

**Regular Town Board Meeting  
Town of Del Norte, Colorado  
August 10, 2016**

The Board of Trustees of the Town of Del Norte, Rio Grande County, State of Colorado, met in regular session on August 10, 2016 in the Board Meeting Room, 140 Spruce Street, Del Norte, Colorado at the hour of 7:00 p.m. There being present at the **CALL OF THE ROLL** the following persons:

**ROLL CALL:**

**Town Board present: Trustee Bob Muncy, Trustee Mark Ulrich, Mayor Pro Tem Annette Archuleta, Mayor Chris Trujillo, Trustee Gary Sabrowski and Trustee Tony Dinger and Trustee Sam Scavo. Mayor declared a quorum present.**

**MINUTES:**

Mayor Chris Trujillo made a motion to accept the June 8, 2016 and July 13, 2016 Board minutes, seconded by Mayor Pro tem Annette Archuleta. Trustee Gary Sabrowski stated that he would like the monthly minutes to be voted on separately. Motion was made by Mayor Chris Trujillo and seconded by Trustee Bob Muncy to approve the June 8, 2016 minutes. Roll call: All ayes, Motion carried. Motion was made by Trustee Gary Sabrowski not accept the July 13, 2016 minutes due to scrivener's error and move Mayor Pro tem Annette Archuleta motion on the Cultivation to unfinished business, seconded by Trustee Tony Dinger. Roll call: All ayes, Trustee Sabrowski, and Trustee Dinger, All nays, Mayor Chris Trujillo, Mayor Pro-tem Annette Archuleta, Trustee Sam Scavo, Trustee Bob Muncy, and Trustee Mark Ulrich. Mayor Chris Trujillo noted the two opposed, July 13, 2016 minutes passed.

**CITIZENS COMMENTS:**

Travis Smith-Approached the Board and encouraged the council to be thoughtful on issues at hand. The issue can change the atmosphere of town we need other industries to come into Town beside marijuana.

Will Kreutzer- Also addressed the Board and wanted to mention to people in the audience to stay for the full meeting and not leave once your topic is discussed, he encourage the community to be involved of what is going on in your town.

**CONSENT AGENDA**

Neighborhood Watch meeting is set for August 16<sup>th</sup> at 6:30 p.m. at the Annex building. Kevin Larimore with Public Works and Chief Fresquez updated the Board on their monthly reports. Mike Hager, RG Engineering gave the Board an update on the collection system and mention that it was good news to hear that DOLA awarded the Town \$100k to put towards the water system project. The DOLA grant paperwork is still in process and hope to have the grant executed by next board meeting. Motion was made by Mayor Chris Trujillo to approve the consent agenda seconded by Trustee Mark Ulrich to approve the consent agenda. Roll call all ayes, Mayor declared motion carried.

**UNFINISHED BUSINESS**

**Ryan Johnson-Old Hospital Annexation Application**-Ryan Johnson stated that he was not presenting application for Annexation he wanted to address the board for local tax structure of excise and surcharge of marijuana. Mayor Chris Trujillo stated to Mr. Johnson he is listed on the agenda for annexation. Mr. Johnson stated that he had sent Town Administrator an email indicating specifically it was for local tax structure and he was not ready to present for annexation. Mayor Chris Trujillo stated they would not be discussing that issue. Town

Administrator stated she didn't remember the email in question, and if wanted to talk about the local tax structure she didn't have a problem with him addressing it. Mayor Chris Trujillo told Mr. Johnson he could be put on the agenda for September board meeting if wanted to address the tax structure. Mr. Johnson became irate and Town Attorney Farish spoke up and mentioned to Mr. Johnson if he chose not to calm down he would be escorted by law enforcement out the meeting.

## **NEW BUSINESS**

**Joe Archuleta**-Approached the Board not take the Cultivation facility lightly, he did show the board some pictures of what Mr. Ryan Johnson had stated in earlier meeting of what the facility could look it and didn't want Del Norte to have a building looking like this in our community. He wanted the Board to understand the message that they would be showing our youth if this is allowed.

**Resolution 9-2016 of the Town Board of Trustees of the Town of Del Norte referring the issue of an amendment to the Town of Del Norte Municipal Code which would legalize marijuana cultivation facilities and impose an excise tax upon such facilities in the Town of Del Norte.** Resolution 9-2016 was not focused on by Mayor Chris Trujillo he addressed the Board and audience that he would like to make a motion of reconsideration of prior motion of the July 13, 2016 Regular Board meeting. In accordance with Rule 4.9 of the Del Norte Town Board Procedures and Rules of Order contained in Appendix 2-B of the Del Norte Municipal Code, I move that the Board of Trustees reconsider its decision to allow marijuana cultivation facilities in the town as well as the amended final decision to submit the issue of cultivation facilities to the town electorate; and in reconsidering its decision, I move that the Board of Trustees amend its decision by passing a Resolution 11-2016 by submitting the issue of whether medical marijuana facilities, recreational marijuana facilities, infused product facilities, marijuana testing facilities and marijuana cultivation facilities be allowed to operate within the town and, if so, whether a 5% excise tax should be imposed upon the first sale or transfer of unprocessed retail marijuana by any retail marijuana cultivation facility and a 5% sales tax on the purchase of retail marijuana and marijuana infused products from a retail marijuana establishment shall likewise be imposed - as a single ballot issue. A seconded to the motion was made Trustee Tony Dinger. Roll call: Trustee Scavo, Yes, Trustee Ulrich, Yes, Trustee Muncy, Yes, Trustee Dinger, Yes, Mayor Trujillo, Yes, Mayor Pro-tem Archuleta Yes, and Trustee Sabrowski Yes,. Mayor declared motion passed. Trustee Sabrowski wanted to make sure that he is on record that he only wanted a marijuana cultivation facility, but would go along with the Board.

