CORTEZ CITY COUNCIL
REGULAR MEETING
TUESDAY, MAY 12, 2026

1. The meeting was called to order in the City Council Chambers at 7:33 p.m., with the Pledge of Allegiance. Roll Call was taken and the following Councilmembers were present: Mayor Dennis Spruell Mayor Pro Tem Bill Lewis, April Randle, Carly Wolf, Kathleen Swope, Claire West, and Clarisa Osborn. Staff present included: Chief of Police Vernon Knuckles, Parks and Recreation Director Creighton Wright, Finance Director Randy Bailey, Interim Community and Economic Development Director/City Planner Jason Armstrong, Airport Director Kyle Sloan, General Services and Public Works Director Casey Simpson, Court Clerk/Administrator Carla Odell, Library Director LeRoy Harris, City Clerk Danielle Wells, City Manager Drew Sanders and City Attorney Patrick Coleman. There were 15 members of the public present in the audience.

Councilmember Randle moved that Council approve the Agenda as presented for May 12, 2026. Councilmember Lewis seconded the motion and the vote was as follows:

Lewis	Osborn	Randle	Spruell	Swope	West	Wolf
Yes	Yes	Yes	Yes	Yes	Yes	Yes

2. CONSENT AGENDA

a. Approval of the meeting minutes for April 28, 2026

b. Approval of the Expenditure List for May 12, 2026

c. Approval of a Renewal Application for a Retail Marijuana Store License for Southwest Sunshine LLC, DBA Doobie Sisters, located at 695 North Broadway, Cortez

d. Approval of a Renewal Application and Change of Manager for a Fermented Malt Beverage and Wine Liquor License for Maverik Inc., DBA Maverik #497, located at 455 State Street, Cortez

e. Approval of a Special Event Permit to allow Heritage Fundraising Incorporated to host a special event on May 16, 2026 from 5:00 p.m. to 10:00 p.m. at 107 N. Chestnut Street, Cortez

f. Approval of the Change in Premises Application for El Burro Pancho, LLC, DBA Gustavo's Authentic Mexican Restaurant & Bar, located at 125 East Main Street, Cortez

Councilmember Wolf recused herself from the vote due to Item "C" due to a conflict of interest.

Councilmember Randle moved that Council approve the Consent Agenda. Councilmember Lewis seconded the motion and the vote was as follows:

Lewis	Osborn	Randle	Spruell	Swope	West	Wolf
Yes	Yes	Yes	Yes	Yes	Yes	Recused

3. PUBLIC PARTICIPATION: None

4. PRESENTATIONS: None

5. PUBLIC HEARINGS

a. Resolution No. 9, Series 2026 presented by Jason Armstrong, Interim Director of Community & Economic Development/City Planner

Councilmember Osborn recused herself due to a conflict of interest.

Council reviewed a request for a conditional use permit to construct a 1,600 sq. ft. detached garage at 1626 Rolling Road for vehicle and RV storage, as accessory structures over 800 sq. ft. require such approval. Discussion noted that the proposed use is within allowed limits, the 16-ft height and placement meet zoning standards, and aside from total square footage the project complies with all requirements. Planning and Zoning Commission did not recommend approval of the permit, while some neighboring property owners expressed concerns related to views. Council also discussed the residence-to-garage size ratio, options for lot consolidation or constructing two smaller structures without Council review, and confirmed that the lot size and elevation help reduce visual impact.

Mayor Spruell opened for Public Comment. Public comments were received from Jeff Dimond, who opposed the structure due to its size, potential precedent, and concerns about neighborhood standards and property values; Emma Thompson, a Rolling Road resident, who stated the garage would significantly impact the visual character of the area and expressed concern about precedent; Susan McCool, who objected to allowing a large metal structure in a front-yard setting and urged Council to uphold existing codes; Mike Watson, who supported the project and stated that views are not protected, noting the proposal is legal and appropriate for the large lot; and Greg Hile, who argued that the proposed 1,600 sq. ft. metal building does not meet code expectations for scale, landscaping, or mitigation of adverse impacts. Six additional written comments were also submitted. Written public comments were submitted by Jennifer Dimond, who opposed the oversized garage due to its 16-foot height, disproportionate scale for the neighborhood, and potential negative impact on property values; Suzanne Farley, who objected to the garage's industrial appearance, feared increased traffic, and believed it would harm neighborhood character and property values; Jerry Burney, who opposed placing an industrial-style building in a residential area and expressed concern about visual impacts and declining property values; Anthony Valdez, who objected to the structure's size, potential for outdoor vehicle accumulation, and its being larger than many nearby homes; and Carol Severy, who opposed the 40x40 metal building due to its industrial appearance, incompatibility with the residential character of the neighborhood, and potential to set an undesirable precedent while negatively affecting property values. Mayor Spruell closed the public comment portion of the meeting.

