

**CROWLEY COUNTY BOARD OF COUNTY COMMISSIONERS
RECORD OF PROCEEDINGS**

December 31, 2018

CALL TO ORDER

Board of County Commissioners met in regular session on December 31, 2018. The meeting was called to order by Chairman T. E. Allumbaugh at 8:30 a.m. The following were present:

T. E. Allumbaugh-----Chairman
Blaine Arbuthnot-----Member
Gary Gibson-----Vice Chairman
Mike Apker-----Deputy Clerk to the Board

Audience:

RESOLUTION NO. 7556

APPROVAL DISBURSEMENTS, DECEMBER 31, 2018

Motion by Gibson, seconded by Arbuthnot to approve the disbursements for December 31, 2018 and authorize transfer of funds in the following amounts:

| | |
|----------------------|-------------|
| General Fund | \$29,805.44 |
| Road and Bridge Fund | \$ 1,856.86 |
| EMS Fund | \$ 595.47 |
| Ambulance Fund | \$ 3,445.60 |
| Water Fund | \$ 450.00 |
| DHS Fund | \$ 1,317.23 |
| Total | \$37,470.60 |

| | |
|----------------------|-------------|
| General Fund | \$ 600.76 |
| Road and Bridge Fund | \$ 237.10 |
| EMS Fire Fund | \$ 30.64 |
| Ambulance Fund | \$ 50.90 |
| Water Fund | \$ 37.23 |
| DHS Fund | \$ 437.21 |
| Total | \$ 1,393.84 |

| | |
|----------|---------|
| CTF Fund | \$ 5.00 |
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Upon motion duly made and seconded the foregoing resolution was adopted by the following vote:

Allumbaugh-----Aye
Arbuthnot-----Aye
Gibson-----Aye

RESOLUTION NO. 7557

APPROVAL RESOLUTION COMMITTING ASSIGNED FUND BALANCES TO THE PARTICULAR FUND

Motion by Gibson, seconded by Arbuthnot to adopt the following resolution committing assigned fund balances to particular the fund balances for Calendar Year 2019:

CROWLEY COUNTY, COLORADO
"Fund Balance"

December 31, 2018

WHEREAS, the Governmental Accounting Standards Board (GASB) has adopted Statement No. 54 (GASB 54), Fund Balance Reporting and Governmental Fund Type Definitions, that is effective in fiscal year 2019, and

WHEREAS, Crowley County Board of Commissioners wishes to comply with GASB 54 as required beginning with the current January 1, 2019-December 31, 2019 fiscal year;

NOW THEREFORE BE IT RESOLVED that the Board hereby adopts the following resolution:

1. Fund balance measures the net financial resources available to finance expenditures of future periods. The County's Unassigned General Fund Balance will be maintained to provide the District with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing.
2. Fund Balance of the County may be committed for a specific source by formal action of the Board. Amendments or modification to the committed fund balance must also be approved by formal action of the Board. Committed fund balance does not lapse at year-end. The formal action required to commit fund balance shall be by majority vote.
3. The Board for purposes of fund balance classification, expenditures are to be spent from restricted fund balance first and then unrestricted. Expenditures incurred in the unrestricted fund balances shall be reduced first from the committed fund balance, then from the assigned fund balance and lastly, the unassigned fund balance.

THE FOREGOING RESOLUTION was adopted at a regular meeting of the Crowley County Board of County Commissioners on the 31st day of December, 2018

Upon motion duly made and seconded the foregoing resolution was adopted by the following vote:

Allumbaugh-----Aye
 Arbuthnot-----Aye
 Gibson-----Aye

RESOLUTION NO. 7558

APPROVAL BENT-CROWLEY-OTERO COUNTIES PURCHASE AGREEMENT FOR DISTRICT ATTORNEY BUILDING
 Motion by Arbuthnot, seconded by Gibson to approve the purchase of the building at 23 West 4th; La Junta, Colorado for an office building for the 16th Judicial District Attorney and staff from DA retained funds.