### **RESOLUTION NO. 11-2016**

A RESOLUTION OF THE TOWN BOARD OF TRUSTEES OF THE TOWN OF DEL NORTE REFERRING THE ISSUE OF ALLOWING THE ESTABLISHMENT OF RETAIL MARIJUANA FACILITIES, MEDICAL MARIJUANNA FACILITIES, MARIJUANNA TESTING FACILITIES, INFUSED PRODUCT FACILITIES AND MARIJUANNA CULTIVATION FACILITIES AND TAXING OF SUCH ESTABLISHMENTS WITHIN THE TOWN OF DEL NORTE TO THE TOWN ELECTORATE

WHEREAS, the Board of Trustees has held meetings and received input from town citizens during the last two years regarding the allowance of marijuana facilities within the corporate limits of the Town of Del Norte; and

WHEREAS, Del Norte Municipal Code Section 10-7-140, prohibits such facilities; and

WHEREAS, the Town Board of Trustees has determined that the issue of sale of medical/recreational marijuana, marijuana testing facilities and marijuana cultivation facilities, and taxing of the same in order to provide necessary revenue for

administration, law enforcement and other attendant costs associated with licensing of such establishments, should be decided by the town electorate.

NOW THEREFORE be it hereby resolved by the Board of Trustees of the Town of Del Norte that the following measure shall be referred to the town electorate at the state general election to be held on November 8, 2016, to wit:

Shall the establishment and operation of retail marijuana stores, medical marijuana stores, marijuana infused products facilities, marijuana testing facilities and marijuana cultivation facilities be permitted in the Town of Del Norte, Colorado, subject to the requirements of the Colorado Retail Marijuana Code and Regulations to be adopted by the Town of Del Norte? And

SHALL THE TOWN OF DEL NORTE'S TAXES BE INCREASED BY AN ESTIMATED FOUR HUNDRED FIFTY THOUSAND DOLLARS (\$450,000) PER YEAR COMMENCING JANUARY 1, 2017, AND ENDING DECEMBER 31, 2017, AND BY WHATEVER AMOUNTS ARE RAISED ANNUALLY THEREAFTER, THROUGH THE ADOPTION OF A RETAIL MARIJUANA TAX AT THE RATE OF 5% ON THE PRICE PAID FOR THE PURCHASE OF RETAIL MARIJUANA AND MARIJUANA INFUSED PRODUCTS, AND A 5% EXCISE TAX ON THE "FIRST SALE OR TRANSFER OF UNPROCESSED RETAIL MARIJUANA BY A RETAIL MARIJUANA CULTIVATION FACILITY", WITH SUCH REVENUE TO BE USED FOR THE ADDITIONAL COSTS INCURRED FOR ADEQUATE ENFORCEMENT AND ADMINISTRATION OF RETAIL MARIJUANA REGULATIONS AND OTHER GENERAL PURPOSES OF THE TOWN; AND SHALL ALL REVENUES DERIVED FROM SUCH RETAIL MARIJUANA TAX BE COLLECTED AND SPENT AS A VOTER APPROVED REVENUE CHANGE, NOTWITHSTANDING ANY REVENUE OR EXPENDITURE LIMITATIONS CONTAINED IN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, ARTICLE 1 TITLE 29 OF THE COLORADO REVISED STATUTES OR ANY OTHER LAW OR LIMITATIONS?

YES \_\_\_\_\_

NO \_\_\_\_\_

In connection with the fixing of the ballot title for the ballot issue, the Town Board of Trustees finds and determines:

- A. The Town Board has considered the public confusion that might be caused by misleading ballot titles.
- B. The Town Board has determined that the issue of allowing marijuana establishments should be tied to a tax and licensing fees sufficient to support administrative, law enforcement and other costs of the town associated with such licensing and that purchasers of such products should be the source of revenue for such costs.
- C. The general understanding of the effect of a yes or no vote on the ballot issue will be clear to the electors.
- D. The ballot title for the ballot issue will not conflict with those titles selected for any other measure that will appear on the municipal ballot at the November 8, 2016, general election.
- E. The ballot title for the ballot issue correctly and fairly expresses the true intent and meaning of the measure.
- F. If a majority of all the votes cast at the election shall approve the ballot issue, described herein, then the Town Board of Trustees shall enact an Ordinance

amending Section 10-7-140 of the Del Norte Municipal Code, which prohibits such facilities, and upon the effective date of such ordinance, which shall allow the licensing of retail stores and cultivation facilities, the Town shall be authorized to collect, retain and spend the full amount of the tax revenue collected by the town as a result of the new retail marijuana excise tax and sales tax approved by the ballot issue separate and apart from any other expenditures of the town which may be limited pursuant to Article X, Section 20 of the Colorado Constitution or any other state restriction on the Town's fiscal year spending and the increased tax revenues authorized for collection, retention and expenditure by the passage of the ballot issue shall not be counted in any such spending limitation. If a majority of all the votes cast at the election shall be against the ballot issue, any action of the Town Board of Trustees in terminating or repealing the above-referenced code amendment shall not become effective.