Council discussed the conditional use criteria, noting that compatibility must be evaluated in terms of appearance, scale, site design, landscaping, and control of adverse impacts. Members considered whether relocating the structure to the south side of the property could reduce concerns. Some councilors expressed that the conditional use process is appropriate for a project of this type, especially since two 800-sq-ft buildings could be built without a hearing, while others felt the proposed structure does not match the surrounding neighborhood and that two smaller buildings might be more suitable. Councilors acknowledged competing concerns, including neighborhood character, quality of life, and the rural feel at the end of Rolling Road, while also recognizing the size of the four-lot property. The procedural options of tabling versus continuing the hearing were clarified, with the distinction that a continuance allows amendments without restarting the application. Council confirmed that the matter does not need to return to the Planning and Zoning Commission, as stated by Planning and Zoning Chair Robert Rime.

Councilmember Randle moved that City Council require further information which will be including an additional plot and a render drawing or picture of the property and continue the hearing on the date of June 9, with all the appropriate paperwork getting to the City one week in advance. Councilmember Swope seconded the motion and the vote was as follows:

Lewis	Osborn	Randle	Spruell	Swope	West	Wolf
Yes	Recused	Yes	Yes	Yes	Yes	Yes

b. Resolution No. 10, Series 2026 presented by Jason Armstrong, Interim Director of Community & Economic Development/City Planner

Council reviewed a request for a conditional use permit to allow an addition to an existing garage for personal storage at 525 South Market Street, as accessory structures over 800 sq. ft. require such approval. The proposed addition meets all R-2 residential dimensional standards, and the permit would cure the existing garage's legal non-conforming status related to the 800 sq. ft. threshold. Council noted discrepancies in the stated square footage (1,080 vs. 1,880 sq. ft.) and that the applicants were not present. Due to the discrepancies, Council determined that a decision could not be made at the meeting.

Councilmember Swope moved that City Council continue Resolution No. 10, Series 2026 to the next meeting on May 26, 2026. Councilmember Osborn seconded the motion and the vote was as follows:

Lewis	Osborn	Randle	Spruell	Swope	West	Wolf
Yes	Yes	Yes	Yes	Yes	Yes	Yes

c. Resolution No. 11, Series 2026 presented by Jason Armstrong, Interim Director of Community & Economic Development/City Planner

Council reviewed an encroachment permit request for a rock retaining wall built 7.5 feet into the City alley behind 906 North Market. Planning staff reported that the water main is not affected, and both Atmos Energy and Empire Electric have utilities in the alley but raised no objections; Empire confirmed its crews can still access overhead lines. Public Works also reported no concerns. The property owner explained the wall was built unintentionally over the easement line, consists of dry-stacked rock with no concrete, and can be removed by equipment if needed. Staff recommended conditions requiring removal if the encroachment ever interferes with City or utility use, and the City Manager suggested recording the encroachment permit with Montezuma County so future owners are aware. The fire department submitted no concerns, and Council noted that adequate utility access remains. Public comment was opened and closed with no speakers.

Councilmember Lewis moved that City Council approve Resolution No. 11, Series 2026, a resolution approving an encroachment permit on property located at 906 North Market Street, zoned Single-Family 1 (R-1), with the conditions as stated in the resolution. Councilmember West seconded the motion and the vote was as follows:

Lewis	Osborn	Randle	Spruell	Swope	West	Wolf
Yes	Yes	Yes	Yes	Yes	Yes	Yes

d. Ordinance No. 1365, Series 2026 presented by Jason Armstrong, Interim Director of Community & Economic Development/City Planner

Council reviewed a request to appropriate Housing Planning Grant (HPLN) funds awarded by the Department of Local Affairs to support required updates to the City's Comprehensive Plan under SB24-174, including new water supply and strategic growth elements due by December 2026. Staff explained that the grant match was already budgeted and that appropriating the $33,750 award would allow the City to immediately begin work with a consultant specializing in water and growth planning. The total project cost is estimated at $45,000. Public comment was opened and closed with no speakers.

Councilmember Osborn moved that the City Council approve, on second reading, Ordinance No. 1365, Series 2026, an ordinance adopting the appropriation of $33,750.00 from the state HPLN grant program into the 2026 operating budget for the City as set forth in the Ordinance. Councilmember Swope seconded the motion and the vote was as follows:

Lewis	Osborn	Randle	Spruell	Swope	West	Wolf
Yes	Yes	Yes	Yes	Yes	Yes	Yes

6. UNFINISHED BUSINESS: None

7. NEW BUSINESS

a. Letter of Support for HomesFund presented by Jason Armstrong, Interim Director Community & Economic Development/City Planner

Council received an overview of HomesFund, a local 501(c)(3) nonprofit, HUD-approved housing counseling agency, and certified Community Development Financial Institution that supports homeownership in Southwest Colorado. Staff noted HomesFund's track record in Montezuma County, including counseling, home-buyer education, and down-payment assistance. HomesFund announced its intent to apply for the highly competitive national Housing Affordability Breakthrough Challenge, a two-year, $2 million grant offered through Wells Fargo and Enterprise Community Partners. If awarded, the funding would expand down-payment assistance for "missing middle" households earning 80.1%–120% of Area Median Income.

