, DBA Gustavo's Authentic Mexican Restaurant and Bar, located at 125 East Main Street #A, Cortez.
 - d. Approval of a renewal Fermented Malt Beverage Liquor License for Safeway Store Forty Six Inc., DBA Safeway Store #1892, located at 1580 East Main Street, Cortez.
 - e. Approval of a renewal Hotel and Restaurant Liquor License for Hong Kong Chinese Restaurant Inc., DBA Hong Kong Chinese Restaurant, located at 332 West Main Street, Cortez.
 - f. Approval of a renewal Hotel and Restaurant Liquor License for Rodgers Inc., DBA Shiloh Steakhouse, located at 5 Veach Street, Cortez.
 - g. Approval of a Special Event Permit for the Cortez Area Chamber of Commerce to host a 'Business After Hours' event on Thursday, January 23, 2020, from 4:00 p.m. to 7:00 p.m., at Southwest Health System, Inc., located at 1311 North Mildred Road, Cortez.

Councilmember Keel moved that the Consent Agenda be approved with the additional expenditure vouchers of \$1,885.08. Mayor Pro-tem Lucero seconded the motion, and the vote was as follows:

Betts	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	absent	Yes

3. PRESENTATIONS – None.
4. CITIZEN PARTICIPATION
 - a. Comments on the Land Use Code. Comments were received from the following citizens regarding their concerns with the proposed Land Use Code: Charles Jeter, County Road 25; Ed

Rice, 27980 Road M; Elizabeth Berger, 11493 Road 29; Bonnie Leighton, 816 Arbor Street; Don Kirks, 9 West 2nd Street; Jody Henley, 255 West 4th Street; Sherri Noyes, 25300 Road 20; Joe Gray, 714 Hartman Road; David Waters, 16415 Road 21.4; Mr. Gallegos, 827 Arrowhead Lane; and Sherri Romero, 864 Riverside (Mancos). Many of the concerns were in regard to transparency/public input, ambiguous/confusing language, business/residential regulations, undo burden on small businesses, landscaping/signage requirements, opportunity for misinterpretation of the language, babysitting rules, graffiti concerns, and unreasonable fines. Many citizens recommended that Council vote no on the proposed code and that a new outreach program begin for the community to review the Land Use Code and make it better for everyone. Many citizens offered to serve on a committee, including the Board of Realtors, to complete research on the code.

b. Thanks to the Veterans. Loris Stone, Road L, thanked the veterans for their service and commented on her concern for graffiti in the community.

c. Comment on Facebook. Ray Goodall, 405 North Henry, spoke about his concern with a Facebook post regarding Veterans Park. He spoke about his service and the many veterans that live in the community and that he was offended by the Facebook comment made by Lance McDaniel and asked for an apology. Rebecca Levy, 319 West Montezuma Avenue, spoke about her role in the Facebook stream and expressed how sorry she was for the comments. She noted that it was not meant to harm anyone and everyone regrets all of the comments made. She noted that she honors all veterans and that Mr. McDaniel does as well and that the hatred needs to stop. Mayor Sheek and Councilmember Lavey spoke about Facebook and how social media can be misconstrued which is a lesson for everyone.

5. PUBLIC HEARINGS

a. QUASI-JUDICIAL ITEM – New Retail Liquor Store License for Paragon business Investments, LLC, DBA The Cellar. Mayor Sheek noted the review of a new Retail Liquor Store license is a Quasi-Judicial item and asked if any Councilmember has spoken with anyone on the item, to disclose their discussion for the record; however, no one spoke. City Attorney Green stated that an application has been filed in the City Clerk's office for a new Retail Liquor Store License for Paragon Business Investments, LLC, DBA The Cellar, to be located at 2410 Fairway Drive, Suite B, Cortez. Interim Chief of Police Brock was sworn in and presented his report on his investigation of the applicants requesting a Retail Liquor Store license at 2410 Fairway Drive, Suite B. He stated that the application is submitted by Paragon Business Investments, owners Rodney Lloyd Jr. and Marjana Lloyd, and that the poll of the surrounding neighborhood shows that 30 people were in favor of granting the license and zero were against. He stated that the location complies with the Colorado Liquor Code Rules and Regulations and the location does not create any known public safety issues or endanger public health. In answer to a question from City Attorney Green, he stated that an employee of the Police Department had circulated the petitions and he submitted the original report for the record.

