

CITY COUNCIL  
REGULAR WORKSHOP  
TUESDAY, FEBRUARY 28, 2023  
6:30 p.m.

1. The Workshop was called to order at 6:30 p.m., at the City Council Chambers. Councilmembers present included Mayor Rachel Medina, Mayor Pro-tem Arlina Yazzie, Robert Dobry, Matt Keefauver, David Rainey, Dennis Spruell and Lydia DeHaven. Staff members present included Director of Parks and Recreation Creighton Wright, Community and Economic Development Director Rachael Marchbanks, Court Clerk/Administrator Carla Odell, Chief of Police Vernon Knuckles, Finance Director Kelly Koskie, Director of General Services Rick Smith, Public Works Director Brian Peckins, IT Manager Shay Allred, IT Technician Aaron Holleman, City Engineer Kevin Kissler, Assisting City Engineer George Tripp, Water Superintendent, Randy Hunt, Deputy City Clerk Donna Murphy, City Clerk Linda Smith, City Manager Drew Sanders, and City Attorney Patrick Coleman. There were five people present in the audience.

2. Ken Curtis, General Manager for the Dolores Water Conservancy District (DWCD) gave a presentation to Council on the state of water in our area. He stated that snowpack is above average and this has been the best year in the last four years and we are well over 100% snowpack. There will be a full supply of water this year and a possibility of a small spill. Boating will be open mid- April, weather permitting, when the boat ramps are able to be accessed. He stated that there has been an increase in infested boats coming out of Lake Powell into McPhee and they stopped 18 boats last year and are looking to improve the inspection station at the McPhee main ramp. He stated that DWCD continues to work alongside other local parties on the Dolores Water Resilient Forest Initiative. He said they have been doing increased work on the forest with several projects and they will have a monitoring and recommendation team come up in early April for ecological purposes. He stated that the agricultural producers should have a good start with a normal but wet spring. He noted that an update to water users, County Commissioners and the Public Works staff will be given mid- April at which time rafting will be discussed. Council questions included: opening of the lower Dolores River and a possible increase of boat traffic on McPhee this year.

3. Tai Rogers and Samantha Combs, members of the Cortez Public Arts Committee gave an update on the projects they have been working on in 2022 and what they hope to accomplish in 2023. Mr. Rogers stated the main goal is to establish a Creative Arts District in Cortez and the first step is to build connections with stakeholders in the community. He stated that there have been meetings with other Creative Districts around the State, and he attended a conference that provided creative events to draw in tourism and make people stay in the area. He noted that there are some new citizens interested in joining the Arts Committee and he is hopeful they will have their paperwork completed prior to appointments being made in May. He commented that the Arts Committee are founding members of the Cortez Creative Alliance that is made up of other entities who are invested in the idea of enriching the Cortez economy through creative endeavors by collaborating together with the Cultural Center, CREA, Montezuma County and some of the

local art galleries. He spoke about the goals of the Arts Committee, which included continued collaboration with creative alliance, build relationships with stakeholders, connecting with artists, a quarterly newsletter, social media projects, walking tour re-vamp, and art at the skate park. Council discussion included signing up for the newsletter, website link to the committee, vacancies on the committee, and getting the youth and the skating community involved in the skate park mural.

4. General Discussion: Councilmember Spruell spoke about the speed limit on South Broadway commenting that there are many accidents that occur in the area and he feels the issue is due to the high speed. He asked for Council support on taking steps necessary to reduce the speed. Councilmember Dobry said he would support this but would like to see the decrease encompass all of Broadway and Councilmember Rainey agreed. Mayor Pro-tem Yazzie is in support of the change and asked what the process would entail. Director of Public Works Peckins gave an update to Council, letting them know that there has been discussion with CDOT on the matter and CDOT has plans to add flashing radar signs to the area and will conduct traffic studies this spring. City Manager Sanders stated that staff will work on a plan to address this topic and will bring it back to Council for further discussion.

The regular workshop was adjourned at 6:57 p.m.

