CORTEZ CITY COUNCIL
REGULAR MEETING MINUTES
TUESDAY, JULY 14, 2026

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 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, Library Director LeRoy Harris, IT Director Jay Roher, Deputy City Clerk Cheryl Lindquist, City Manager Drew Sanders and City Attorney Patrick Coleman. General Services and Public Works Director Casey Simpson and City Clerk Danielle Wells attended remotely. There were 7 members of the public present in the audience.

   Mayor Pro Tem Lewis moved that Council approve the Agenda as presented for July 14, 2026. Councilmember Wolf seconded the motion and the vote was as follows:

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

a. Moment of Silence for Four Fallen Firefighters

Mayor Spruell asked Council and the public to observe a moment of silence honoring three members of the firefighting crew — Emily Barker, Nick Hutcherson, and Sydney Watson — who lost their lives on Saturday, June 27 fighting wildfires near Grand Junction, and pilot Nicholas Dale, who died on Sunday, July 12, 2026 supporting containment of the Gold Mountain Fire near Ouray.

2. CONSENT AGENDA

   a. Approval of the meeting minutes from June 9, 2026.

   b. Approval of the Expenditure List for July 14, 2026.

   c. Approval of a renewal of a Hotel and Restaurant Liquor License and Outdoor Dining License Agreement for Blondies Trophy Room LLC, DBA Blondies Trophy Room, located at 45 East Main Street, Cortez.

   d. Approval of a renewal of a Fermented Malt Beverage and Wine Liquor License from Dillon Companies, LLC, DBA City Market #8, located at 508 East Main Street, Cortez.

   e. Approval of a renewal of a Hotel and Restaurant Liquor License for Kashmien LLC, DBA Lotsa Pasta & Thatza Pizza, located at 925 South Broadway, Cortez.

   f. Approval of a renewal of a Tavern Liquor License for Cortez Elks Lodge 1789, Inc., DBA Cortez Elks 1789, located at 2100 North Dolores Road, Cortez.

   g. Approval of a renewal of a Retail Marijuana Store / Retail Marijuana Cultivation Facility for THA Corp., DBA The Herbal Alternative.

h. Approval of a renewal application for a Retail Liquor Store Liquor License for Seven Eighteen Cortez, Inc., DBA Liquid Assets, located at 718 East Main Street, Cortez.

i. Approval of a Special Event Permit to Fundamental Needs Inc. to host a special event on July 31, 2026 from 1:00 p.m. to 8:00 p.m. at 209 W. Main Street, Cortez.

j. Approval of the Festival Permit to Jodi Jahrling, DBA Zu Gallery, to host a festival fundraiser called Wags and Wine on September 5, 2026 from 1:00 p.m. to 5:00 p.m. at Montezuma Park, Cortez.

k. Approval of a Hotel and Restaurant Liquor License for La Casita de Cortez, LLC, DBA La Casita de Cortez, located at 332 East Main Street, Cortez.

l. Approval of a Fermented Malt Beverage and Wine Liquor License for Western Refining Retail, Inc., DBA Speedway #9499, located at 921 East Main Street, Cortez.

m. Approval of a Fermented Malt Beverage and Wine Liquor License for Good 2 Go Stores LLC, DBA Good 2 Go, located at 717 South Broadway, Cortez.

n. Approval of a Fermented Malt Beverage and Wine Liquor License for Good 2 Go Stores LLC, DBA Good 2 Go, located at 302 West Main Street, Cortez.

Councilmember Randle moved that Council approve the Consent Agenda. 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

3. PUBLIC PARTICIPATION

Susan Kemnetz offered a prayer for the Council and thanked the Parks and Recreation Department and Creighton Wright for replacing the worn flag at Geer Natural Area. A second speaker, Carole Hitti, presented copies of a common endeavor and expressed hopes for unity in the community.

4. PRESENTATIONS: None

5. PUBLIC HEARINGS

a. New Hotel and Restaurant Liquor License for Pitchers on Main LLC

Presented by City Clerk Danielle Wells (appearing remotely), with Chief of Police Vernon Knuckles presenting the police department report of 23 in favor and none opposed and no areas of concern in the background investigations. The applicants, Paul Adams and Paul Beckler, spoke to their plans for a community gathering place at 9 West Main Street. Following the public hearing and consideration of the reasonable requirements of the neighborhood, the desires of the adult inhabitants, and the good character of the applicants, Council unanimously approved the new license.

