MINUTES OF THE REGULAR MEETING OF THE COMMON COUNCIL OF THE TOWN OF STAR VALLEY

January 5, 2021 at 4:00 pm 3675 East Highway 260, Star Valley, AZ (Star Valley Town Hall)

The Agenda for the meeting is as follows:

- PRAYER was offered by Vice Mayor McKinney.
- CALL TO ORDER
- ROLL CALL:

Vice Mayor McKinney \underline{X} , Council Member Davis \underline{X} , Council Member Armington \underline{X} , Council Member Binney \underline{X} , Council Member Rappaport \underline{X} , Council Member McDaniel \underline{X} , Mayor Coon \underline{X} . Council Members appeared telephonically.

• CONSENT AGENDA ITEMS:

All items listed under the Consent Agenda will be voted on with one motion. If discussion is desired regarding any Consent Agenda item, that item will be removed from the Consent Agenda and voted on separately.

- A. Approval of the minutes from Regular Council Meeting held on December 15, 2020.
- B. Approval of Claims Payable from December 16, 2020 through December 31, 2020 for the General Fund and for the Water Department.

A motion to approve consent agenda items A and B was made by Council Member Davis and was seconded by Council Member McDaniel.

A roll call vote was taken:

Vice Mayor McKinney \underline{X} , Council Member Davis \underline{X} , Council Member Armington \underline{X} , Council Member Binney \underline{X} , Council Member Rappaport \underline{X} , Council Member McDaniel \underline{X} , Mayor Coon \underline{X} .

The motion was voted on and passed 7 - 0.

• **DISCUSSION ITEMS:**

1. Discussion and possible action relating to the regulation of recreational marijuana.

Mayor Coon reported that Prop 207 legalized recreational marijuana in Arizona. The council's purpose today, stated Mayor Coon, is to determine if Star Valley is interested in allowing a recreational marijuana dispensary. There will be a limited number of dispensaries, reported Mayor Coon, but if Star Valley is offered one the Town needs to be prepared and establish an ordinance.

Town Manager Grier explained that staff has tried to provide as much information as possible. The rules and regulations are still evolving and not in place yet so it's been a bit difficult to get anything definitive in front of council. Mr. Grier stated that two ordinances have been drafted. One ordinance prohibits the sale of marijuana in the Town of Star Valley. The other ordinance allows, but regulates, the sale of marijuana in the Town of Star Valley. Unlike medical dispensaries, explained Mr. Grier, a town can prohibit the sale of marijuana. A town can also decide to put regulations on the retail sale establishment. A town's interest in allowing and regulating would be revenue based, concluded Mr. Grier.

Council Member Rappaport stated her concern that the requirements and rules aren't really in concrete yet. There aren't a lot of people here in Star Valley that could pay \$500.00 an ounce for pot, but they can grow it in their backyards. If they really wanted to have something really high powered they could just go up the hill to Payson. If you have marijuana and cash on hand, pointed out Council Member Rappaport, you are just a sitting duck to get robbed. Until we get all the rules in place, concluded Council Member Rappaport, she would like to table it until the end of the first quarter to see if anything else comes about.

Council Member Binney stated in some ways he agrees with the previous statement about going up the hill to Payson. Council Member Binney acknowledged he voted against Prop 207, not as a moral issue but as a dependency issue. Council Member Binney stated he's tired of paying for all the druggies in this country and he doesn't want them close to him. If marijuana is going to be sold like liquor it should be treated like liquor and everyone can sell it. The rules, added Council Member Binney, also aren't nailed down. Council Member Binney stated he doesn't agree to table it and that council should just say "no" right now. It can always be brought up again if so desired. His vote, concluded Council Member Binney, will be "no."

Vice Mayor McKinney stated the drug element does not need to be attracted to this town even more than they are already. For that reason he does not think it's a good idea to have one of these installations in the Town. If people are interested in that there will be other venues available to them. At this stage of the game, disclosed Vice Mayor McKinney, he is inclined to say "no." The Town doesn't need more problems brought here and people from out of town will come here specifically for this purpose. Vice Mayor McKinney stated he is not sure that is the kind of tourism the Town would enjoy and thinks it is quite the opposite of that – it would just bring problems and disrepute to our quiet little community. Therefore, announced Vice Mayor McKinney, he would vote "no."

