



TOWN COUNCIL WORK SESSION

Minutes

Wednesday, November 17, 2021 at 5:15 pm

Attendees: Staff: Christopher Collopy - Town Manager, Kelsi Miller
- Town Clerk, Heidi Wink - Finance Director

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the members of the Springerville Town Council and to the general public that the Council will hold a meeting open to the public at the Springerville Town Hall, 418 East Main Street, Springerville, Arizona. The Town Council reserves the right to adjourn into Executive Session in accordance with Arizona Revised Statutes Section 38-431.03 (A)(1)(3)(4) and (7) for legal consultation on any of the following agenda items.

1. CALL MEETING TO ORDER AND ASCERTAIN A QUORUM:

Minutes:

The Work Session was called to order at 5:15 p.m.

The Town Clerk verified a Town Council quorum was present. Councilor Ruben Llamas-Absent, Vice Mayor Robert MacKenzie - Present, Mayor Hanson - Present, Councilor Richard Davis - Present (joined at 5:17 p.m.), Councilor Shelly Reidhead - Present
The Town Clerk verified a Planning and Zoning Commission quorum was present. Chairman Donald Scott - Present, Vice Chairwoman Terry Shove - Present, Commissioner Teresa Becker - Present

NEW BUSINESS

2. AMERICAN RESCUE PLAN ACT FUNDING:

Minutes:

Finance Director Heidi Wink introduced the ARPA Funding and gave a brief description of what it is. She explained that the Town needs to decide what projects we are interested in by February. She showed them in their packet is a list of some of the water and sewer projects that these funds can be used for. The projects have to be eligible for the Clean Water State Revolving Fund and the state Wastewater Fund, they must meet these standards. ARPA funds can be used for revenue loss due to the pandemic, but we did not have revenue losses. Ms. Wink suggests they review the packets and meet again in January to discuss ideas. Councilor Reidhead asked if they can use the funds for roads? Ms. Wink said no, water, sewer, or broadband. Council

asked how much money should we be receiving? She responded \$330,00 this year and \$330,000 next fiscal year for a total of \$660,000. Manager Collopy said staff will come up with a list of ideas to bring back to the council to brainstorm on. Mayor Hanson asked if we do not use all of this money this year do we lose it? Heidi said we have until 2026 to use it. But we do not suggest waiting that long because more funding may become available.

3. P & Z RECOMMENDATION ON ORDINANCE 2021-002:

Minutes:

Councilor Reidhead started the conversation regarding the proposed Ordinance. She stated she attended all of the Planning and Zoning Public Hearings and the Town unanimously agreed they do not want marijuana. However, Councilor MacKenzie explained that the people of Arizona do want marijuana and he has concerns about the Council picking and choosing which laws we want to follow. Terry Shove with the Planning and Zoning Commission explained they learned from Legal Council and review of Prop 207 that Springerville can not have anything that is more restrictive than our current medical marijuana ordinance. Due to this, she explained we are stuck with marijuana. However, the Planning and Zoning Commission is not supportive of the proposed Ordinance. They feel it will allow more opportunities than this community needs. The Commission wants to keep current setbacks as well as building size. Ms. Shove explained we need to be very careful how we handle this. We do not want to put our Town in a place to bring more litigation. She believes if we stick to our existing setbacks and sizes we can better regulate, she gave a brief description of our current setbacks and building size. Our community does not want marijuana but we are in a place where we can not legally stop it per state law. The fact that we do not currently have a medical marijuana dispensary does not mean anything. It is based on the fact that we currently have a medical marijuana ordinance allowing them. Therefore the Town can make it as stringent as the state will allow. Vice-Mayor MacKenzie agrees that he does not want to turn Springerville into the test case for State litigation regarding this. He asked the Town Attorney, Ms. Henry, if we keep the regulations we currently have for medical marijuana and add recreational marijuana will we be compliant with state law. She explained with the current guidance, statutes, and administrative code that we have yes, as long as we are following that we are within the scope of authority that the state statute allows. However, she did recently receive an update from the League of Cities and Towns on the Social program for areas that may have been negatively impacted or have more challenges to access marijuana. They have not finalized the rules for that program yet. She doesn't believe they will affect the Town, but we do need to keep that in mind as they develop. Don Scott the Chairman of the Commission added he understood that one of the applicants would not be able to provide medical-grade marijuana or be offering medical pricing with their proposal. It would be a recreational-only dispensary. He is curious if there is a way for the Town to say if we do have a dispensary we want it to include both medical and recreational. Some people have voiced they would like to