Councilmember Osborn moved that Council approve a new hotel and restaurant liquor license for Pitchers on Main LLC located at 9 West Main Street, Cortez.

Councilmember Randle seconded the motion and the vote was as follows:

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

b. Renewal of a Tavern Liquor License for Sierra's LLC, DBA Patron

Council conducted a quasi-judicial public hearing to consider renewal of the tavern liquor license for Sierra LLC dba Patron, located at 309 North Broadway, Cortez. City Clerk Danielle Wells presented the renewal application and the findings of the administrative review. The Clerk noted that because this was a renewal rather than a new license, Council was not evaluating neighborhood need or resident support. The only question before Council was whether "good cause" existed to deny the renewal under state law, which is limited to: violations of liquor laws or license terms, failure to comply with prior disciplinary conditions, or a pattern of disorderly conduct affecting the neighborhood. The Clerk confirmed that the renewal application was filed June 3, one day before expiration, making the business authorized to continue operating pending Council's decision. Staff conducted the standard review with the Police, Finance, and Building Departments. The Police Department reported 53 calls for service at the establishment, 10 resulting in case reports. Police Chief Knuckles noted that his CAD data reflected 47 calls, but regardless, compliance checks for liquor had been satisfactory and he did not find a pattern of incidents rising to the level of recommending denial. He stated call volume was slightly higher than a comparable establishment but did not present a frequency or severity of issues warranting non-renewal. He also reported that Patron employs security personnel (bouncers), though the exact arrangements were not fully verified. The applicant, Anna Arellanes, representing Sierra's LLC, addressed Council regarding delinquent city and state taxes and explained recent personal and operational hardships that contributed to late payments. The applicant stated the city tax balance had been paid in full and a new point-of-sale system feature had been implemented to automatically withhold and remit taxes monthly to prevent future delinquencies. Councilmembers emphasized the repeated failure to respond to earlier city notices concerning the delinquent taxes and sought clarification about the new tax-handling system. Finance staff confirmed that city taxes were now fully paid, including interest and penalties. They described efforts over approximately six months to bring the business into compliance, including missed commitments by the licensee earlier in the year. Finance noted that they would need to research the applicant's new tax automation system and stated an external audit, if required, could be completed within six weeks. Staff also confirmed state tax issues remained outstanding and that the State Liquor Enforcement Division retains independent authority to approve or deny the state license. During Council deliberations, members discussed whether to continue the hearing with conditions, including completion of an audit at the applicant's expense, or to take final action. A motion made by Councilmember Randle to continue the hearing with the condition of completing an audit failed for lack of a second.

Council then considered a motion to deny the renewal. Councilmember West moved that Council deny the application for renewal of the tavern liquor license for Sierra's LLC, DBA Patron, located at 309 North Broadway, Cortez, Colorado, for good cause based on the licensee's continued tax delinquency and unsatisfactory character, record, and reputation and a continuing pattern of disorderly conduct at the premises as described in the police department's testimony. Councilmember Lewis seconded the motion and the vote was as follows:

Lewis	Osborn	Randle	Spruell	Swope	West	Wolf
Yes	Yes	No	No	Yes	Yes	Yes

The motion passed by a vote of 5–2. The renewal application for Sierra LLC dba Patron was denied.

c. Ordinance No. 1369, Series 2026

Presented by City Attorney Patrick Coleman, this ordinance amends the City Code to implement Charter changes from the April 7, 2026 Municipal Election, addressing Council compensation (retaining the existing $500 mayor and $400 councilmember amounts) and allowing meetings to be moved to an alternate location in emergency situations.

