



## IGNACIO TOWN BOARD SPECIAL MEETING MINUTES

Monday, October 24, 2022 – 6:00 PM

Abel F. Atencio Community Room, 570 Goddard Avenue  
and via Remote Public Meeting

- I. **CALL SPECIAL MEETING TO ORDER:** Mayor Craig called the meeting to order at 6:00 PM by leading in the pledge of allegiance.
- II. **PUBLIC COMMENTS**

Chris May, 8 El Paso Road: Expressed a concern because he believes there is a lack of transparency that is making our Town look like a laughing stock. Too many instances of things that are not clear. Encouraged the current Board to get to the bottom of it, make all efforts to make things transparent, ensure minutes are available and the packets that are given be clear. He acknowledged that he has vision impairment (macular degeneration), and that is a part of what causes him to not be able to read the packets and minutes.

Doug Little, 6 El Paso Road: How did the Town acquire the lots behind the houses on El Paso Road? Several people have attempted to buy it and were informed that it was not for sale. And now the Town owns it. How did that happen?

Pete Vigil, 103 Piedra Ave: When did the Town of Ignacio come into real estate? Seems to be buying up property and doing nothing with it yet. Would rather use the money to address other issues in the Town than buying property and letting it sit.

Mayor Craig asked if the Staff wanted respond to any of the public comments. Mr. Garcia stated that, with regard to Mr. Little's comments, the owners of the property which we refer to as Ignacio South approached the Town because they wanted to do manufactured home development on that property. As they did research and talked with Mr. Garcia about their plans, Mr. Garcia informed them that the Town had acquired the Slaughterhouse property and, if they were interested in selling this property to the Town, the Town would also like to purchase it. They stated they would like to sell it to the Town, went through negotiations, and the Town purchased it from them. There was no pressure put on them; there was open discussion with the partnership that owned it.

Mr. Garcia then addressed Mr. Vigil's comment and stated that the Town, because it is landlocked, has limited opportunity for growth. We have looked at acquiring property for affordable housing; there are numerous planning studies underway on the various properties. They are not sitting idle; we are attempting to move forward in the best way possible. The housing needs assessment that was done as part of the Rock Creek housing project has identified significant housing needs within our community. The Town Board has acquired property in an attempt to help with these housing needs. Surrounding communities such as Bayfield and Durango are doing the same thing. We are being proactive in acquiring the properties that are available.

Mayor Craig responded to Mr. May's comments, stating that the Town goes to great lengths to communicate and share information. He expressed that if Mr. May had suggestions of how that could be improved, staff would welcome that conversation.

### III. ROLL CALL

Present: Mayor Clark Craig, Mayor Pro Tem Edward Box III, Trustee Tom Atencio, Trustee Alison deKay, Trustee Sandra Maez, Trustee Jeremy Schulz

Absent: Trustee Joseph Atencio

### IV. APPROVAL OF AGENDA

**Action:** Trustee Schulz moved to approve the agenda as presented; Mayor Pro Tem Box III seconded the motion. The motion passed unanimously.

### V. NEW BUSINESS

#### A. Resolution 11-2022 – Municipal Court Judge Appointment

Judge Shaner retired in March and the Town has been looking for a new Municipal Judge. Interviews were done by Mayor Craig and Trustees Joseph Atencio and Jeremy Schulz. Judge Sarah Simchowicz was unanimously offered the position. Mayor Craig gave Judge Simchowicz the opportunity to introduce herself. She has worked for 5 years as a prosecutor for the Denver Municipal Courts. The Municipal Court Code and rules of evidence and procedure that Ignacio has are very similar to what she worked with in Denver. She previously served as a District Attorney for Durango and a municipality in New Mexico. She is looking forward to serving now as a Judge.

Mayor Craig asked if there were any questions or comments from the Trustees. Deputy Clerk/Treasurer Riley asked if there needed to be an approval of the agenda prior to proceeding. Mayor Craig stated that he had missed that agenda item. He asked if there were any changes to the agenda; there were none. He called for a motion, and the action is recorded above.

Mayor Craig stated that it is the responsibility of the Board to appoint the Municipal Judge. Mr. Garcia stated that there were a couple of grammatical changes to the Resolution that was in the packet; nothing substantive, but there were a few changes. The resolution on the shared Drive is the correct one. Mayor Craig expressed appreciation for that clarification and called for a motion on Resolution 11-2022.

