

**FRUITA CITY COUNCIL MEETING  
AUGUST 15, 2023  
7:00 P.M.**

**1. CALL TO ORDER AND ROLL CALL**

Mayor Kincaid called the regular meeting of the Fruita City Council to order at 7:00 p.m. The meeting was held both in person and with virtual access provided through Zoom.

**Present:**

Mayor Joel Kincaid  
Mayor Pro Tem Matthew Breman  
City Councilor Jeannine Purser  
City Councilor James Williams  
City Councilor Ken Kreie  
City Councilor Amy Miller  
City Councilor Aaron Hancey

**Excused Absent:**

City Manager Mike Bennett  
Deputy City Clerk Deb Woods

**City staff present:**

Assistant City Manager Shannon Vassen  
Communications and Engagement Specialist Ciara DePinto  
City Clerk/Finance Director Margaret Sell  
Lieutenant Nick Peck  
Neighborhood Services Coordinator Matt Carson

**Also present:**

Nancy McGuire  
Members of the public (in-person and virtually)

**2. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE**

Mayor Kincaid called for a moment of silence for all faiths and beliefs to have the opportunity for a silent prayer. He then led in the Pledge of Allegiance.

**3. AGENDA – ADOPT/AMEND**

- **COUNCILOR BREMAN MOVED TO APPROVE THE AGENDA AS PRESENTED. COUNCILOR KREIE SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**

**4. PROCLAMATIONS AND PRESENTATIONS**

**A. PRESENTATION – RECOGNITION OF FRUITA ACADEMY GRADUATES**

Communications and Engagement Specialist Ciara DePinto acknowledged the first graduating class of the Fruita Academy, which is a four-week program where students get a look into how the City of Fruita operates. Students heard from City leaders including Mayor Kincaid, Mayor Pro Tem Breman, City Manager Mike Bennett and all City Department Directors. The students also had the opportunity to tour the Wastewater Treatment Facility and Fruita Community Center.

Ms. DePinto noted that this first graduating class was made up of 24 students, most of who were present in the audience and attended a reception prior to the Council meeting where they met with all members of the City Council.

Mayor Kincaid called the names of the students and they came up to the dais to receive a Certificate and a few City promotional items like keychains and bumper stickers. A group photo of the students with the City Council was taken.

**B. PRESENTATION – PRESIDENT OF THE WESTERN COLORADO ASTRONOMY CLUB NANCY MCGUIRE GIVES THE CITY COUNCIL A PRESENTATION ABOUT DARK SKIES**

Nancy McGuire provided a PowerPoint presentation about the subject of light pollution titled “Dark Skies for Fruita.” Some of the slides in the presentation included:

- Maps illustrating the amount of current global, national (U.S.) and local light pollution
- How dark skies fall into the city’s goals of *Quality of Place, Lifestyle and Economic Health*
- Definition and examples of light pollution
- Adverse effects of light pollution
- How light pollution is measured (the Bortle Scale): where “1” is the darkest sky and “8-9” is inner city lighting, Fruita is currently rated at a “4” for the outlying areas and a “6” at the City center
- List of dark sky sites on the Western Slope of Colorado
- How proper lighting can manage light pollution even in big cities
- Photo examples showing *with* light pollution versus *without* light pollution
- How we can help preserve dark skies
- List of local resources and a call to action

Ms. McGuire pointed out that many people are not consciously aware of light pollution and the problems caused by it. Aside from educating people, she stated that the Fruita City Council could help by choosing to update Fruita’s lighting ordinances to ensure the prevention of additional light pollution as well as retroactively mitigate existing light pollution.

Ms. McGuire stated that she would email a copy of the slides in her presentation to the City Council for them to read at their leisure.