Mayor Pro Tem Lewis moved that City Council approve on second and final reading Ordinance No. 1369, Series 2026, an ordinance amending the Cortez City Code to implement certain Charter amendments approved by the voters on April 7, 2026, as described 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. CDOT Aeronautics Grant Resolution – South Apron Expansion Project

Airport Director Kyle Sloan presented the grant resolution required by the Colorado Department of Transportation (CDOT) Aeronautics Division for the 2026 South Apron Expansion Project at the Cortez Municipal Airport. Director Sloan explained that the project is a major airfield improvement included in the federal, state, and local Airport Capital Improvements Plan. Design, engineering, and environmental review phases have been completed, and construction is the next phase. The construction contract was previously approved by City Council in mid-April. Project funding consists of Airport Improvement Program (AIP) federal funds, CDOT Aeronautics contributions, and a local match. While the federal grant resolution has already been signed, CDOT requires a separate state grant resolution to be executed before the end of July in order to obtain state funding. Director Sloan noted that grant resolutions are legally binding documents that ensure compliance with federal AIP grant assurances. The fiscal summary provided in the resolution identifies a total project cost of $1,740,220, funded by a 95% federal share, a 2.5% state match, and a 2.5% local match. The state portion is $435,505, and the local match is $435,007. Total federal funds are estimated at $1.65 million.

Councilmember Randle moved that Council approve the CDOT Aeronautics Grant Resolution for the state portion of the South Apron Expansion Project and authorize the Mayor to sign the resolution. 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

b. Airport Leach Field Replacement Project

Airport Director Kyle Sloan reported that the airport's septic system, installed in 1978, has experienced repeated failures since March 2026, causing backups in the terminal and Fixed Base Operator building. Despite interim pumping of the septic tank and distribution box, inspections by airport staff, an outside septic inspector, and the City's contract engineer confirmed the leach field had deteriorated beyond repair and must be replaced. A Request for Quotes was issued on May 28, 2026, and four contractors submitted bids. After evaluation using a scoring matrix, Ramco Developments, LLC received the highest score and lowest bid at $47,375. Due to the urgent need for replacement, airport staff will reallocate existing 2026 capital funds to cover the cost, which is not expected to significantly impact airport operations or planned capital projects. Council asked clarifying questions about the engineering evaluation, location of the leach field, and budget reallocations. Staff confirmed only the leach field requires replacement and funds are available within the existing budget.

Mayor Pro Tem Lewis moved that Council accept and award the 2026 Airport Leach Field Replacement Project to Ramco Developments LLC at its bid price of $47,375 and authorize the City Manager to negotiate and sign a contract and all related documents with the company on behalf of the City. 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

c. Ordinance No. 1372, Series 2026

Council considered Ordinance No. 1372 on first reading, amending the 2026 budget adopted under Ordinance 131, Series 2025. Airport Director Kyle Sloan explained that the ordinance is needed to appropriate federal FAA Airport Improvement Program funds, CDOT Aeronautics matching funds, and the required local match for the South General Aviation Apron Expansion Project at the Cortez Municipal Airport. Adoption will allow the airport fund to accurately recognize these revenues and authorize corresponding expenditures for the construction phase of the previously approved project.

Councilmember Osborn moved that Council approve on first reading Ordinance No. 1372, Series 2026, an ordinance approving a budget amendment and appropriation for the South General Aviation Apron Expansion Project, and set the second reading and public hearing for July 28, 2026. Mayor Pro Tem Lewis seconded the motion and the vote was as follows:

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

d. City AI Policy Adoption

Council considered approval of the City's Artificial Intelligence (AI) Policy, presented by IT Director Jay Roher. He explained that the policy had undergone a thorough review by City leadership, including a criminal justice information systems review by Chief Knuckles and a legal review by City Attorney Coleman. He emphasized that the policy is intended as a living document that will evolve as AI tools develop and as state legislation continues to change. Recent shifts in state law, including delayed and revised AI-related bills, highlight the need for ongoing updates.

Council had no questions but offered comments recognizing the complexity of emerging AI technologies and commending staff for developing a policy that clearly outlines scope, objectives, acceptable and prohibited uses, training requirements, and reporting responsibilities. Council noted AI's growing role in operations and supported maintaining a flexible policy structure.