- G. The Town Clerk shall serve as the designated election officer of the Town for the purpose of performing acts required or permitted by law in connection with the election on the ballot issue and shall take such action as may be required to comply with all applicable laws pertaining to the conduct of the election.

DONE and SIGNED this 10<sup>th</sup> day of August, 2016.

Motion was made by Trustee Mark Ulrich to adopt Resolution 10-2016, seconded by Mayor Protem Annette Archuleta. Roll call: All ayes, Mayor Chris Trujillo declared motion carried.

**Resolution No: 10-2016**

**A RESOLUTION TO CONDUCT A SPECIAL ELECTION OF THE BOARD OF TRUSTEES OF TOWN OF DEL NORTE, COLORADO, APPROVING THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF DEL NORTE AND RIO GRANDE COUNTY, COLORADO TO PARTICIPATE IN A COORDINATED ELECTION TO BE HELD ON NOVEMBER 8, 2016.**

**WHEREAS**, pursuant to the Uniform Election Code of 1992, (Article 11 to 13 of Title 1, C.R.S.) as amended, governmental entities are encouraged to cooperate and consolidate elections in order to reduce taxpayer expenses, and

**WHEREAS**, C.R.S. 31-10-108 specifies that a special election may be held as a coordinated election pursuant to Title 1, C.R.S. and

**WHEREAS**, C.R.S. 31-10-102.7 provides that any municipality may provide by ordinance or resolution that it will utilize the requirements and procedures of the Uniform Election Code of 1992, in lieu of the Municipal Election Code; and

**WHEREAS**, the Board of Trustees has determined that it is in the best interest of the Town of Del Norte to conduct this as a coordinated election, and

**WHEREAS**, it is necessary to adopt Title 1 in order to coordinate the election.

**NOW, THEREFORE, BE IT HEREBY RESOLVED** by the Town of Del Norte Board of Trustee;

Section 1. The special election scheduled for November 8, 2016 shall be conducted pursuant to the Uniform Election Code of 1992, Articles 1 to 13, Title 1, C.R.S.

Section 2. The Town Clerk is hereby to act as the Town's Election Official and participate in the preparation for the election with Rio Grande County Clerk and Recorder; and to take all necessary actions to conduct the special election with Rio Grande County, including entering into a intergovernmental agreement specifying duties and cost sharing.

**PASSED, APPROVED AND ADOPTED, THIS 10<sup>TH</sup> DAY OF AUGUST 2016.**

**Gene Taylor-Woods & River RV Park-** Mr. Taylor called and stated he would not be able to attend the meeting.

**Roger Silva-**Had sent a letter to the Town Board allowing a change in year of mobile home to be allowed in Town. Mr. Silva will be contact to send his request to Board of Adjustment for a variance allowance.

**Mayor Report**  
**Other Business**

**Chamber Update-** Will Kreutzer addressed the Town Board on the downtown streetscape project grant that was not submitted to CDOT. Various members of Chamber also addressed the Board. Mayor Chris Trujillo stated that he understood all their concerns, but they are welcome to attend a budget work session on this project. This project is not dead they are still willing to move forward but it needs to be properly budgeted and carefully planned out.

**EXECUTIVE SESSION**

At approximately: 9:05 p.m. Motion was made Mayor Chris Trujillo to go into executive session for a conference with Town Attorney for the purpose of receiving legal advice on specific legal questions under CRS 24-6-402(4)(b); and for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under CRS Section 24-6-402(6-402(4)(e) and to discuss the purchase, acquisition, lease, transfer, or sale of real property, or other property interest under CRS Section 24-6-402(4)(a) motion was seconded. Roll call: All ayes.

At approximately, 9:30 p.m. and the executive session has been concluded. The participants in the executive session were, Chief Robert Fresquez, Kevin Larimore, Ramona Dordan, Trustees; Sam Scavo, Mark Ulrich, Bob Muncy, Tony Dinger, Mayor Chris Trujillo, Mayor Pro-tem Annette Archuleta and Trustee Gary Sabrowski, Administrator Bernadette Martinez. Mayor Chris Trujillo stated for the record, if any person who participated in executive session believes that any substantial discussion of any matter not included in the motion to go into executive session occurred during executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, I would ask that you state your concerns for the record. See none, the next agenda item is.

**ADJOURNMENT**

With no further business the meeting was adjourned.

Submitted and approved this 14th day of September 2016.