Upon motion duly made and seconded the foregoing resolution was adopted by the following vote:

Allumbaugh-----Aye
 Arbuthnot-----Aye
 Gibson-----Aye

RESOLUTION NO. 7559

APPROVAL REVISIONS TO PLANNING AND ZONING MANUAL, SECTION 14, COMMERCIAL MARIJUANA REGULATIONS

Motion by Arbuthnot, seconded by Gibson to adopt the following amendments to Section 14 of the Planning and Zoning Manual for Commercial Marijuana Operations; and Attachments A and B to wit:

CROWLEY COUNTY
 COMMERCIAL MARIJUANA
 REGULATIONS

SECTION 14

October 24, 2016

Section 9 revised April 10, 2017; second revision February 9, 2018; third revision December 31, 2018

1. AUTHORITY OF ARTICLE:

This article is authorized by Colorado Constitution Article XVIII, Sections 14 & 16 and C.R.S 12-43.3-101 et seq., 12-43.4-101 et seq., and 39-28.2-101 et seq.

2. PURPOSE OF ARTICLE:

These Commercial Marijuana Regulations establish additional rules, procedures, criteria and conditions governing the time, place, manner, and fees for Commercial Marijuana Cultivation Facilities in the unincorporated area of Crowley County. These Regulations may be amended by Resolution of the Board of County Commissioners.

3. GENERAL PROVISIONS:

The title of this section shall be the Crowley County Commercial Marijuana Regulations, and may be so cited.

4. DEFINITIONS:

a. General definitions, terms and phrases are stated in the Crowley County Planning and Zoning Manual, beginning with page 50. This article adopts the definitions in Colorado Constitution article XVIII, Sections 14 & 16, and C.R.S 12-43.3-101 et seq., 12-43.3-101 et seq. and 39-28.8-101 et seq.

b. Facility Operator: A "person" as defined in in the Crowley County Planning & Zoning Manual that holds a current State license for the Commercial Cultivation of Marijuana and oversees the day to day operations of a Commercial Marijuana Cultivation Facility.

5. COUNTY EXCISE TAX: Pursuant to the Crowley County Board of County Commissioners' Resolution 2016-2, a local five percent (5%) excise tax has been presented to the Crowley County voters. If approved, the excise tax will be imposed upon the Facility Operator who shall pay the excise tax to the Crowley County Treasurer upon the transferring of any commercial marijuana from said facility. Failure to comply with all provisions of this resolution may result in the revocation of the Use by Review Permit.

6. USE BY REVIEW:

a. Commercial Marijuana Cultivation Facility may be permitted only as a conditional use in Agricultural and/or Commercial & Industrial Zoning Districts as defined in the Crowley County Planning & Zoning Manual.

b. All Commercial Marijuana Cultivation Facility Owner(s) shall have an approved Use by Review Permit before commencing construction or operation of such facility.

c. Facility Operator(s) must have a conditionally approved Colorado Marijuana Cultivation License pursuant to Colorado Department of Revenue, Marijuana Enforcement Division 1 CCR 212-2.

d. Use by Review Permits for Commercial Marijuana Cultivation Facilities or Facility Operator shall not be transferrable. Any change of the identity of person or ownership listed as the applicant or combination thereof, as defined in the Crowley County Planning & Zoning Manual, requires a new Use by Review Permit to be approved by the Board of County Commissioners.

e. Each successful applicant for a conditional use permit shall provide to the County any reports deemed necessary by the Crowley County Land Use Administrator, including but not limited to, books & records maintained pursuant to section 39-38.8-303 CES, payroll records, water source and water consumption records.

f. The licensed premises, including but not limited to any places where marijuana is grown, stored, cultivated and/or tested shall be subject to inspection by the Local Licensing Authority or its designee, and any other state or local law enforcement personnel during all business hours and other times of apparent activity, for the purpose of inspection or investigation. The Local Licensing Authority and its designee may conduct unannounced or covert compliance inspections. For examination of any inventory or books and records required to be kept by the licensees, access shall be required during business hours. Where any part of the licensed premises consists of a locked area, upon demand to the licensee, such area shall be made available for inspection without delay and, upon request by authorized representatives of the Local Licensing Authority, the licensee shall open the area for inspection. Each licensee shall retain all books and records necessary to show fully the business transactions of the licensee for a period of the current tax year and the three immediately prior tax years.