**Action:** Trustee Schulz moved to approve Resolution 11-2022, appointing Judge Sarah Simchowicz as the Ignacio Municipal Court Judge for a two-year term, commencing November 1, 2022; Trustee Maez seconded the motion. Mayor Craig called for a roll call vote; when Deputy Clerk/Treasurer Riley asked for Trustee Tom Atencio's vote, he stated that he is only hearing portions of the discussion due to the quality of his remote connection and he will recuse himself from all votes during the meeting this evening. The motion passed with 5 ayes and one recusal.

#### B. Public Hearing on Annexation

Mr. Garcia stated that the annexation is of several properties (Slaughterhouse, Ignacio South, and several properties belonging to the Young family), and he has been working with the Young estate representatives on a number of issues; these have not been fully resolved and the Public Hearing has been continued for a couple of meetings now. He stated that the Town is very close to resolution of these issues and he recommends a continuation of the Public Hearing to the November 14 meeting.

Mayor Craig stated that, if there were any public comments on the issue this evening he would be happy to give opportunity for them; this will also be continued to November 14 for public comments. He opened the Public Hearing at 6:23 PM.

Kay Duchaine, 7 El Paso Road: Ms. Duchaine stated that she is against this idea because she does not believe the hill is stable enough to build on. She also expressed frustration over not being personally notified about the annexation proceedings. She also stated that she believes the manufactured homes that have been talked about will reduce the value of their properties and she is opposed to that as well.

Mayor Craig asked if there were any other public comments regarding the annexation. Pete Vigil, 103 Piedra Ave: He asked about the size of the houses and lots that will be put on Ignacio South, as well as parking and yards for each. He stated that this Town does not need tiny homes.

Mayor Craig asked if there were any other public comments regarding the annexation. Jamie Yarbrough, 2 El Paso Road: Ms. Yarbrough stated that she understood that the housing that is planned for Ignacio South is for school teachers and employees, and wanted to ask about incentivizing people to stay long-term; she asked about the percentage of AMI requirements that will be put on the housing; she wants to understand about the long-term costs of infrastructure for these various building projects and how that will affect both current and new property owners; she asked about a timeline for the various projects, as well as road construction, improvement, and connection to other Ignacio roads from the Ignacio South location.

Mayor Craig asked if there were any other public comments regarding the annexation. Rick Wheelock, 3 El Paso Road: Mr. Wheelock expressed appreciation and enjoyment of where he lives and the quality of life he enjoys. He supports affordable housing projects. His concern is for the road up to El Paso Hill and the current deterioration of that road and what increased traffic would do. He also stated that he has not heard about planned road improvements for the back alley where the new homes would be built or guardrails for the sharp curve at the top of the hill. The rumor is that groundbreaking will happen this fall, and none of the current residents have been included in these discussions.

Mayor Craig asked if there were any other public comments regarding the annexation. Chris May, 8 EL Paso Road: Mr. May expressed frustration that he heard about the plans to break ground this fall on this past Thursday, and the plan to have a house or houses in place within 60 days. Because the property is currently in the County, he talked with the County about what the requirements would be for a developer who wanted to develop this property. He gave an overview of the requirements: compatibility, road access, wildlife habitat, archaeological and historical impacts, a plan that is shared in writing with current residents and a 21-day opportunity for written responses, public hearings, etc. He feels that this kind of care is not being exercised by current town staff.

Mayor Craig asked if there were any other public comments regarding the annexation. Jamie Yarbrough, 2 El Paso Road: Wants to know if the plan is affordable housing or long-term housing and what the plan is for addressing amenities such as grocery shopping, etc.

Mayor Craig asked if there were any other public comments regarding the annexation. Liz Wheelock, 3 El Paso Road: Concerned about infrastructure of El Paso Road, especially at the turn at the top of the road.

Mayor Craig asked if there were any other public comments regarding the annexation. There were none, so Mayor Craig closed the Public Hearing regarding the Annexation for this evening's meeting at 6:41 PM. He stated that no decision will be made at the meeting tonight. He stated that there were a lot of comments from the public about subdividing and development, and that is a completely separate process for creating lot lines; this process will go through the Planning Commission. He acknowledged Kasey Correia, the new Planning Commission Chair. He stated that the Annexation of the property brings the property into the Town limits; there are no property lines established, no groundbreaking taking place, or any of what has been expressed as concerns this evening. These concerns (with the exception of the road, which staff can address later) will all be heard in Public Hearings through the Planning Commission; the Planning Commission then makes a recommendation to the Board for a final decision. He again stated that no action will be taken tonight; this Public Hearing will be continued to the November 14 meeting.

C. Ordinance 351 – Ignacio South Annexation

No action taken on this item; continued to November 14.