CITY COUNCIL  
REGULAR MEETING  
TUESDAY, FEBRUARY 28, 2023

1. The meeting was called to order in the City Council Chambers at 7:30 p.m., with the Pledge of Allegiance. Roll Call was taken and the following Councilmembers were present: Mayor Rachel Medina, Mayor Pro-tem Arlina Yazzie, Lydia DeHaven, Robert Dobry, Matthew Keefauver, David Rainey, and Dennis Spruell. Staff present included Chief of Police Vern Knuckles, Director of Public Works Brian Peckins, Director of Parks and Recreation Creighton Wright, Court Clerk/Administrator Carla Odell, Finance Director Kelly Koskie, Library Director Isabella Sharpensteen, Director of General Services Rick Smith, Community and Economic Director Rachael Marchbanks, Human Resources Director Matt Cashner, City Engineer Kevin Kissler, IT Manager Shay Allred, IT Technician Aaron Holleman, Water Superintendent Randy Hunt, Deputy City Clerk Donna Murphy, City Clerk Linda Smith, City Manager Drew Sanders, and City Attorney Patrick Coleman. There were 21 people present in the audience.

Councilmember DeHaven moved that the agenda be approved as presented. Councilmember Rainey seconded the motion and the vote was as follows:

DeHaven	Dobry	Keefauver	Medina	Rainey	Spruell	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

2. The Consent Agenda items acted upon by Council were as follows:
  - a. Approval of the Council Worksession/Special Meeting and Agenda Minutes of February 14, 2023.
  - b. Approval of the Expenditure List for February 28, 2023.
  - c. Approval of a renewal Hotel and Restaurant Liquor License for Hunan Kitchen, Inc., DBA Hunan Chinese Restaurant, located 2561 East Main Street, Cortez.
  - d. Approval of a renewal Hotel and Restaurant Liquor License for The Farm Bistro Cortez, LLC, DBA The Farm Bistro, located at 34 West Main Street, Cortez.
  - e. Approval of a Change in Premises application for Walmart Inc., DBA Walmart Store #0966, located at 1835 East Main Street, Cortez.
  - f. 2023 January Financial Statements.

Councilmember Dobry moved that the Consent Agenda be approved with the removal of the 2023 January Financial Statements (item 2f.) for an update by Finance Director Kelly Koskie. Councilmember Mayor Pro-tem Yazzie seconded the motion, and the vote was as follows:

DeHaven	Dobry	Keefauver	Medina	Rainey	Spruell	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

Finance Director Koskie spoke about the January 2023 Financials. She stated that all departments received their new budget in January and everything looks good so far. She said one item to note in January was the City received the previously withheld property taxes from the County in the amount of \$610,448.05 broken down under property taxes, interest, an S.O. motor vehicle. She commented that the County released property taxes through third quarter of 2021, more than the State auditor's office required.

3. PUBLIC PARTICIPATION- None

4. PRESENTATIONS- A donation was made to the Good Samaritan Food Pantry on behalf of the City of Cortez Employees, City Council, and City Board Members in the amount of \$765.00. Kirbi Foster, Director of the Food Pantry was present to accept the donation. Ms. Foster said that the food pantry is one of the few pantries supported entirely from the community and does not rely on government funding or grants. She said that the community is very good about taking care of each other. It was a wonderful surprise and thanked the employees, Council and everyone who made the donation possible.