Mayor Pro Tem Lewis moved that Council approve the Artificial Intelligence (AI) Policy for the City of Cortez as presented. 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

e. 2026 Parks and Recreation Master Plan Bid Selection

Parks and Recreation Director Creighton Wright presented the selection process for the 2026 Parks and Recreation Master Plan. He provided background on the existing plan, originally adopted in 2007 and updated in 2013 and 2016, noting significant demographic and community changes since 2020 and a shift in departmental focus from growth to repair and maintenance. The new master plan is intended to provide a comprehensive, community-based, and implementable 10-year strategy for maintaining and improving the parks and recreation system. Director Wright outlined the project scope, which includes project administration, extensive community engagement, inventory and assessment, issue identification, strategy development, and preparation of a final actionable plan. An RFP was issued in early January 2026, and eight proposals were received on March 25. Costs ranged from $159,000 to $345,690. An internal review committee—including Parks and Recreation, Public Works, Planning, the Public Information Officer, and two Parks & Recreation Advisory Board members—evaluated proposals and conducted interviews with the two highest-scoring firms, Kimley-Horn and MIG. Kimley-Horn ranked highest with 140 points, followed by MIG with 137. Key strengths noted for Kimley-Horn included its community-centered planning approach, strong reference checks, 70% project manager dedication, and commitment to direct involvement in community engagement activities. MIG's proposal was lower cost but relied heavily on City staff for outreach, which staff determined was not feasible due to capacity and would risk a less representative final plan. The project is expected to span two fiscal years. Funding of $100,000 has been budgeted for 2026, split between the Conservation Trust Fund and the Rec Center Enterprise Fund, with additional funding anticipated in 2027. Contracts will include standard language allowing termination if future appropriations are not approved.

Mayor Pro Tem Lewis moved that Council award the 2026 Parks and Recreation Master

Plan to Kimley-Horn and Associates Inc. in the amount of $193,000, authorize the Parks and Recreation Director to approve project expenses up to $213,000 dependent upon official budget appropriations during the two fiscal years, and authorize the City Manager to negotiate, sign, and execute a contract. 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

f. 2026 Recreation Center Hardwood Floors Repair Project

Parks and Recreation Director Creighton Wright presented the 2026 Recreation Center Hardwood Floors Repair Project for Council consideration. The gym and racquetball court floors are in significant need of resurfacing due to worn finishes and structural “dead spots” caused by deterioration in the suspended flooring system. The work will include sanding to bare wood, sealing, repainting court lines, refinishing, and repairing dead spots. A Request for Quotes was issued on May 13, 2026, and four contractors submitted proposals. Quotes ranged from $34,688 to $55,422. Staff evaluated bids based on cost and qualifications, including technical compliance, project schedule, experience, references, and completeness of submitted materials. Sport Court of the Rockies, LLC dba as Court Builders of the Rockies received the highest overall score, providing the most complete and detailed proposal with strong references, despite being the highest-cost bidder. The remaining three firms failed to submit complete packages or lacked verifiable business standing. The project cost exceeds the current budget allocation by approximately $18,000. Staff reviewed Rec Center Enterprise Fund line items and identified underspent or deferrable expenses—such as signage and training—to cover the difference without impacting operations. Council asked about expected closure times for the gym and racquetball courts, and staff noted the contractor would complete the work in phases to minimize impacts, with some work planned during the facility’s fall closure week. Staff also confirmed a standard one-year workmanship and materials warranty applies.

Councilmember Osborn moved that Council accept the proposal from Sport Court of the Rockies LLC, dba Court Builders of the Rockies, for $55,422 and authorize the City Manager to negotiate, sign, and execute a contract. Councilmember Wolf seconded the motion and the vote was as follows:

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

g. Ordinance No. 1370, Series 2026

Presented by City Manager Drew Sanders, amending the City Code changes adopted in Ordinance No. 1364, Series 2026 to revise Section 3-15, Qualifications of Committee Members, so that Airport Advisory Committee members must be Montezuma County residents with a preference for residents of the City of Cortez.

Councilmember West moved that the Cortez City Council approve on first reading Ordinance No. 1370, Series 2026, an ordinance amending Ordinance No. 1364, Series 2026 to change Section 3-15, Qualifications of Committee Members, and set for public hearing and second reading on July 28, 2026. Councilmember Wolf seconded the motion and the vote was as follows:

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

h. City Council Priorities 2026–2028

Council reviewed and discussed the updated City Council Priorities for 2026–2028, which were developed during the Council Retreat on May 28. The City Manager noted the priorities are intended to guide operations for the next three to five fiscal years, though Council historically completes many items ahead of schedule. The priorities were previously distributed to Council and will be posted publicly upon adoption.