Marjana Lloyd, co-owner of Paragon Business Investments, LLC, submitted a petition which she had circulated in support of the liquor license approval. She stated that her husband and her would like to open a small boutique liquor store next to their convenience store at 2410 Fairway Drive. She stated that they would sell specialty wines and liquors and hope to be open, if approved, by

summer. City Attorney Green stated that the application meets all the requirements of the City and staff recommends approval. Mayor Sheek opened the public hearing; however, no one spoke and the hearing was closed.

Mayor Pro-tem Lucero moved that after considering the reasonable requirements of the neighborhood, the desires of the adult inhabitants, the necessity of any restrictions on the license, the good character of the applicants, and compliance with all the provisions of Title 44, Article 3-312, Colorado Revised Statutes, that Council approve a new Retail Liquor Store License for Paragon Business Investments LLC, DBA The Cellar, located at 2410 Fairway Drive, Suite B, Cortez. Councilmember Lavey seconded the motion and the vote was as follows:

Betts	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	absent	Yes

b. Ordinance No. 1272, Series 2019. City Attorney Green stated that Ordinance No. 1272, Series 2019, approves revisions to the City of Cortez Medical and Retail Marijuana Codes and authorizes the issuance of and the regulation of retail marijuana product manufacturing. He stated that the marijuana regulations would be included in the section with the liquor regulations in the current City Code Book and noted that a new Retail Marijuana Product Manufacturing license was added to the retail regulations. He stated that three motions have been included for Council to consider for the approval of Ordinance No. 1272, Series 2019. In answer to a question from Councilmember Keel, City Attorney Green stated that the ordinance is the same as was presented on first reading. It was noted that Council held discussion at a previous worksession on possibly adding retail marijuana product manufacturing; however, it was unclear if that is the direction that Council wants to take at this time. Mayor Sheek opened the public hearing; however, no one spoke and the hearing was closed.

Councilmember Betts moved that Council remove the authorization for Retail Marijuana Manufacturing licenses from Ordinance No. 1272, Series 2019, and approve the balance of Ordinance No. 1272, Series 2019, regarding revisions to the City of Cortez Medical and Retail Marijuana Codes. Mayor Pro-tem Lucero seconded the motion and the vote was as follows:

Betts	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	absent	No

6. UNFINISHED BUSINESS – None.

7. NEW BUSINESS

a. 2020 Joint Chemical Bid. Director of General Services Smith stated that the City has coordinated a joint chemical bid for the water and sewer plants in the area for several years. He stated that the participants in the joint bid this year include the Town of Dolores, Town of Mancos, Montezuma Water Company, and the City of Cortez. He stated that by combining the chemicals used and the quantity delivered semi-weekly, a cost savings has been realized by all the participants. He stated that each entity awards the chemicals used by their plants and are responsible for purchase orders and payments over the course of the award. He stated that nine

responses were received for the proposal and the City's award would total \$173,388.52.

Mayor Pro-tem Lucero moved that Council award the 2020 Joint Chemical Bid to the individual highlighted vendors for a total City of Cortez award of \$173,388.52. Councilmember Betts seconded the motion, and the vote was as follows:

Betts	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	absent	Yes

b. Resolution No. 1, Series 2020. Mayor Sheek stated that Resolution No. 1, Series 2020, would replace Resolution No. 16, Series 2017, by adding the Cortez Youth Commission to the list of eligible committees for the annual discount at City facilities. Management Intern Heitzman stated that at the December 10, 2019, worksession Council had discussed adding the Cortez Youth Commission to the list of eligible volunteers that may receive the \$75 discount voucher to City facilities. She stated that the Youth Commission meets twice a month and noted that they are eagerly serving the City.

Councilmember Lavey moved that Council approve Resolution No. 1, Series 2020, replacing Resolution No 16, Series 2017, establishing an annual discount at City facilities for City volunteers, by adding the Cortez Youth Commission the list of eligible committees. Mayor Pro-tem Lucero seconded the motion, and the vote was as follows:

Betts	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	absent	Yes

c. Appointments to the Youth Commission. Management Intern Heitzman stated that two applications, one from Grace Olsen and one from Dorrian Hilliard, have been received for students interested in serving on the Cortez Youth Commission. She stated that interviews were held by Youth Commission Officers and both students have been recommended for appointment to the Commission. She stated that with the appointment there will be nine students serving on the board that can consist of up to 15 members.

Councilmember Keel moved that Council appoint Grace Olsen and Dorrian Hilliard to the Cortez Youth Commission. Councilmember Lavey seconded the motion, and the vote was as follows:

Betts	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	absent	Yes

d. QUASI-JUDICIAL ITEM – Transfer of Ownership of a Hotel and Restaurant Liquor License for The Farm Bistro. Mayor Sheek reminded Council about the Quasi-Judicial item for a Transfer of Ownership of a Hotel and Restaurant Liquor License. City Attorney Green stated that the item was added to the regular agenda, rather than the consent agenda, as there were some issues regarding sales tax with the original owner of The Farm Bistro. He stated that all the issues have been taken care of and staff is recommending that Council approve of the Transfer of Ownership of a Hotel and Restaurant Liquor License for Seven Meadows Farm LLC, Charles and Laurie Hall, to

The Farm Bistro Cortez LLC, owners Gene Powell and Timothy Rousset, DBA The Farm Bistro, located at 34 West Main Street. City Clerk Smith thanked Mr. Powell for helping with clearing up issues with the transfer and noted that the Transfer of Ownership could be approved without a public hearing as The Farm has a current liquor license.

Councilmember Keel moved that Council approve a Transfer of Ownership of a Hotel and Restaurant Liquor License from Seven Meadows Farm LLC, to the Farm Bistro Cortez LLC, DBA The Farm Bistro, located at 34 West Main Street, without a public hearing. Mayor Pro-tem Lucero seconded the motion, and the vote was as follows:

Betts	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	absent	Yes

e. Intergovernmental Agreement with the Montezuma County Clerk and Recorder. City Clerk Smith stated that the Intergovernmental Agreement with the Montezuma County Clerk and Recorder outlines the responsibilities that the City and the County will complete during the Municipal Election process. She stated that the Municipal Election will be held on Tuesday, April 7, 2020, and it was noted that City Attorney Green has reviewed the agreement and supports the approval.

Councilmember Keel moved that Council approve the Intergovernmental Agreement with the Montezuma County Clerk and Recorder regarding the Municipal Election to be held on April 7, 2020. Mayor Pro-tem Lucero seconded the motion, and the vote was as follows:

Betts	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	absent	Yes

f. QUASI-JUDICIAL ITEM – Set a Public Hearing Date for a New Retail Marijuana Store License for NuVue Pharma LLC. It was noted for the record that the item is a Quasi-Judicial item. City Attorney Green stated that the City has been directed by Montezuma County District Court to hold a new public hearing for a Retail Marijuana Store license for NuVue Pharma, LLC, to be located at 503 Patton Street. He stated that currently a Rule 59 motion has been filed by the applicant, NuVue Pharma, LLC, seeking clarification on how to hold the public hearing along with what can be considered at the new hearing. He stated that if a ruling is not made by the Court prior to February 25, 2020, the hearing may need to be tabled by Council until the Court makes its decision. In answer to a question from Councilmember Keel, City Attorney Green stated that he did not know when the answers would be received from the Court.

Councilmember Keel moved that Council set a public hearing date of February 25, 2020, for the review of the application for a new Retail Marijuana Store for NuVue Pharma, LLC, currently addressed as 503 Patton Street. Councilmember Betts seconded the motion, and the vote was as follows:

Betts	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	absent	Yes

g. Letter of Support for a Comprehensive System for Transportation Information in the Region. City Manager Dougherty stated that the Southwest Colorado Council of Governments (SWCCOG) is asking for a Letter of Support for a grant application that would be used towards increasing mobility for residents of southwest Colorado. He stated that the grant would allow the SWCCOG to apply for the Mobility for All Pilot Program through the Federal Transit Administration. He stated that the goal is to create a one-call/one-click single point of transportation information for visitors and residents in southwest Colorado. He stated that the maximum estimated cost for the project is \$100,000, which would include a 20% match.

Councilmember Betts moved that Council authorize the Mayor to sign a Letter of Support for the Southwest Colorado Council of Governments to apply for the Mobility for All Pilot Program grant through the Federal Transit Administration. Councilmember Keel seconded the motion, and the vote was as follows:

Betts	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	absent	Yes

h. Contract Extension for Burkett Co., LLC. City Manager Dougherty stated that Chris Burkett, DBA Burkett Co. LLC, has been a contractual grant writer for the City of Cortez since 2012. He stated that Mr. Burkett works as needed (an average of 12 hours per week) and will continue at the fee of \$42.23 per hour. He stated that Mr. Burkett has brought in grants in excess of \$350,000 in 2019; however, the grant requests has been down due to the audit situation. It was noted that Mr. Burkett has contacts with many people across the state which helps the City when they are applying for grants. City Manager Dougherty stated that staff recommends approval of the contract extension with Burkett Co. LLC.

Councilmember Lavey moved that Council approve the contract extension for Burkett Co. LLC at an hourly rate of \$42.23 per hour. Councilmember Betts seconded the motion, and the vote was as follows:

Betts	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	absent	Yes

- 9. OTHER ITEMS OF BUSINESS – None.
- 10. ADDITIONAL CITIZEN PARTICIPATION – None.
- 11. CITY ATTORNEY’S REPORT – None.
- 12. CITY MANAGER’S REPORT – None.
- 13. CITY COUNCIL COMMITTEE REPORTS

a. Mayor’s Report on Workshop. Mayor Sheek stated that discussion in the worksession included a Letter of Support for the Mobility for All Pilot Program (regional system of transportation) which was approved in the regular meeting (Item 7g). Also, an update was given on the Public Arts

Committee happenings and information was shared on the City applying for a Colorado Department of Transportation grant for 2021. She stated that Director of Finance Burkett gave a Finance Department update and discussion was held on the offer of property (old Harp building) for lease which the City has declined the offer. Mayor Sheek stated that an update was also given on the Land Use Code. Councilmember Keel thanked the audience for their comments during Citizen Participation and noted that it is the backbone of democracy. Mayor Sheek noted the many ways the City tries to notify the citizens of information that is going on, such as on the City's website, radio interviews, newspaper articles, and different alerts. She noted that staff and Council are always willing to visit with citizens if they have any questions.

b. Mesa Verde Country Meeting. Mayor Sheek stated that the November/December meeting included discussion on the increase in the marketing of Mesa Verde Country and it was noted that website changes continue to be made to make the website more user friendly.

c. Southwest Colorado Council of Governments (SWCCOG) Meeting. Mayor Sheek stated that discussion at the SWCCOG meeting (December 12, 2019) included discussion on addressing areas of concern on TABOR and the Gallagher Amendment.

The regular meeting was adjourned at 9:30 p.m.

Karen W. Sheek, Mayor

ATTEST:

Linda L. Smith, City Clerk