D. Town Fee Waiver Policy Discussion

Mr. Garcia stated that he had forwarded an email from Mr. Liberman to the Board regarding the research he has done on fee waivers; he asked Mr. Liberman to speak to this issue and take any questions from the Board.

Mr. Liberman did research on tap fee waivers for desirable projects in other communities that would provide for needs with the community such as creating jobs, affordable housing, beautifying the community, etc. He stated that it would be allowable for the Town to give fee waivers, at its discretion, for Town tap fees (gas, water, sewer, and irrigation) to a non-profit corporation; the Town cannot provide a waiver of the Tribe's plant investment fees. The Town would be required to transfer funds from the General Fund or the Capital Improvement Fund to cover the waived portion of its fees so that the Enterprise Fund(s) remain whole. There are statutory limits on fee waivers for individuals and/or economic development that the Town would need to consider in those cases.

Mr. Liberman recommended that he and Mr. Garcia work together on various criteria for a tap fee waiver ordinance, especially considering budgetary constraints and making it a case-by-case decision of the Board. He also recommends that there be stipulations that the requesting entity provide what they are committing to within a certain amount of time or they will need to pay the full fee prior to receiving a certificate of occupancy.

Mr. Garcia stated that, if the Board would like to consider this, he will work with Mr. Liberman on developing an Ordinance to be presented to the Board.

Trustee deKay asked what the total current tap fees are; Mr. Garcia stated it was about \$4,000 from the Town. She stated that she would like to see a complete removal of tap fees due to the benefit it would provide for non-profits, homeowners and businesses. All three of these entities would be involved in something that benefits the Town, so she is in favor of eliminating tap fees.

Trustee Schulz stated that he respectfully disagrees with Trustee deKay; he knows that the majority of the cost for building comes through the Tribe's plant investment fees and he believes that the Town should not be looking at reducing our revenue in any area,

especially the Enterprise Funds. He stated that if the Town does give tap fee waivers, the residents are paying for the development of the Town.

Trustee Maez stated that she agrees with Trustee Schulz; it should be limited to non-profits and criteria should be established.

Mayor Craig stated that he likes the 50% waiver under certain considerations. He asked staff to work with Mr. Liberman to write an ordinance for the Board to consider, stating that he believes that the Board, as a whole, does not support elimination of tap fees, especially for the private sector or for-profit businesses.

Mayor Pro Tem Box III asked about tap fees to the Tribe. Mr. Garcia stated that the current agreement with the Tribe is that the Town collect their plant investment fees (PIF) and remit them to the Tribe; the total PIF from the Tribe are approximately \$20,000.00 for water, sewer, and natural gas. Mayor Pro Tem Box III asked about working with the Tribe on reducing their PIF. Mayor Craig stated that, per a meeting that Mr. Garcia had with the Tribe, they are looking for direction from us for the possibility of providing PIF waivers on a case-by-case basis as well.

He gave direction to staff to work with Mr. Liberman on an Ordinance that will be considered by the Board, stating that he likes the example from the Town of Eagle that Mr. Liberman had provided.

Trustee deKay clarified that she is not wanting to put an additional burden on the taxpayers; she is wanting to promote growth and investment into our community, incentivizing individuals and businesses to improve their properties and increase economic development. Mr. Garcia stated that there are grant opportunities forthcoming that will help with affordable housing in the area of tap fees; these grant opportunities are not for private sector, non-profits or for-profits, only for affordable housing. The Town plans to apply for these monies when they become available. He stated that he would check into the possibility of using some of these grant monies to make the Enterprise Funds whole, rather than using monies from the General Fund.

#### E. 2023 Budget Discussion Regarding Capital Improvement Projects

Mr. Garcia stated that the items he would like the Board to consider are pay increases for staff (there is a spreadsheet in the packet for the Board) and capital improvement projects (there is a spreadsheet at each position on the dais for the Board to consider). He added grant funding that the Town has applied for, as well as the matching requirements that will likely come out of the Capital Improvement Fund. The Storm Sewer Replacement Project is approximately \$400,000 with a 50% match that will come out of Capital Improvement Fund; hopefully it will be completed in 2023. There is also a signed agreement with CDOT for repaving Goddard Avenue through Town and replacing all the handicapped sidewalk ramps with CDOT funds. CDOT requested, as part of that agreement, that the Town finance sidewalk improvements which would cost about \$130,000; this will also come out of the Capital Improvement Fund. The Town will contribute the funds and CDOT will manage the project. DOLA has requested letters of interest, which have been submitted, for infrastructure funding that would be used at Rock Creek; we have requested \$400,000 but Mr. Garcia would like to increase that request. The match requirement for this grant is 20%, which, at the current request of \$400,000 would be a match of \$80,000. Because Mr. Garcia is looking at multiple phases of the build, he would like to increase the ask to one million, which would require a match