Councilor Purser asked Ms. McGuire if she knew of any available grant funds for retroactively mitigating existing light pollution. Ms. McGuire responded that the International Dark Sky Association might know about that. She added that she would forward contact information for people in other municipalities who have gone through that process to the City Council

Councilor Breman asked if Ms. McGuire could recommend any regulatory Codes from other jurisdictions that the City of Fruita could compare its Municipal Code to. Ms. McGuire responded that she thought the International Dark Sky Association already has that information, but if not, she was sure that she could contact the cities of Tucson or Flagstaff to see what their Codes say, since they are places that have been named as “Dark Sky Cities” by the Association. She added that the Dark Sky Committee could get volunteers to help take up as much of the burden as possible by starting to work with citizens and businesses to earn their cooperation along with the cooperation of

the Fruita City Council. She stressed that the goal is not to force people to change their lights, it is to get them to realize the benefit of dark skies such as being able to see the Milky Way at night.

Mayor Kincaid asked Ms. McGuire if there is an actual dark skies group locally that gets the information out. Ms. McGuire clarified that there is a Dark Sky Committee of about six people (with the hope of membership expansion) that was formed about two years ago right before the COVID pandemic. The committee will be providing presentations like Ms. McGuire's in Grand Junction, Palisade, Loma, Mack and Glade Park.

## 5. PUBLIC PARTICIPATION

Mayor Kincaid explained that there was no agenda item for Enoch's Lake at this meeting, even though some of the media sources and interested parties had earlier referenced an August 15<sup>th</sup> deadline for proposals for the purchase of Enoch's Lake. The media companies were contacted by the City of Fruita staff and City Council to request that they correct the mistake.

Since the July 18, 2023 public hearing before the City Council concerning Enoch's Lake, ideas for such a deadline were brought up during discussion, but a deadline was ultimately not established or directed by the City Council that night. The next discussion about Enoch's Lake has been scheduled for Tuesday, August 29, 2023 at 7:00 p.m. and Mayor Kincaid stated that if anyone in the audience was expecting Enoch's Lake to be discussed *now*, they would have to come back on August 29<sup>th</sup> because that discussion was not included on this meeting's agenda.

Kathleen Morrison, 909 Prince Ct., Fruita, admitted that she was in attendance on the wrong night, but since she was already present, she wanted to use her three minutes to speak about Enoch's Lake. She stated that first of all, she does not believe that anything nefarious was going on with the Council members concerning Enoch's Lake and that she also believes that City staff did absolutely everything legally required to move the process forward. She said she still questions whether or not more could have been done because every time she drives through town, she sees signs saying that the City is considering properties here and there for zoning changes, which means not only had adjacent landowners been legally notified, but also anyone who might be driving past would also know that a subject property was headed to the City Council for a rezone. Ms. Morrison argued that there was no sign on the subject property at Enoch's Lake saying that the City was considering closing it to the public and that the only reason she knew about it was because she went to Enoch's Lake and there was a small sign there from the Friends of Enoch's Lake about what was happening.

Ms. Morrison continued that in terms of transparency, she thinks more could have been done to help people know that something was happening. She asked that the City Council consider appointing a committee of City Council members and volunteers/members of the public who care so deeply about the matter to come up with a way for Enoch's Lake to stay open to the public. She suggested a time limit of three to six months for the committee to meet with staff and the Council. She added that even if the City does not accept the existing offer, she doesn't think that the buyers were going to go away.

Mayor Kincaid noted that the three minute-time limit for public comment was up.

Ms. McGuire stated that next time, she hopes that the Council will advertise property the City owns for public sale because she thinks the City might get a better offer.

Monique Ramirez, 3970 S. 16 ½ Rd., Glade Park, acknowledged that Enoch's Lake was not on the agenda, but said she was at the July 18<sup>th</sup> public hearing/Council meeting and was led to believe that at tonight's City Council meeting, people would again have an opportunity to talk, see what kind of ideas might be brainstormed and try to figure out what can be done.

Ms. Ramirez continued by saying that her husband had heard that everyone was saying that there is not enough time for the City to do anything more than find another buyer that could outbid the first offer, which she didn't think was any better of a solution. She asked why the "Friends of Enoch's Lake" didn't go to the people with the original offer to see if they would be willing to potentially do what the others (buyers of the other properties on Pinon Mesa) are doing.

Ms. Ramirez asked if the City would allow more time and explain to the media it was doing so along with the request for the correction about the meeting date of August 15, 2023 allowing more public input. She agreed with Ms. Morrison that the buyers with the original offer were not going away and added that she thought if the City went to them and asked them to keep the lake public, then maybe they would understand and would be willing to work with the citizens. She recognized that the properties on Pinon Mesa are a financial burden to the City of Fruita but added that she was initially confused because City staff couldn't delineate between the expenses for Enoch's Lake and the expenses for all the mountain water properties combined. Ms. Ramirez asked for that information, as well, adding that the word on the street is that the City will be selling the other reservoirs on Pinon Mesa, too, and everyone should just give up because the Council members had already made up their minds. She said she didn't believe that; instead, she believes the Council is struggling through this and wants to try to do what's best for Fruita.

Ms. Ramirez reiterated her request that the Council extend the deadline past the August 29, 2023 Special City Council meeting or, alternatively, talk to the buyers to see if there is a potential way of extending their deadline of acceptance on their offer and to let the public know either way.

There were no further comments from the public.

## **6. CONSENT AGENDA**

- A. MINUTES - A REQUEST TO APPROVE THE MINUTES OF THE JULY 18, 2023 REGULAR CITY COUNCIL MEETING**
- B. LETTER OF INTENT – A REQUEST TO AUTHORIZE THE CITY MANAGER TO SUBMIT A LETTER OF INTENT FORM TO THE COLORADO DEPARTMENT OF LOCAL AFFAIRS FOR THE STRONGER COMMUNITIES INFRASTRUCTURE PROGRAM**
- C. ONE RIVERFRONT APPOINTMENT – A REQUEST TO APPROVE THE APPOINTMENT OF KEN SCISSORS TO THE ONE RIVERFRONT COMMISSION FOR A TERM TO FULFILL AN UNEXPIRED TERM TO EXPIRE ON JULY 31, 2026 WITH THE RESIGNATION OF JENNIFER REYES**

Mayor Kincaid asked if there were any requests from the public to remove any item(s) removed from the Consent agenda for further discussion. There were no such requests.

Mayor Kincaid asked the City Council if they had any item(s) they would like removed from the Consent agenda for further discussion. There were no such requests, but Councilor Miller recused

herself from Consent Agenda Item 6.B because she is the listing agent for the subject property for which the City intends to apply for the Stronger Communities Infrastructure Grant program.

- **COUNCILOR PURSER MOVED TO APPROVE THE CONSENT AGENDA AS PRESENTED. COUNCILOR KREIE SECONDED THE MOTION. THE MOTION PASSED WITH FIVE YES VOTES. COUNCILOR MILLER DID NOT VOTE DUE TO HER RECUSATION ON CONSENT AGENDA ITEM 6.B.**

## **7. PUBLIC HEARINGS**

### **A. QUASI-JUDICIAL HEARINGS**

There were no Quasi-Judicial public hearings on the agenda.

### **B. LEGISLATIVE HEARINGS**

There were no Legislative public hearings on the agenda.

## **8. ADMINISTRATIVE AGENDA**

### **A. UPDATING ORDINANCE LANGUAGE CREATING A NEW TITLE 9 CHAPTER (9.16) IN THE FRUITA MUNICIPAL CODE TO REGULATE UNMANNED AIRCRAFT SYSTEMS – LIEUTENANT NICK PECK AND NEIGHBORHOOD SERVICES COORDINATOR MATT CARSON**

Lieutenant Nick Peck was in attendance virtually. Neighborhood Services Coordinator Matt Carson was present in person and stated that after the last time this topic was discussed at a City Council meeting, there were some questions and subsequent direction from the Council to amend some of the draft language in an Ordinance to regulate drones, or “Unmanned Aircraft Systems” (UASs) in the Fruita Municipal Code. Mr. Carson noted that he and Lt. Peck recently met with two drone operators (present in the audience) and attended a Federal Aviation Administration (FAA) drone class for law enforcement.

Mr. Carson recalled that one of the biggest concerns expressed by the Council was language concerning the City Manager being the sole individual responsible for issuing written authorization for UASs, so the language in the draft Ordinance was amended to instead read, “City Manager *or their appointed designee.*”

The other three amendments to the draft language originated from input by drone operators and the FAA drone class. Mr. Carson stated that he and Lt. Peck learned that there are a whole lot of rules for certain UAS sizes and distances and there are varying licenses and registrations, but at the end of the class, the representative for the FAA basically said that there are not a lot of investigators for drones unless they are involved in a plane crash or are being flown near a runway or flight zone, so regulations are being left up to local authorities.

Mr. Carson stated that he and Lt. Peck took those rules from the class into account and amended the draft Ordinance language accordingly, but mainly concerning exemptions. They included the parks in Fruita where drones may be flown (unless there is a Special Event or other large gathering at the time) which include Little Salt Wash, Reed Park, Heritage Park and Snooks Bottom.

Mr. Carson explained that another exemption in the draft Ordinance concerns law enforcement and Public Safety. The City of Grand Junction's Police Department has a robust UAS program and they've assisted Fruita PD with their drones when needed.

Mr. Carson also added that the City of Fruita's Building Department is looking at drones to potentially help with roof inspections as a safety measure by allowing employees to avoid having to climb ladders and go on some of the more steeply pitched roofs.

The final exemption in the draft Ordinance was for businesses such as realtors and insurance adjusters as their jobs require UASs for some uses.

Councilor Kreie recalled that the reason the City Council and staff were taking a look at regulations concerning drones was because of a resident who reported an issue with their HOA invading their privacy in their backyard. There was discussion among Council members concerning businesses being exempt from having to get permission to operate a UAS and Mr. Carson stated that he could amend the language further to alleviate the concerns the Council had about that.

Lt. Peck reported that the Fruita PD did receive two additional drone complaints, but they were from different areas of the City. One that came to his mind was a drone that was being operated at night by a complainant's house. Officers were not able to make contact with anybody or find the drone when they arrived. The two additional complaints came in over the Fourth of July weekend and Lt. Peck said that Fruita PD has not had any other complaints since.

Assistant City Manager Shannon Vassen explained that if the Council was in favor of the language (including the adjustment concerning businesses), the First Reading of the draft Ordinance would likely be on the agenda for the first Council meeting in September and the Second Reading at the first meeting in October.

Councilor Hancey expressed concern that the Council was implementing large changes to the Code for a small situation. He said his understanding was that the Council's intent was to enable law enforcement to do their job when it comes to people harassing others and trespassing with drones. Lt. Peck responded that that was staff's intent as well and that the matter of drones in Fruita would be a complaint-driven response from the Fruita PD. He explained that part of the problem with existing laws is that they weren't necessarily written when UASs started becoming a problem among residents. He stated that staff's considerations for the draft language was based on past complaints but also on issues as they become more and more frequent so that laws will already be in place in advance of the complaints.

Councilor Hancey stated that he would like to see less restrictions such as allowing UASs to be flown in Civic Center Memorial Park, its parking lot and trails. He also asked what the purpose was of Section 9.16.030(e) concerning the mental and physical conditions of drone operators and drone equipment that's not in proper working order. Mr. Carson supposed that a lot of the verbiage in the FAA's drone regulations had been modeled after regulations for airplanes, so that's likely why it was included.

Councilor Hancey said he still felt that the restriction for which parks would allow the operation of drones was too limited because he thinks Triangle Park and neighborhood pocket parks should also be places where people can fly them.

Councilor Purser suggested that the thing to be mindful of was that any enforcement that would occur would be complaint-driven and therefore, if someone was flying responsibly and respectfully, it would be highly unlikely that there would be a complaint.

Councilor Hancey again expressed his preference for naming areas where UASs could *not* be flown as opposed to where they *could* and for shortening up the Section naming “prohibited acts” in a few areas. Mayor Kincaid disagreed, saying he thought the draft language was not too extensive and that it covered what the Council and Fruita Police Department asked for. He suggested looking at the positive aspect of being able to promote the parks where UASs are allowed; that they are safe and also protect people’s privacy.

Councilor Breman said that he was starting to lean in the direction of where Councilor Hancey was going because he has seen lots of kids with little drones they fly around at parks in his neighborhood that aren’t listed in the draft Ordinance text.

Councilor Hancey suggested that the Council give law enforcement just enough authority to issue a ticket to change behavior that is unsafe or harassing and no more because the City shouldn’t be micromanaging everybody’s actions concerning what they can and can’t do with a drone. He thought the text could be scaled back so that it addresses harassment or trespassing and includes consequences for both.

Councilor Purser asked Lt. Peck if what Councilor Hancey was suggesting would provide enough “teeth” for Police Officers. Lt. Peck thought it would be okay to add more parks where drones would be allowed if the Council felt the regulations were too restrictive, but added that the one concern he would have with only having rules against harassment or trespassing is that it would mean officers would have to be able to prove what the drone operator’s intent was; not just that a person felt harassed, but that the operator *intended* to harass, which has been called the hardest crime to prove. Lt. Peck noted that it is much easier to enforce things that are clearly laid out, but ultimately, the Police Department would work with what the Council’s wishes were.

Lt. Peck did note that the majority of the complaints the Police Department receives are from people who feel their private property rights were violated.

Councilor Williams expressed concerns that law enforcement could potentially use drones in a way that would violate individuals’ rights to privacy. Councilor Breman assured him that illegal search and seizure is prohibited.

Councilor Breman suggested that drones be allowed in all City parks instead of naming specific parks where they would be allowed in order to address Councilor Hancey’s concerns. Councilor Williams said he felt that paragraphs c. and g. would cover all the situations that should be prohibited and addressed what the original concerns were.

Councilor Hancey said he thought that paragraph b. (no operating a drone on or over any City property inclusive of public streets, alleys, trails and open spaces) should also be removed because if someone can safely fly a drone, they should be allowed to do so and if they can’t and hurt someone, then there would be consequences just like there would be if a vehicle hurts someone.

Councilor Purser said she was fine with all of Councilor Hancey’s suggestions except that she would prefer to keep paragraph b. concerning City property not being a place where operating a drone would

be allowed because it didn't say that would be prohibited automatically; it would just be that people would have to run it by the City Manager (or their designee) first.

Councilor Breman clarified that he would like to leave in the language in paragraph (a) under Exemptions that states drones could be operated in (all) City parks "*when there are no large planned events, large gatherings of people and the operation of a UAS does not violate any other prohibited acts.*"

Councilor Williams asked Lt. Peck what his thoughts were. Lt. Peck responded that the reason the draft language was before the Council was to address any concerns the Council has and that staff was there to listen.

Mayor Kincaid said if the Council wanted to shorten the text, the three paragraphs under Prohibited Acts that address public safety could be condensed into one paragraph. He suggested that Council give direction to staff to bring back another revised draft that the Council could look at and determine if it was closer to what the Council wants.

Assistant City Manager Shannon Vassen pointed out that City Attorney Mary Elizabeth Geiger had reviewed the draft language and had some changes as well. He said that UASs are certainly a grey area, but as technology continues to evolve, staff will need to incorporate new regulations for UASs in the City's Municipal Code. He suggested that staff present a revised draft on First Reading, get feedback from the Council again and then schedule the public hearing date for the Second Reading with those changes and feedback in mind.

There was consensus among Council members to keep moving forward with a revised draft Ordinance coming back before Council that contains the changes suggested by Council and the City Attorney.

**B. FINANCIAL REPORTS – DISCUSSION OF FINANCIAL TRENDS AND A REQUEST TO APPROVE THE JULY 2023 FINANCIAL REPORTS – CITY CLERK/FINANCE DIRECTOR MARGARET SELL**

Assistant City Manager Shannon Vassen noted that this agenda item includes a brief overview of financial trends for the City's major sources of revenues now that staff has completed the first six months of Financial Reports.

City Clerk/Financial Director Margaret Sell explained that she had earlier provided incorrect information with respect to the Housing Authority; that in fact, there is no limit on legal expenses.

Mrs. Sell also noted that staff composed a Request for Proposal (RFP) for audit services for the next four years with an option to extend for an additional four years. Staff formed a team consisting of Shannon Vassen, a Finance and Accounting Analyst and herself and they interviewed two auditing firms. The team will be making a recommendation to the City Council at one of the September Council meetings for entering into a long-term contract with the auditing firm they feel will best suit the City's needs. Councilor Hancey asked if they were local firms and Mrs. Sell reported that there are no local auditing firms in Mesa County, but the one firm the team is leaning toward is located on the Western Slope.



Mrs. Sell noted that staff had their first meeting with the TABOR Citizen Review Committee and she included a copy of the PowerPoint presentation from it in the Council packet, but that she wasn't going to review it unless the Council had any questions. This first meeting centered around education and background information and the next meeting of the Committee is scheduled for August 30, 2023 when more in-depth information will be discussed.

Mrs. Sell also noted that she included a Fiscal Health Analysis in the Council packet that has all the benchmarks for the Council to review.

Mrs. Sell provided the Council with an overview of the July 2023 Financial Reports beginning with the summaries of the different revenue sources such as City and County sales tax and use tax on motor vehicles and building materials.

The Budget Comparison Report included a summary by Fund what percentage of revenues the City received as compared to the Budget. From a statistical standpoint, the City is about 58% of the way through the Budget for the year. Mrs. Sell stated that the City is a little bit ahead for revenues and a little below on expenses, so there is nothing there that concerns her.

Councilor Hancey thought the sales and use tax on motor vehicles was the only glaring decrease that he saw.

There was some discussion about use tax on motor vehicles revenues and the decrease in County sales tax when taking into account inflation. Mrs. Sell stated that there may be fluctuations in the individual revenue sources and that staff always tries to budget conservatively on some of the revenues (especially after going through the COVID pandemic), but what she mainly looks at is the bottom dollar. For all the major sales tax revenues, the City has collected \$77,000 more for the month of July 2023 than what the City collected last year and about \$333,000 in total ahead of budget for year-to-date. Mrs. Sell concluded that it is good to look at the trends on the individual revenue sources, but she primarily takes into account the whole picture to see how the City is doing.

Mrs. Sell also reported that the Fruita Community Center Fund seems to be leveling off and returning back to pre-COVID levels.

Mrs. Sell referred to the Budget Comparison Report and said things of note include:

- Interest revenues were at 679% of Budget.
- Donations were a little high on Budget, so there would likely be a Budget Amendment coming from the Parks and Recreation Department for special projects and special events.
- Miscellaneous revenues were high due to a health insurance refund.
- On the expense side, because the City is about 58% of the way through the Budget for the year, total expenses for each Department should be around 58% and if they aren't, Mrs. Sell said she should know why.
- General Government (City Council, City Manager's Office and Municipal Court) is running at about 60%.
- Administration is at 53%.
- Engineering Department is at 56%.
- Community Development (an anomaly due to Budget Amendments for property acquisitions that have not occurred yet) is at a fairly low percentage, but that will correct itself probably in the next month or two.

- The Police Department is right on Budget at 58%.
- The Public Works Department is a little bit low on Budget related to Capital such as two dump trucks that have been on back order for two years.
- