

CITY COUNCIL  
REGULAR MEETING  
TUESDAY, MAY 28, 2019

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, Jill Carlson, Ty Keel, Mike Lavey, and Gary Noyes. Staff members present were Chief of Police Roy Lane, Management Intern Peyton Heitzman, Human Resources Director Matt Cashner, Director of Public Works Phil Johnson, Director of General Services Rick Smith, Associate Planner Neva Connolly, Director of Planning and Building Sam Proffer, City Clerk Linda Smith, and City Manager John Dougherty. There were 11 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 May 14, 2019 and Special Workshop of May 21, 2019.
  - b. Approval of the payment of the Expenditure Vouchers of May 28, 2019.
  - c. 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, 3, Cortez.
  - d. Approval of a renewal Fermented Malt Beverage Liquor License for Maverik Inc., DBA Maverik #497, located at 455 State Street, Cortez.
  - e. Approval of a renewal Hotel and Restaurant Liquor License for Rosita Inc., DBA Tequila's, located at 1740 East Main Street, Cortez.
  - f. Approval of a renewal Retail Marijuana Store License for Chronic Therapy Cortez LLC, DBA Chronic Therapy Cortez, located at 1020 South Broadway, Cortez.

Councilmember Keel moved that Council approve the Consent Agenda with the additional expenditures of \$51,784.46. Mayor Pro-tem Lucero seconded the motion, and the vote was as follows:

Betts	Carlson	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	Yes	Yes	Yes

3. PRESENTATIONS –None.
4. CITIZEN PARTICIPATION – None.
5. PUBLIC HEARINGS
  - a. Ordinance No. 1266, Series 2019. Associate Planner Connolly stated that Ordinance No. 1266,

Series 2019, approves the inclusion of the structure located within the “F.R. Coffins Addition Subdivision” in the City of Cortez Register of Historic Structures, Sites, and Districts, specifically the structure at 310 East Main Street. She stated that the since the first historic property survey was conducted in 2011, there have been 50 properties approved for inclusion on the City’s Historic Register. She stated that if the property at 310 East Main Street is approved for inclusion, it will become the 51<sup>st</sup> historic property. She reviewed the criteria for designating historic structures from Section 6.19 of the Land Use Code and noted that the property is at least fifty years old. She stated that the building was constructed in 1920 by Bill Kenyon to house his motor company that sold Pontiac autos and tractors and farm equipment. She stated that the building was later used by Bozeman Garage and Cortez Motor Sales. She stated that the structure has been remodeled and updated at various times and the current property owners (Medicine Man) have applied for the historic designation. Mayor Sheek opened the public hearing; however, no one spoke and the hearing was closed.

Councilmember Lavey moved that Council approve on final reading Ordinance No. 1266, Series 2019, approving the inclusion of the structure located within the “F.R. Coffins Addition Subdivision” in the City of Cortez Register of Historic Structures, Sites, and Districts, specifically the structure at 310 East Main Street. Councilmember Betts seconded the motion, and the vote was as follows:

Betts	Carlson	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	Yes	Yes	Yes

b. Resolution No. 18, Series 2019. Mayor Pro-tem Lucero recused himself from the discussion and vote due to a possible conflict-of-interest. Associate Planner Connolly stated that Resolution No. 18, Series 2019, approves a Conditional Use Permit to establish a Multi-Family Development at 121 East 1<sup>st</sup> Street, in the Neighborhood Business District (NB) Zone. She stated that Dean Brookie of Brookie Architecture and Planning, Inc., agent for the Montezuma County Housing Authority, owner of the property at 121 East 1<sup>st</sup> Street (Calkins Building), applied for the Conditional Use Permit to establish a multi-family development on the former Calkins School site parcel. She stated that the historic Calkins Building would house 12 residential units and 2,500 square feet of office space. She stated that two new buildings would be constructed on the northwest portion of the property with 15-unit apartments in each building. She stated that the property of 6.65 acres would be divided into three lots with Lot 1 consisting of one acre and contains the historic Calkins Building, Lot 2 would be the northwestern lot and consists of 2.7 acres, and Lot 3, the southern portion would be 3.28 acres and would not be developed at this time. She noted that the Calkins Building was listed on the local historic register in 2000 and on the national historic register in 2016. She stated that the footprint of the Calkins Building meets all the current standards for setbacks and the footprint will remain the same. She stated that the residential units would contain one and two bedroom apartments and exceed the minimum requirements of the Land Use Code. She stated that the proposal as currently outlined meets the parking requirements. She stated that the Conditional Use Permit is the first step for the project and determines if the planning stage can move forward for the site. She stated that the project would be required to complete a site development plan as well as vacation plat for alleys that need to be vacated. She reviewed the criteria for approval of a Conditional Use Permit from Land Use Code Section 6.10(f) and noted that project should be compatible in terms of architectural style and appearance. She

stated that access to the project will be from Ash Street only. Discussion was held on Second Street being designated as an emergency access only. Associate Planner Connolly stated that a courtyard will be located between the two buildings proposed for Lot 2 with barbeque areas and landscaping. She stated that the project will be required to meet the City’s construction design standards for vehicular circulation. She spoke about the comments received from local agencies and utility providers and noted that most of the comments will be addressed during the site development review process. She stated that one letter was received from the property owner of the apartments across the street from the proposed project and that the letter was included in the packet for Council’s review. She stated some of the neighbors have a concern with the alley use on the west side of the property and staff will work with the applicants on addressing the concerns. She reviewed several goals in the Comprehensive Plan that would be met through the project. Councilmember Keel noted that the parking on First Street will have to be addressed as the businesses in the community rely on that parking as well as the Post Office and Associate Planner Connolly stated that there will be parking for the apartments located on the property.

Terri Wheeler, Executive Director for the Montezuma County Housing Authority, stated that a preliminary market study was completed in November 2018 to determine if the Housing Authority should continue with the project and the report showed that there is a great need for housing in the community, especially one and two bedroom units. She stated that a final market study was done in April 2019 and the information was again substantiated. She stated that the Housing Authority has a waiting list of approximately 26 applicants at each of their three apartment complexes with a waiting time of over three years for an apartment. Ms. Wheeler stated that they are trying to provide housing for the 60 to 80% median income (residents making \$36,000 to \$54,000) which are not currently being served. She stated that the application for funding of the project is through CHAFA and is due June 3, 2019. She stated that they will not hear on the loan approval until September 2019 and will be competing with applicants from across the State for funding. Ashley Clemmons, representing Brookie Architecture and Planning, Inc., stated that the design is very preliminary. In answer to a question from Councilmember Carlson, Ms. Wheeler stated that the Calkins Building will maintain its historic designation and the two new buildings would compliment the Calkins Building but would not override the historic building. Mayor Sheek opened the public hearing; however, no one spoke and the hearing was closed.

Councilmember Betts moved that Council approve Resolution No. 18, Series 2019, approving a Conditional Use Permit to establish a Multi-Family Development at 121 East 1<sup>st</sup> Street, in the Neighborhood Business District (NB) Zone, as submitted by Dean Brookie of Brookie Architecture and Planning, Inc., agent for property owner Montezuma Housing Authority. Councilmember Carlson seconded the motion, and the vote was as follows:

Betts	Carlson	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	*	Yes	Yes

\*Mayor Pro-tem Keel recused himself from the discussion and vote due to a possible conflict-of-interest.

- 6. UNFINISHED BUSINESS – None.

7. NEW BUSINESS

a. Surface Use Agreement for Water Plant Connectivity. Director of Public Works Johnson stated that the water treatment plant uses radio telemetry to connect to the City’s network. He stated that the current equipment has been problematic with regards to data packet losses and temperature related loss of signal. He stated that staff has been investigating other means to address the issue and point-to-point radios have proven to be the best method. He stated that Visionary Broadband, the City’s current internet provider, has proposed an upgrade to the City’s radio equipment that will be more reliable and provide faster data transfer speeds. He stated that the benefit to Visionary Broadband would be the opportunity to locate their equipment at the water plant which would improve broadband service in the County. He stated that the City would provide 110v AC power which is nominal. He stated that staff recommends approval of the agreement.

Councilmember Noyes moved that Council enter into a Surface Use Agreement with Visionary Broadband for water plant connectivity for a five-year renewable term. Councilmember Keel seconded the motion, and the vote was as follows:

Betts	Carlson	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	Yes	Yes	Yes

b. Cortez Animal Shelter and Golf Course Maintenance Buildings Solar Projects. Director of General Services Smith stated that in 2017 and 2018 the City entered into a Solar Lease Purchase Agreement for the new City Hall and the project has gone well. He stated that staff was asked to investigate other City facilities that could have similar solar systems incorporated into the building operations. He stated that the Cortez Animal Shelter and the Golf Course Maintenance buildings are being recommended for a solar system with the Animal Shelter having a 9 KW system and Golf Course Maintenance building planned for a 11 KW system. He stated that the project would be based on a six (6) year lease period with Shaw Solar maintaining and monitor the systems during the lease period. He stated that the overall cost for the Animal Shelter would be \$21,902 and the Golf Course Maintenance building would be \$27,632. He stated that sufficient funds are available in the Equipment Fund for the solar installations and lease payments.

Councilmember Carlson moved that Council approve the lease purchase agreement with Shaw Solar for the Cortez Animal Shelter Solar System and the Golf Course Maintenance Building Solar System at the proposed yearly cost for a six (6) year term. Councilmember Lavey seconded the motion, and the vote was as follows:

Betts	Carlson	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	Yes	Yes	Yes

c. Annual Self-Insured Health Fund Renewal and Stop-Loss Carrier Contract. Human Resources Director Cashner stated that the City has been making minor adjustments to the City’s Self-Insured Health Fund over the past few years to help reduce costs. He stated that the current Stop Loss insurer is SwissRe and they had proposed a 24.4% increase in fixed costs to the City for the next year. He stated that negotiations were completed by the City’s insurance broker (USI) and they are suggesting that we change the City’s Stop Loss carrier to Berkshire Hathaway. He stated that there

will be initial fixed costs associated with the change; however, they will be lowering the City's laser liability as well as other costs. He stated that staff recommends the City award the Stop Loss coverage to Berkshire Hathaway for the City's employee health insurance plan.

Councilmember Carlson moved that Council accept the contract offer with Berkshire Hathaway for Stop Loss Insurance coverage for the City's employee health insurance plan. Councilmember Lavey seconded the motion, and the vote was as follows:

Betts	Carlson	Keel	Lavey	Lucero	Noyes	Sheek
Yes	Yes	Yes	Yes	Yes	Yes	Yes

8. DRAFT ORDINANCES/RESOLUTIONS – None.

9. OTHER ITEMS OF BUSINESS

a. Essay by Anderlan Hooten. Mayor Sheek spoke about the essay written by Anderlan Hooten, a student with the Library reading program, that was placed in City Council mailboxes. She stated that the creative fictional story was encouraged to be written by his tutor to help him in his reading progress. She complimented the Library on providing the tutors to help students become better readers.

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 during the workshop Council viewed the CIRSA video 'In the Scope of Your Authority' and Director of Public Works Johnson gave an update on recycling and backflow funding. Director of General Services Smith spoke about solar on the Kennel and Golf Course Maintenance Building which was approved in the regular agenda. City Manager Dougherty spoke about an offer from Fred Torres to sell his ditch bank property to the City.

b. Golf Advisory Board. Councilmember Keel stated that he will not be able to attend the Golf Advisory Board meetings during the summer months due to his summer employment but he will keep Council updated through information received from Director of Parks and Recreation Palmquist on the board meetings.

c. Cortez Cultural Center. Councilmember Lavey stated that he attended the Cortez Cultural Center Board meeting on May 21, 2019, and discussion was held on events that have been held so far this year including the Pueblo to Pueblo Race and the Birding Festival. He spoke of upcoming events including 'Montezuma's Revenge' which is a chili cook-off held on October 12, 2019.

d. Mesa Verde Country. Mayor Sheek stated that Executive Director Kelly Kirkpatrick spoke about the changes with the Welcome Center and noted there are now 10 volunteers working with the newly hired director and assistant director.

e. Parks, Recreation, and Forestry Advisory Board. Councilmember Lavey stated that the Parks, Recreation, and Forestry Advisory Board met on May 17, 2019, and discussion was held on drones and a policy that may need to be created for the parks and open space in the City. He stated that Airport Manager Russ Machen spoke about the policy that is in force regarding drones flying in the airport area. He stated that youth board members Clarissa Dukeminier and Sawyer Dietrich were congratulated on their graduation from high school and wished well as they continue their education at college. He stated that they were both great assets to the board and their input was really appreciated. He stated that Arbor Day was a success and stated that the Montezuma Inspire Coalition Community Development crew, provided by Conservancy Legacy, is working in Cortez for five weeks on trails at the Carpenter Natural Area. He stated that an addition will be made to the dog park separating the little dogs from the larger dogs.

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

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Karen W. Sheek, Mayor

ATTEST:

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Linda L. Smith, City Clerk