5. PUBLIC HEARINGS

- a. Change of Location Application for a Hotel and Restaurant Liquor License for The Wigglin' Pig. City Clerk Smith presented a Change of Locations Application for a Hotel and Restaurant Liquor License for The Wigglin' Pig, LLC. The application was filed in the City Clerk's office on January 24, 2023. She noted that for consideration of a Change of Location application, that Council must consider the reasonable requirements of the neighborhood to which the applicant seeks to change his location and the desire of the adult inhabitants with respect to the new location. Council has set the neighborhood boundaries as the City limits. She stated that a report will be made by Chief of Police Vern Knuckles and the applicant, Ernie Padilla will present petitions in support of his request to relocate to 76 S. Veach Street. She noted that a sign was posted on the premises and a public notice was published in the Cortez Journal as required by state regulations. She stated that Staff recommends the approval of a Change of Location application for The Wigglin' Pig to relocate their business from 44 West Main Street to 76 S. Veach Street. Chief of Police Knuckles was sworn in and gave his report on the granting of a Change of Location for The Wigglin' Pig, currently licensed at 44 West Main and relocating to 76 S. Veach Street. He stated that he verified the zoning regulations with the Planning and Zoning department and the area meets regulations per the City of Cortez Land Use Code. The public notice was completed by posting a sign on the property on January 25, 2023, and in the Cortez Journal on February 15, 2023. He stated that another business in the area has the same type of liquor license and that a poll of the surrounding neighborhood showed that 60 were in favor of granting the license and zero were against granting the license. He stated that the location complies with Colorado Liquor Code Rules and Regulations and does not create any known public safety issue or endanger public health. Applicant Ernie Padilla was sworn in and presented Council with his circulated petitions. Mayor Medina opened public hearing, no one spoke, and the public hearing was closed.

Councilmember Spruell made the motion to approve a Change in Location Application for a Hotel and Restaurant Liquor License for The Wigglin' Pig to relocate from 44 West Main Street to 76 South Veach Street, Cortez, pursuant to C.R.S. 2022, 44-3-301(b)(I) and 44-3-312(2)(a). Councilmember Dobry seconded the motion, and the vote was as follows:

DeHaven	Dobry	Keefauver	Medina	Rainey	Spruell	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

b. Ordinance No. 1316, Series 2023. Director of General Services Smith presented Council with Ordinance No. 1316, Series 2023 on second and final reading authorizing and approving a Lease of the City of Cortez's Fiber Optic Communications Network to Vero Broadband, LLC, a Colorado Limited Liability Company. City Manager Sanders made a presentation to Council on the brief history of broadband in the City stating this project began in 1996 and was designed to service City government and partner organizations such as the hospital district, school district and the Montezuma County government. Stating at the time of inception, the City did not have enough resources for a full build out of the system to provide fiber access to all residents and businesses; however, in 2020 the City Council decided to commit to a full build-out and in 2021 a question was put to the voters to seek authorization to allow the City to operate as a broadband provider in which it passed with over 72% of the vote. City Manager Sanders spoke on the estimated cost to build out the system and that it was determined that the original plan was not a good deal for the taxpayers or the City. He said the General Services Director Smith connected the City with a consultant, Doug Dawson, CCG Consulting, who helped chart a new path. This included an RFP process for the purpose of engaging a partner company who would lease, manage, maintain, and achieve full buildout of the existing network which took nine months to complete. He spoke of the lease highlights noting the following: 1) the City proposes to lease the system to Vero/Clearnetworkx for a period of 50 years, 2) the City of Cortez will retain usage of internal fiber connecting City facilities at no cost for City use or maintenance, 3) Vero/Clearnetworkx will pay the City 1.8 million up front to lease the existing fiber network upon Council approval and 4) Vero/Clearnetworkx will complete a full fiber optic buildout to all residential homes and businesses within the City limits. City Manager Sanders gave a special thanks to the previous City Councils and Mayors for their foresight and support, the current City Council for their guidance and patience through the process, and Councilmember Dobry for the many hours spent on interview panels, committee meetings and associated duties. He also thanked Director Smith for his decades of tireless work, insight, advice and technical expertise that was instrumental in making this happen, Committee members Kelly Koskie, Patrick Coleman, and Brian Peckins, the team from the General Services Department, particularly Vickie Haddix, Mike Monarco, and Brad Harrison for their long hours and diligence behind the scenes, and the many others who have contributed in various ways.