Council Member McDaniel announced she also voted "no" on 207. Council Member McDaniel stated she doesn't think that Star Valley needs marijuana businesses to make a quick buck. The Town has been careful and diligent and has had great management with its finances. The Town is not in a position that it is hurting for money and needs just any business to come to town. It is an important decision for the Town, informed Council Member McDaniel, and she feels it is her duty as a council member to represent the ideals, desires and opinions of the whole community. It's not just her own opinion that matters, added Council Member McDaniel. She's spoken with a lot of people about this issue and every single one of them has been for prohibition. The people of this town have chosen council to be their

voices, concluded Council Member McDaniel, she has heard them on this matter and she will support the ordinance that prohibits marijuana establishments and testing facilities.

Council Member Davis stated he has mixed emotions on this like everybody else. The revenue source of (2%) two percent would provide additional services for the Town if it were passed. In his past position with the Town of Payson, reported Council Member Davis, he worked heavily with "Untamed Herbs." They are very, very regulated and had to jump through a lot of hoops to maintain that. Council Member Davis reported he has spoken with a couple of business owners in Star Valley and all stated they would support it if the Town decided to do it because they thought it would be a good revenue source for the Town. Council Member Davis disclosed he has mixed emotions both ways. As far as the control, if you want to get into that business, you have to spend a lot of money and there is a lot of security involved in it. Council Member Davis acknowledged he hasn't made up his mind one way or the other yet.

Council Member Armington reported he has spoken with several constituents over the matter and most of them are in opposition. He sides with Council Member Rappaport and thinks it's a little early to go one way or the other because of not knowing what is going to happen. Council Member Armington stated he would agree to table until later in the year and see how these concrete rules go into effect and how it's going to play. He also agrees with Council Member McDaniel, you vote with people who voted you in and he would have to say "no" at this point in time but, concluded Council Member Armington, he wouldn't be opposed to tabling this agenda item until later in the fall.

Queried Council Member Binney – If council tables it and a dispensary decides to open up are they in without any vote? Town Manager Grier answered he does think if it is tabled the Town does run the risk of having a successful applicant and not being able to say no. If it were tabled the Town might also loose the opportunity to regulate. Mr. Grier disclosed he is even nervous about how fast the Town can get this ordinance through, so as not to end up with something that the Town doesn't want, whether it's regulated or prohibited. If tabled the Town runs the risk of being able to either prohibit it or regulate it. For those reasons, concluded Mr. Grier, he does think there are problems tabling it.

Mayor Coon stated he came in to the meeting with an open mind and can see both sides of the issue. He has heard pretty good points from the council. On the negative side he is not into tabling it because that could bring in more problems. The purpose of this meeting is to make sure council makes a commitment, concluded Mayor Coon.

A motion to instruct the Town Attorney to draft an ordinance to prohibit the recreational sale of marijuana in the Town of Star Valley was made by Council Member Binney and was seconded by Council Member McDaniel.

A roll call vote was taken:

Vice Mayor McKinney <u>Yes</u>, Council Member Davis <u>Yes</u>, Council Member Armington <u>Yes</u>, Council Member Binney <u>Yes</u>, Council Member Rappaport <u>Yes</u>, Council Member McDaniel <u>Yes</u>, Mayor Coon <u>Yes</u>.

The motion was voted on and passed 7 - 0.

COMMENTS FROM THE PUBLIC

During this portion of the meeting, members of the public may address the Town Council on items that are not on the printed agenda. Any remarks shall be addressed to the Council as a whole and not to any individual member. Speakers are limited to three (3) minutes per person unless additional time is granted by the Mayor. The Council may not discuss or act upon matters raised during public comments.

The Mayor opened up this portion of the meeting for public comment. There was no public in attendance and the Mayor closed this portion of the meeting.

ADJOURNMENT

| A motion to adjourn the meeting was made by Council Member Armington The motion was voted on and passed $7-0$. | Council Member Davis and was seconded by |
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| The motion was voted on and passed 7 %. | |
| APPROVED: | |
| | Date: |
| Gary Coon, Mayor | |
| ATTEST: | |
| Edie Chapin, Town Clerk | |
| CERTIFIC | CATION: |
| I hereby certify that the foregoing minuthe regular meeting of the Town Council of the To 2021. I further certify that the meeting was duly careful to the transfer of the Town Council of | |
| Dated this 15th day of January 2021. | |
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| Edie Chapin, Town Clerk | |