see easier access to the medical side so he thinks that option should be explored. Ms. Shove agrees if we can put into a new Ordinance that they must provide both. Ms. Henry is not sure if we have the authority to limit that, the statute has better language as far as the right of the dual licensee to operate both. The administrative code and guidance lead her to believe we can not mandate that. Manager Collopy added that he believes we can limit the number of dispensaries we allow. Mr. MacKenzie said he thought the number of dispensaries was set by the lottery. Ms. Reidhead said the lotteries are per County, not Town. There was some discussion on if Apache County had two or three licenses, a number was not definitively identified. Mayor Hanson added if we only want to allow one we can do that. Vice-Mayor MacKenzie said yes, as long as they meet all other requirements. Councilor Reidhead added it is her understanding that they can not reapply for another conditional use permit for a year following a denial. Ms. Shove said they can not apply for the same use at the same location for a year. Mr. Collopy said he is not aware of any recent application for a zoning form for AZDHS applications. It is possible the dispensary license holders saw the opposition in the community and realized there are easier areas they could go to. There was some discussion as to if Apache County itself will allow a marijuana dispensary, it was unverified if they do or don't allow them. Mayor Hanson asked Ms. Henry where we go from here. She said that is up to the Council, we have heard suggestions and some oppositions. Vice-Mayor MacKenzie wanted to ask one of the applicants their opinion and Ms. Henry let him know that is not advised as this was not agendized to be a discussion with the public. Ms. Shove suggested that we add recreational marijuana into the places that include medical marijuana. She asked if that would make a new code? Ms. Henry said that is a possibility if that is the route they would like to take. We could use the language already written into the code and alter the areas that are needed. Mr. Scott said his suggestion would be to add adult use to the existing code where it lists medical. Ms. Henry said we can draft a new ordinance with these changes as well as include some language to address some state statutes such as dual licenses and some minor legal language. Councilor Reidhead reiterated she still does not support marijuana here period. Mayor Hanson expressed when they come before Council and want a Conditional Use Permit we review it at that time. Ms. Shove agreed, they will have to meet all strict CUP requirements. Councilor Davis asked if we are aware if there are any locations in Springerville that will meet all requirements in the current code for a dispensary? There is at least one, we once had a dispensary the commission informed him. Mr. Davis pointed out the north side of Main Street is only half zoned commercial, however, the south side is zoned commercial. They discussed residential properties in the area of Main Street. Mayor Hanson asked if the legal recommendation is to add recreational to the existing ordinance? Ms. Henry said that is an efficient way to update the code to be compliant with the scope of authority that is given to the town there are a few other additions the Town should consider if that is the course they would like to go forward with. One specific example is the dual licensees. If they do not like the proposed model, they do not have to adopt all of the contents of it.

Councilor Reidhead pointed out that if the Town is stuck with marijuana we need to limit it to only allowing one. Vice-Mayor MacKenzie said we do not want to make it look like we are gunning for those applying. Ms. Shove said the one that came before planning and zoning did not give a full CUP, they were not gunned for, they did not have a complete application. We only have 1,700 people here, she feels one dispensary will be enough. Mayor Hanson asked what the next step is. Ms. Henry said Council may give staff direction on how they would like to move forward. She feels it may be more efficient to start fresh with a new Ordinance rather than try to redline the proposed one. If that is the will of the Council she would then direct us on it, but no legal action at this time. We will have to start fresh with our public hearings and follow all of the steps. Ms. Shove asked if the public hearings can be with the Council? Staff will look at the statute but we believe they state the hearings are to be held with the Planning and Zoning Commission. Council agrees the recommendation is to start over with a new Ordinance.

4. ADJOURNMENT:

Minutes:

ACTION: Robert MacKenzie/ Shelly Reidhead motioned to adjourn at 5:50 p.m.

DISCUSSION: None

Vote results:

Ayes: 4 / Nays: 0

Americans with disabilities act (A.D.A.): The Town of Springerville intends to comply with A.D.A. If you are physically challenged or disabled and need special accommodations to participate in this town meeting, please contact the Town Clerk at (928) 333-2656 ext. 224 forty-eight (48) hours prior to the meeting to arrange necessary accommodations.