Doug Seacat, Casey Irving, and Jonathan Adelman, representatives of Vero Broadband, LLC, Clearnetworkx, and Deeply Digital were in attendance and each gave a brief presentation about their companies. It was stated that Vero Broadband, LLC was founded in 2017 by veteran telecom executives with the intent to deliver fiber to school districts and that in 2022 they were delivering fiber into homes with the acquisition of Brain Storm, Forethought and Peak Internet. Montrose based Clearnetworkx became the FTTP (Fiber to the Premise) provider in January of 2023. It was stated their focus is on serving communities with fiber-based broadband in markets across the country with the mission to deliver best-in-class customer service and simple, reliable services. The presentation gave an overview of the product, services being offered, pricing, and the timeline for

city wide completion. Mayor Medina opened the public hearing, no one spoke, and the public hearing was closed. Councilmembers thanked the staff for their work on the project and Councilmember Dobry commented this was a goal for City Council to accomplish.

Councilmember Dobry moved that Council approve on second and final reading Ordinance No. 1316, Series 2023, authorizing and approving a Lease of the City of Cortez's Fiber Optic Communications Network to Vero Broadband, LLC, a Colorado Limited Liability Company. Mayor Pro-tem Yazzie seconded the motion, and the vote was as follows:

DeHaven	Dobry	Keefauver	Medina	Rainey	Spruell	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

## 6. UNFINISHED BUSINESS

## 7. NEW BUSINESS

a. Agreement to Terminate Power Purchase and Distributed Energy Resource Interconnection Agreements. Director of Public Work Peckins stated that the City of Cortez and Empire Electric Association (EEA) entered into a Distributed Energy Resource Interconnection Agreement in January, 2010 and a Power Purchase Agreement in August, 2020, in order to sell all generated power to EEA. He stated that in 2009, the City constructed a micro-hydro power plant at the water plant, that would generate electricity that would go into EEA's power grid and the City would be credited with green energy; however, due to a mechanical malfunction of the generator at the micro- hydro power plant, it failed and no longer has the ability to generate electricity. He stated that due to the prohibitive cost involved in repairing the generator, compared to the small amount of credit generated, the City has determined that the generator not be fixed, and the micro-hydro power plant has not generated revenue since 2018. He recommends that Council approve the Agreement to Terminate Power Purchase Plan and the Distributed Energy Resource Interconnection Agreement. Mayor Medina asked if there would be any financial repercussions with the decommission of the hydro-power plant, which Director Peckins stated there would be none.

Mayor Pro-tem Yazzie made the motion to approve the Agreement to Terminate the Power Purchase and Distributed Energy Resource Interconnection Agreements with Empire Electric Association, Inc. that was submitted with this agenda item and authorize the Mayor to sign it. Councilmember DeHaven seconded the motion, and the vote was as follows:

DeHaven	Dobry	Keefauver	Medina	Rainey	Spruell	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

b. Resolution No. 3, Series 2023. Chief of Police Knuckles stated that at the February 14, 2023 meeting Council agreed to enter into the Intergovernmental Agreement for Dispatch Services at which time Councilmember Spruell volunteered to sit on the committee. Council appointed him (Chief of Police Knuckles) as the second representative. He stated that Resolution No. 3, Series 2023, will make the appointments to the committee official.

Councilmember DeHaven made the motion to approve Resolution No. 3, Series 2023, a resolution

appointing Dennis Spruell and Vernon Knuckles as the Representatives for the City of Cortez to the Dispatch Accountability Committee. Councilmember Rainey seconded the motion, and the vote was as follows:

DeHaven	Dobry	Keefauver	Medina	Rainey	Spruell	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

c. Colorado Opioid Settlement. City Manager Sanders stated that in 2022, the City signed an MOU with the State Attorney General's Office to receive opioid funds from various companies and the State Attorneys' Office has reached a settlement from five additional companies, Teva Pharmaceutical Industries Ltd. and Allergan Finance, LLC/Allergan Limited, Walmart Inc, CVS Health Corporation/CVS Pharmacy Inc., and Walgreen Co. for various amounts that will be received in the range of 6-14 years. He stated previously that Council authorized the City's portion of the funds, that will be received over a period of 19 years to go to the Southwest Opioid Response District (SWORD), which is governed by Region 9 and established as Opioid District 17. He noted that if authorized by Council the Mayor would be authorized to sign five different agreement forms for the money the City receives to go to SWORD. Council discussion included: what and how the money is spent, the reporting process, whether payments have been started and if any additional settlements will be made.