g. Each Applicant shall sign a waiver acknowledging that activities authorized by a Use by Review Permit under this provision may constitute a violation of Federal Law and that the issuance of the Use by Review Permit hereunder in no way excuses such violation, and may result in revocation of the Use by Review Permit.

h. To the degree possible/practical, when hiring employees, each grow facility should give preference to Crowley County area residents.

7. USE BY REVIEW REQUIREMENTS AND CONDITIONS

a. In addition to the provisions applicable to Use by Review permits as described above and in the Crowley County Planning & Zoning Manual, permits to operate a Commercial

Marijuana Cultivation Facility shall be conditioned on the following, at the discretion of the Crowley County Board of County Commissioners (BOCC).

b. Annual Compliance Reviews shall be performed by the Board of County Commissioners, or its designees, no later than 30 days following the anniversary date of the issuance of a Commercial Building Permit.

c. All required construction permits must be in place within forty-five (45) days of the Use by Review approval. Construction must begin within 180 days of the Building Permit approval, and all final building inspections must be performed within one year of the building permit approval.

d. Failure to meet any conditions of the approved Use by Review requirements may result in the revocation of the Use by Review Permit and fines of up to \$1,000 per day until corrected to the satisfaction of the Local Licensing Authority.

e. In addition to the provisions described above, the following information shall be submitted:

- 1). General Land Use Application
- 2). Operations & Business plan
- 3). Proof of Colorado Residency (required minimum of two (2) years).
- 4). Written consent from the Conditional Use by Review holder to act as the facility operator.
- 5). A signed contract with an approved water provider from an approved water source as determined by the Colorado Division of Water Resources. Said contract shall be for a minimum of five (5) years.

f. Additional land restrictions detailed in Attachment B, adopted December 31, 2018

8. MANNER OF OPERATIONS:

a. A Commercial Marijuana Cultivation Facility shall be in conformity with all applicable State statutes and regulations, as well as any of the terms and conditions of any state license issued to the facility, and the Commercial Building Standards adopted by Crowley County at the time of the application.

b. All commercial marijuana cultivation shall take place at a secured site, indoors or outdoors, with approved perimeter fencing as determined by the Marijuana Enforcement Division (MED) and meeting the commercial building standards adopted by Crowley County at the time of construction

c. Commercial Marijuana Cultivation Facilities shall be located at least one mile from the boundary of any incorporated town.

d. When determined necessary by the Board of County Commissioners, Commercial Marijuana Facilities shall be equipped with an automatic fire sprinkler system, meeting the commercial building standards adopted by Crowley County at the time of construction.

e. All Commercial Marijuana Cultivation Facilities must secure a water source adequate to meet their needs without harming other water customers on their water system and their specific water line. The water source secured must be approved by a Division 2 Engineer from the Colorado Division of Water Resources. Documentation of this approval must be included in the application at the time of the initial submittal, or the application shall not be accepted.

f. All applications for commercial marijuana cultivation shall be sent to the Colorado Division of Water Resources, as referenced above, as well as the Fire Chief, the Crowley County Sheriff's Department and any other agency determined necessary by the Planning and Zoning Board.

9. FEES:

a. Fee Schedule detailed in Attachment A, subject to amendment by the Board of Commissioners

b. The Initial Review Fee and the Application Fee must be paid prior to the Planning & Zoning Commission's review/decision.

c. Be advised, Crowley County charges a 2% use tax on all building materials purchased outside of the county.

d. The Local Licensing Authority by rule or regulation shall set the due dates for any fee due pursuant to this section. These and all other fees must be paid within 30 days of invoice date.

10. DISCLAIMER

a. Activities authorized by a Use by Review Permit under this provision may constitute a violation of Federal Law. Be advised issuance of a Use by Review Permit hereunder in no way excuses such violation.

