



**FRUITA**  
COLORADO

## AGENDA ITEM COVER SHEET

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**TO:** FRUITA CITY COUNCIL AND MAYOR

**FROM:** MARGARET SELL, FINANCE DIRECTOR/CITY CLERK

**DATE:** NOVEMBER 15, 2022

**AGENDA TEXT:** RESOLUTION 2022-31 – Approving the Fourth and Final Amendment to the February 1, 2019 Lease Agreement between the City of Fruita and Mesa County to extend the Mesa County DMV lease at the Fruita Civic Center for an additional one year period (January 1, 2023 thru December 31, 2023)

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### BACKGROUND

Mesa County leases a room at the Fruita Civic Center ((SE corner of 1<sup>st</sup> floor) for the purpose of motor vehicle registrations and related services. The Third Amendment to the Lease Agreement expires on December 31, 2022 and both the City of Fruita and Mesa County desire to extend the lease for an additional and final one year period pursuant to the terms of the February 1, 2019 Lease Agreement. State Statutes require that leases of less than one year in length be approved by Resolution or Ordinance.

All other terms and provisions of the February 1, 2019 Lease Agreement shall remain in full force and effect throughout the extension period (January 1 through December 31, 2023). These terms include the following:

- 1) The City will lease the property to Mesa County for \$150 per month for janitorial services and a portion of utility charges.
- 2) The City will maintain the grounds and building systems.
- 3) Mesa County is responsible for routine maintenance and upkeep of the interior of the room.
- 4) The City will provide common facilities including restrooms and parking lot as well as utilities including water, sewer, trash, electricity and gas. Mesa County will be responsible for the fiber, internet, phones, and other utilities.
- 5) The initial term of the lease is for less than one year with the option of renewing the lease for four one-year extensions. This will be the 4<sup>th</sup> renewal option exercised under the terms of the original lease agreement. A new lease agreement will need to be executed in 2023 if the City and County desire to continue this arrangement.

## **FISCAL IMPACT**

The city will receive \$150 month to help offset increased utility and janitorial costs. Costs for maintenance of the grounds and building facilities would be incurred regardless of this lease agreement.

## **APPLICABILITY TO CITY GOALS AND OBJECTIVES**

The Mesa County DMV office in Fruita provides a core service to Fruita residents who might otherwise have to go to Grand Junction to take care of motor vehicle registrations, renewal and other services provided by the DMV office.

## **OPTIONS AVAILABLE TO THE COUNCIL**

- Approve the resolution and fourth and final extension of the 2019 lease agreement as presented.
- Approve the resolution and fourth amendment with changes
- No action (Do not extend the lease agreement)

## **RECOMMENDATION**

It is the recommendation of the Fruita City Staff that the Council move to:

**ADOPT RESOLUTION 2022-31 APPROVING THE FOURTH AMENDMENT TO THE FEBRUARY 1, 2019 LEASE AGREEMENT BETWEEN THE CITY OF FRUITA AND MESA COUNTY AND RENEWING THE LEASE OF A ROOM AT THE FRUITA CIVIC CENTER TO MESA COUNTY FOR MOTOR VEHICLE REGISTRATIONS AND RELATED SERVICES FOR AN ADDITIONAL ONE YEAR PERIOD (JANUARY 1, 2023 THRU DECEMBER 31, 2023)**