of \$200,000. He has a Q&A appointment with the DOLA representative the week before Thanksgiving; he will also be asking about the possibility of funding for the Slaughterhouse property as a future project. He talked about the conversations that the Town has been having with Ignacio School District (ISD) about ELHI and the request from ISD for teacher housing. The hope is to build one house per year at about \$300,000 per house. Dee has provided some information on the ARPA funding (about \$228,000) that needs to be spent at some point. Some options for these funds are housing or broadband; these funds are not in the budget as an expenditure, even though they show on the revenue side. Dee stated that because the Town of Ignacio is an NEU (a municipality of less than 50,000 people), we are required to report annually; she reported for this year that there were no expenditures of these funds. We do need to submit plans for expenditure of these funds.

Trustee deKay expressed appreciation for the work that staff is doing to keep all the various items in front of the Board for discussion and consideration.

Mr. Garcia stated that a Work Session needs to be scheduled to finalize the budget. He stated that we can also do supplemental budgets next year if an expenditure comes up that is not currently in the budget. He stated that the items that needs direction from the Board are salary increases, capital improvement projects, and revenue projections. By consensus, the Work Session was scheduled immediately following the adjournment of the Regular Town Board Meeting on November 14.

Mr. Garcia stated that the certification of the mill levy and the adoption of the 2023 budget will take place on December 12.

#### F. Kratom Discussion

Mayor Craig stated that, per Trustee deKay's request, Mr. Liberman has done some research on this issue. There are several new drugs that are coming into our community. Kratom is currently legal to purchase, but it is not a good thing; it doesn't kill as many people as fentanyl, but is not good and is something that will be discussed quite a bit in the near future. State legislature is looking at enacting legislation, and the Board thinks it needs to be addressed prior to the State legislation.

Mr. Liberman stated that he sent information to Mr. Garcia and the Board, giving background and the position of CML on this topic. In May of 2022, Governor Polis signed Senate Bill 22-120 into law, which is the first Colorado State Law to address Kratom. Kratom is a plant substance related to coffee, but it has opioid characteristics; the FDA has not approved this as a legal drug. The Colorado law establishes minimum requirements for distribution, labeling, advertising and sale of Kratom that go into effect in July 2024. Nothing prohibits local governments from imposing stricter regulations on this substance. Because there is so much that is unknown about this substance and its health and safety concerns, many communities are considering regulating it. He gave examples of such regulations for the Board to consider. He recommended a temporary moratorium on the sale, production, distribution and manufacturing of Kratom in the Town of Ignacio.

Mayor Craig stated that he was hoping for an ordinance that would serve as a framework for this and future substances so that the Town does not need to write a separate ordinance for each one. He asked for Mr. Liberman's recommendation.

Mr. Liberman stated that even big government entities with sufficient funding and staff have a difficult time staying ahead of the newest substance that is not yet regulated or

outlawed. He said he did not really have a recommendation on how to address this in a way that would also address future substances. He suggested an ordinance that would either be a temporary moratorium or a permanent ban on the sale of Kratom.

Dee Wesner, Finance Coordinator, suggested that the Board consider what substances would be considered legal to sell within the Town of Ignacio and place a ban on all other substances; this would prevent the need for a new ordinance for each new substance.

Mayor Craig said he thought that was a good idea and requested that Mr. Liberman consider this suggestion; in the meantime, he would like to move forward with a temporary moratorium on Kratom if the Board concurs. They did, and Mr. Liberman stated he would draft the ordinance for the Board's consideration at the November 14 meeting.

## VI. MISCELLANEOUS

Mayor Craig said that he was able to attend the Mayor's Summit in Denver with about 60 other Mayors; while the Town of Ignacio has our unique challenges, we are in the same boat as many other communities.


Kasey Correia spoke up and stated that she and others were having difficulty hearing what is being said and requested that the Board consider investing in a sound system; she believes that this issue is part of the misinformation and/or lack of transparency that the Board was accused of this evening.

## VII. ADJOURNMENT

Being no further business before the Board, the meeting was adjourned 7:28 PM. The next regularly scheduled meeting will be on Monday, November 14, 2022, at 6:00 PM in the Abel F. Atencio Community Room and via Remote Public Meeting.

  
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Clark Craig, Mayor

  
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Date

  
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Attest: Tuggy Dunton, Town Clerk