11. APPLICATION, NOTICE AND HEARING

a. Application, notice and hearing procedures shall be in accordance with the Crowley County Planning and Zoning Manual.

12. CONFLICTING PROVISIONS

a. Should any provisions within these Commercial marijuana Regulations conflict with any other State or Local Regulations, the most restrictive applies, unless otherwise stipulated.

Attachment A

FEE SCHEDULE
DECEMBER 31, 2018

USE BY REVIEW: \$575.00

This is for land you own or intend to buy or lease and approval is being requested to grow Commercial Retail Marijuana. \$75.00 is the normal fee for Use by Review. The \$500.00 is to cover costs associated with Commissioner Meetings and land use discussions and review.

APPLICATION FEE: \$500.00

This is a one-time fee for the Commissioners and Sheriff's Department to review the State approved license and issuing the Crowley County license. One license cost is \$500.00; two or more are \$500.00 each

LICENSING FEE:

This fee is comprised of the sum of \$5,000 for the right to grow commercial marijuana. This includes one grow structure of any size. In addition, there is a \$1,000 charge for each additional structure/greenhouse used for cultivation or processing, plus \$.50 cents per square foot of all of the structure(s), based on external dimensions. These fees are collected at the time the county license is issued. Permanent accessory buildings will be charged at the rate of \$.50 cents per square feet, external dimensions. The \$2,500 check issued to the county at the time you applied for your state license will be refunded to you when purchasing your first county license.

LICENSE RENEWAL FEE:

These fees are to renew the licenses for each structure/greenhouse used for marijuana cultivation or processing. The fees are comprised of the sum of \$2,500, plus \$500 per structure/greenhouse used for cultivation or processing and \$.25 cents per square feet of the structure(s), based on external dimensions. These fees should be collected twelve months from the date the prior license was issued. Permanent accessory buildings will be charged at the rate of \$.25 per square feet, external dimensions.

LICENSE TRANSFERS:

The cost of transferring a license to a new owner will be based on the License Renewal Fee, prorated on the number of months remaining on the current license, down to a minimum of \$1,500.

USE TAX:

All building materials used for the construction of the greenhouse and outbuildings, that were not purchased in Crowley County and for which five percent (5%) sales tax was not paid previously, are subject to Use Tax. Two percent (2%) should be collected based on all receipts for all items purchased in the process of building the greenhouse and other miscellaneous structures.

At the time of purchasing your building permit, you must also pay your estimated "use tax", based on your estimate of the total cost. At the completion of the project, based on your receipts, we will calculate the actual cost. If you owe more, you will be required to pay at this time. If you owe less, we refund the balance to you.

BUILDING INSPECTION FEE:

Fees are calculated by the County Building Inspector.

EXCISE TAX:

Growers should pay the county five percent (5 %) of gross sales. Reported sales to the State should be immediately reported to the County, accompanied by a check payable to Crowley County.

AMENDMENT:

Board of Commissioners reserves the right to change any and all of these fees when the Board deems necessary.

Attachment B
Adopted December 31, 2018

- Outdoor growing operations maximum of two acres
- No flood irrigation using domestic water sources

Upon motion duly made and seconded the foregoing resolution was adopted by the following vote:

Allumbaugh-----Aye
Arbuthnot-----Aye
Gibson-----Aye

RESOLUTION NO. 7560

APPROVAL SUPPLEMENTAL DISBURSEMENT, DECEMBER 31, 2018

Motion by Gibson, seconded by Arbuthnot to approve the supplemental disbursement for December 31, 2018 and authorize transfer of funds in the following amount:

General Fund \$1,153.09

Upon motion duly made and seconded the foregoing resolution was adopted by the following vote:

Allumbaugh-----Aye
Arbuthnot-----Aye
Gibson-----Aye

No further business appearing the meeting was recessed.
Minutes taken by Mike Apker.

ATTEST:

Lucile Nichols, County Clerk

Tobe Allumbaugh, Chairman