The City Manager read the priorities into the record for public awareness. The document emphasizes transparency, accountability, best practices in municipal management, and realistic, attainable goals across several key areas. The priorities include:

- Workforce Investment: Create a positive and competitive workplace; improve wages, benefits, incentives; strengthen talent retention and recruitment; support citywide workforce development.
- Infrastructure & Facilities: Address deferred maintenance; enhance asset management practices; advance long-term planning for water supply, treatment, distribution, and rate structures.
- Urban Renewal & Economic Development: Support redevelopment; promote tourism and business development; pursue annexation of the airport and surrounding business corridor; improve airport self-sufficiency and economic viability.
- Finance: Update policies governing minimum fund balances, investments, and revenue management.
- Housing Initiatives: Advance the 7th Street Park housing project in partnership with park development; encourage housing growth through supportive policies and land-use code updates.
- Guiding Documents: Modernize the City Charter and ordinances; revise non-infrastructure master plans.

Council agreed on the importance of communicating these priorities to the community. A suggestion was made to incorporate timelines for future updates to help track progress. Council expressed commitment to completing the goals and acknowledged the City Attorney's role in facilitating several of the initiatives.

Councilmember Wolf moved to approve the City Council priorities as presented. 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

i. Intention to Participate in the 2026 General Election

Presented by City Manager Drew Sanders, authorizing a letter of intent to the Montezuma County Clerk, due July 24, as a step toward a TABOR election to increase the lodger's tax.

Councilmember West moved to authorize the Mayor to sign a letter of intent to the Montezuma County Clerk and Recorder for the City of Cortez to participate in the 2026 General Election. 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

j. Proposed Draft Policy for Agendizing City Council Proclamations

City Manager Drew Sanders presented a draft policy outlining a formal process for future City Council proclamations. The intent of the policy is to establish a fair, transparent, and consistent procedure for how proclamations are proposed, reviewed, and placed on council agendas. Manager Sanders noted that proclamations are often brought forward to recognize individuals, groups, organizations, milestones, or community-impacting events, and a formal policy will help prevent misunderstandings and ensure equitable handling of requests.

Council offered several suggestions for additions and clarifications:

- Under prohibitions, Council recommended explicitly adding politically-based organizations to the list of items not eligible for proclamations.
- Under Council sponsorship, Council requested clearer language describing how a member of the public can submit a proclamation request—whether through a council member directly, through the City Clerk, or through the City Manager's office—so that the public understands the process.
- Under presentation and distribution, Council suggested clarifying that a signed physical copy of an approved proclamation is presented to the recipient.

Manager Sanders agreed to incorporate the requested revisions and return with an updated draft for formal consideration at a future meeting.

8. DRAFT RESOLUTIONS/ORDINANCES: None

9. CITY ATTORNEY'S REPORT

City Attorney Patrick Coleman had no report.

10. CITY MANAGER'S REPORT

City Manager Drew Sanders reported that, in the interest of time, his report would be posted online.

11. CITY COUNCIL COMMITTEE REPORTS

a. Mayor's Report on Workshop

Mayor Spruell reported that the work session included an informative Teen Court presentation by Municipal Judge Beth Padilla, interviews of four Airport Advisory Committee applicants, and a lengthy discussion of the lodger's tax and its intended purpose.

b. Other Board Reports

i. Library Advisory Board: The Library reported strong participation in the Summer Reading Program, expanded Third Thursday events, active summer camp engagement, and the “Moments That Made Us” exhibit. June circulation reached 6,284 items, and Council recognized the director and staff for their work.

ii. Parks, Recreation, and Forestry Advisory Board: The Parks and Recreation Master Plan process is underway. Council noted that the Celtic Fair was held successfully despite high winds and that Fourth of July events were well-received.

iii. Historic Preservation Board: The board met June 2, canceled its July 7 meeting, and proposed updates to applicant interview questions. A Civilian Conservation Corps Camp brochure quote request is in progress, historic property owner letters have been sent with LOR Foundation support, trail work at Hawkins Preserve will be funded by a Montelores Coalition grant, and Colorado Day on August 1 will include the availability of commemorative plaques through an LOR grant.

12. PUBLIC PARTICIPATION: None

13. OTHER ITEMS OF BUSINESS

Mayor Spruell encouraged the public to support the Montezuma County Fair, running July 27 through August 2 and recognized the work of the youth participants.

14. The meeting was adjourned at 9:45 p.m.

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Dennis Spruell, Mayor

ATTEST:

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Danielle Wells, City Clerk