

**Minutes**  
**Ordinance Workshop Cannabis Sales**  
**January 31<sup>st</sup>, 2022**

The Village of Capitan Board of Trustees met in a Special Meeting on Monday, January 31<sup>st</sup>, 2022 at the Village Hall in Capitan, New Mexico at 6:00 PM

Mayor Lowrance called the meeting to order at 6:01 PM.

**Roll Call:** Mayor Lowrance – present, Trustee Kearns – present, Trustee Shearer – not present, Trustee Fraley – present, Trustee Hair – present. Al Cavazos – Village Clerk, J. Leinneweber – Administrative Assistant, Randy Spear – Police Chief and Kevin Kennedy – Fire Chief/Grant Administrator and Emergency Coordinator were also present. A list of others in attendance is attached.

**Item #1 on the Agenda: Approval of the Agenda.**

Trustee Kearns made a motion to Approve the Agenda. Trustee Fraley seconded the motion.

**Roll Call:** All were in favor, the motion carried.

**Item #2 on the Agenda: Discussion: Develop an Ordinance to Address Cannabis and Its Legalization for Recreational Use & Sale.**

The Board reviewed Cannabis Ordinances adopted by Cloudcroft and Magdalena.

Trustee Kearns said he wants this to be a slow and deliberate process and he's interested in what each of the Trustees have to say. He would like each Trustee to take a turn and say what they'd like to see in the ordinance, starting with himself.

Trustee Kearns liked that Magdalena's ordinance "took into more account" micro business, this would be a business with only one location, a local business, a small business as opposed to a large corporation. Trustee Kearns said what he likes about Cloudcroft's ordinance is that the Municipal Water System would not be used for irrigation purposes sighting their system capabilities and the need to prioritize providing water to residential customers. He felt this is an issue for the Village of Capitan as well and thought growers should be limited to purchasing bulk water from the Village. It was acknowledged that the Village would see an increase in water revenues if the growers were charged the commercial rate for Village water as opposed to the bulk rate. The Mayor advised the Board that Steve Osborn had said an increase in use of Village water could help secure Water Rights. Randy sighted Cloudcroft's very limited water supply as it's reason for denying the use of its municipal water. Another concern for Trustee Kearns is the impact on Capitan's law enforcement which Randy said would be substantial with retail/on-site consumption locations and growers with their crops to police. Randy also said in California and Colorado, the legalization of cannabis has caused an increase in illegal growing and sales as they can undercut the price of legal sales, which will also have to be addressed by law enforcement.

Trustee Kearns also discussed the fees for these licenses. Randy informed the Board that law enforcement will receive 30% from the State's fees. Locally, fees could be split between the general fund and the police fund, this will help offset the added burden and cost to law enforcement.

Trustee Fraley brought up his concerns of the negative impact the legalization of cannabis can have on the community, it's youth in particular. He sighted studies in Colorado, since it's legalization of cannabis, showed the following:

Calls to Poison Control up 40%

Drug Testing up 30%

Drug Traffic Accidents & Death up 25% with the tests showing positive for marijuana up by 135%.

He went on to say he has seen a study that marijuana can stay in breast milk from months to years.

Trustee Fraley said general suicide has gone up 25% with teen suicide is up 50%. According to a report from a well-respected doctor, the long-term public health costs in hospitalization, psychiatric and addictive disorders would offset revenue the State would see from cannabis. The fee's charged and the gross receipts received by the Village may not be enough to cover the added expenses.

Trustee Hair said the Village wouldn't want to inhibit micro businesses from being generated. The Village can identify alcohol and marijuana and set different fees for these and that application fees should be non-refundable. She said the Village must take care not to discriminate against cannabis businesses. Trustee Hair said another consideration is the impact on the Village's administration staff, additional training with added protocols and procedures to be set in place. She also said, like Cloudcroft's ordinance, the Village of Capitan ordinance should reference the applicable state law as it's legal consideration for its ordinance. Trustee Hair brought up the issue of the water run-off from the growers and its effect on ground water, streams and wells, the effect on the Village's water supply and the environment should be addressed.

Randy advised the Board that while they are addressing the cannabis ordinance they should also address the local hemp industry and develop ordinances for it. Hemp also must be policed, tested for THC percentage compliance.

The Board agreed that each member would review these ordinances and edit them according to their individual preferences then meet again and come to a consensus. Then the Village's attorney will review and finalize the ordinance enabling the required public hearings to take place.

**ADJOURNMENT:**

Trustee Fraley made a motion to adjourn. Trustee Hair seconded the motion.

**Roll Call:** All were in favor, the motion carried.

Mayor Lowrance Adjourned the meeting at 7:17 PM

  
Ron Lowrance, Mayor, Village of Capitan

**Attest:**

  
Al Cavazos, Village Clerk

**January 31, 2022**  
**6:00 PM**

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