Councilmember Dobry made the motion to approve the Colorado Local Government Opioid Participation Forms and allow the Mayor to sign them. Mayor Pro-tem Yazzie seconded the motion, and the vote was as follows:

DeHaven	Dobry	Keefauver	Medina	Rainey	Spruell	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

d. Cortez Land Use Code Rewrite and Housing Policy Project: Director of Community and Economic Development Marchbanks stated that a RFP was generated for this project and the City received 11 proposals and the selection committee narrowed it down to four finalists. She stated that an interview committee was formed including three City staff members, Drew Sanders, Patrick Coleman and herself and included two Council members, Dennis Spruell and Arlina Yazzie, and two community members, Dave Waters and Ernie Maness. Director Marchbanks gave historical background on the City's Land Use Code stating the current regulations and zoning map were adopted 27 years ago in 1996 and since then the population has grown significantly and needs have changed. She commented that amendments have been made over time but not in a comprehensive manner and this has resulted in an outdated and complicated code with conflicting information, unclear definitions, and is incongruent with the community's values and needs. She noted the code is difficult for developers, contractors, residents, and the City's professional planning staff to decipher. She stated that the demand for housing has increased, availability of housing has plummeted, and housing costs have skyrocketed, even for entry level "starter homes" and rentals and that multiple factors have contributed to this problem including possible over-regulation in the land use code, possible inefficient use of infrastructure requirements in the land use code, growth and demographic changes in the last 15 years, and lack of new housing construction since the housing market crash in 2008. She stated that to address these issues, City Council prioritized a comprehensive update of the Land Use Code and supporting efforts that increase housing

availability, across the housing continuum, in the City. She spoke of the last failed effort to update the Land Use Code and that the problematic portions remain and need to be addressed. Director Marchbanks spoke of the limited financial resources of the City and how the City applied for and received a grant from the Department of Local Affairs (DOLA), which would pay for 75% of the project. Director Marchbanks spoke regarding the firm of Logan Simpson Design, Inc. and how they are well known in the Rocky Mountain region as a leader in public engagement, development of policy and vision documents and development or revision of land use code regulations and introduced Senior Planner and Project Manager Jennifer Gardner, who later in the presentation gave a brief overview to Council of the project. The two community members, Dave Waters and Ernie Maness both spoke on the project and their support and recommendations for Logan Simpson Design, Inc. to be awarded the Land Use Code and Housing Policy Project contract. Council discussion included: thanking the staff and community members for their involvement in the project, enthusiasm around the project, the need for the project and the selection of Logan Simpson.

Councilmember Keefauver made the motion to accept the proposal of Logan Simpson Design, Inc., DBA Logan Simpson, and instruct the City Staff to negotiate a contract for professional services for the comprehensive update of the Cortez Land Use Code and City of Cortez Housing Policy Project in an amount not to exceed \$154, 450.00, and authorize City Manager Drew Sanders to execute the contract. Councilmember Rainey seconded the motion and the vote was as follows:

DeHaven	Dobry	Keefauver	Medina	Rainey	Spruell	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

8. DRAFT RESOLUTION/ORDINANCES: None
9. CITY ATTORNEY'S REPORT: City Attorney Patrick Coleman commented that he is working on updating City codes and the City Charter and asked that if Council, staff and the public have any problems or questions regarding these codes to email him, noting his email address on the City of Cortez website. He will gather the information together for a time when committees and/or processes are formed to use as a baseline of items that need to be addressed and possibly amended.
10. CITY MANAGER'S REPORT:
  - City Manager Sanders commended the team members in Public Works, General Services and Parks and Recreation departments for the outstanding job they have done in keeping our city's services up and running during the extreme weather we have been experiencing in Cortez. He stated that over the past three months Cortez has received well over four feet of snow, with more to come. He said the City of Cortez is 5.5 square miles, which is a large surface area to maintain and that it is not only the snow removal that is the dilemma, but also the many other obstacles to which it contributes. He stated even with diminished staff, the city team members have gone above and beyond in their duties to keep the City functioning and the residents and visitors safe; many giving the extra effort to help individuals in need by removing snow for egress for some of the senior residents, digging out cars stuck in the snow, and retrieving refuse and recycling, just to name a few.
  - City Manager Sanders stated that a Board to Board meeting with the neighboring governments within Montezuma County will be held on Thursday March 16, 2023 from



7:00-9:00 p.m. at the Ute Mountain Casino. He stated that this is an opportunity to learn about current projects and issues and to exchange ideas on how we can work together to make our area a better place to live work, and play.

- City Manager Sanders stated that preparations have begun for the upcoming Senior Staff Retreat on Thursday, March 30, 2023 and the City Council Retreat on Saturday April 29, 2023. He stated they will be discussing the future of Cortez, including planning and budgeting needs for the City.

## 11. CITY COUNCIL COMMITTEE REPORTS

a. Mayor's Report on Workshop. Mayor Medina stated that that during the Council worksession a presentation was given by Ken Curtis, General Manager for the Dolores Water Conservancy District (DWCD) on the state of the water in our area, and two members from the Cortez Arts Advisory Board, Tai Rogers and Samantha Combs, gave an update on past, current and future projects of the Public Arts Committee. She stated that during Council's General discussion, Councilmember Spruell brought up the topic of Council working with CDOT to lower the speed limit on South Broadway.

b. Public Arts Advisory Board. Councilmember Rainey spoke about a community in Indiana that created a public arts program and built commerce in the town and that is what the Board is working towards.

c. Councilmember DeHaven stated that she attended three meetings:

- The Childcare Taskforce meeting where it was determined the greatest need for childcare in the area is newborns to 3-years old and that will be the main focus for childcare. They are currently putting together a data packet for people to give to employers and government entities, such as the City of Cortez.
- The Library Board meeting where the focus was on brainstorming events.
- The Montezuma Homelessness Coalition systems wide meeting where the topics included respite care, the Pinon Project's potential grant for a day-use shelter, restorative practices and getting messaging out from all community entities.

## 12. OTHER ITEMS OF BUSINESS

Councilmember Dobry made the motion that the City Council go into Executive Session at 9:10 p.m. for a conference with the City attorney to receive legal advice on a legal question concerning interest payments on City debt pursuant to C.R.S. Section 24-6-402(4)(b), and to determine positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators concerning interest payments on City debt pursuant to C.R.S. Section 24-6-402(4)(e). Mayor Pro-tem Yazzie seconded the motion, and the vote was as follows:

DeHaven	Dobry	Keefauver	Medina	Rainey	Spruell	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

Council returned from Executive Session at 9:40 p.m. Participants in the Executive Session

included City Manager Sanders, City Attorney Coleman, Mayor Medina, Mayor Pro-tem Yazzie, Councilmember DeHaven, Councilmember Dobry, Councilmember Keefauver, Councilmember Rainey, Councilmember Spruell and Finance Director Kelly Koskie. No adoption of any policy, position, resolution, rule, regulations, or other formal action occurred during Executive Session.

13. PUBLIC PARTICIPATION: None

14. ADJOURNMENT: Councilmember Dobry moved that the regular meeting be adjourned at 9:41 p.m. Councilmember DeHaven seconded the motion, and the vote was as follows:

DeHaven	Dobry	Keefauver	Medina	Rainey	Spruell	Yazzie
Yes	Yes	Yes	Yes	Yes	Yes	Yes

  
Rachel B. Medina, Mayor

ATTEST:

  
Donna Murphy, Deputy City Clerk