Councilmember West moved that the City Council authorize the Mayor to sign the letter of support for HomesFund's application to the Housing Affordability Breakthrough Challenge. Councilmember Lewis seconded the motion and the vote was as follows:

Lewis	Osborn	Randle	Spruell	Swope	West	Wolf
Yes	Yes	Yes	Yes	Yes	Yes	Yes

b. Ordinance No. 1366, Series 2026 presented by Vernon Knuckles, Chief of Police

Councilmember Osborn recused herself due to a conflict of interest.

Council received an update on the Police Department's successful award of a $23,500 Colorado Energy Office E-Cargo Bike Grant to purchase four electric cargo bikes and associated safety and equipment upgrades for patrol use. Staff explained that the grant is reimbursement-based, requires no local match, and will allow officers to reduce fuel use, improve mobility in parks, events, and downtown areas, and enhance community engagement. The bikes are expected to arrive within 4–6 weeks after purchase, with only minimal maintenance costs absorbed into existing budgets. The department will complete required six-month reporting on usage, fuel savings, and operational impacts.

Councilmember West moved that the City Council approve on first reading Ordinance No. 1366, Series 2026, an ordinance that accepts a $23,500.00 grant award from the Colorado Energy Office E-Cargo Bike Grant Program, and authorizes appropriation of $23,500 to cover the purchase of four (4) electric cargo bikes and associated equipment, pending State reimbursement; and authorize the Cortez Police Department to execute the State's Small Dollar Grant Purchase Order and proceed with procurement, and set the public hearing and second reading of the Ordinance for May 26, 2026. Councilmember Wolf seconded the motion and the vote was as follows:

Lewis	Osborn	Randle	Spruell	Swope	West	Wolf
Yes	Recused	Yes	Yes	Yes	Yes	Yes

c. Consideration of possible lease of City of Cortez surplus Municipal and Industrial (MI) Water to Dolores Water Conservancy District (DWCD) presented by Drew Sanders, City Manager

Council received an update on regional drought conditions, noting that while the City's municipal water supply remains sufficient, agricultural users in the district are facing significant shortages that will impact crop yields. Staff explained that the City has confirmed a safe surplus of water that can be temporarily leased to support local agricultural operations, consistent with past practice. The lease would require ratification by the Dolores Water Conservancy District (DWCD) Board. Council discussed the amount of surplus available, potential impacts on City needs such as parks and the golf course, and confirmed that even during peak summer use the City does not draw on this surplus. Ken Curtis, general manager of DWCD, noted that similar agreements have been executed before and that the one-year lease would provide meaningful support to farmers. Revenue from the lease would be deposited into the City's water fund.

Councilmember Randle moved to authorize the City Manager to coordinate with the Dolores Water Conservancy District regarding the lease of the City's surplus M&I water, and to formalize the terms of the lease agreement, including the volume of water to be leased, applicable timelines, and any necessary legal or regulatory requirements, and to sign the lease agreement on behalf of the City of Cortez. Councilmember Swope seconded the motion and the vote was as follows:

Lewis	Osborn	Randle	Spruell	Swope	West	Wolf
Yes	Yes	Yes	Yes	Yes	Yes	Yes

8. DRAFT RESOLUTION/ORDINANCES: None

9. CITY ATTORNEY'S REPORT: Mediation related to the ongoing Cortez Main LLC v City of Cortez litigation is scheduled to take place on May 14, 2026.

10. CITY MANAGER'S REPORT: None

11. CITY COUNCIL COMMITTEE REPORTS

a. Mayor's Report on Workshop

i. Council received training from Sam Light, CIRSA's General Council and Deputy Executive Director

b. Other Board Reports

i. Golf Advisory Board – Because a quorum was not present, the committee only received reports on junior programs, First Tee efforts, new-golfer support, and upcoming events. Survey results and golf course conditions will be reviewed at the next meeting.

ii. Public Arts Committee – The Streetscapes Art Park is accepting applications at www.streetscapesartpark.com

12. PUBLIC PARTICIPATION: None

13. OTHER ITEMS OF BUSINESS

a. Councilmember Swope reported attending the Heritage Walk, noting strong community engagement and encouraging everyone to visit the Montezuma Heritage Museum.

b. Council noted that this was only the second time the new City Council has met and expressed confidence that the process will continue to improve, commending everyone for doing an excellent job.

14. The meeting was adjourned at 9:18 p.m.

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Dennis Spruell, Mayor

ATTEST:

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Danielle Wells, City Clerk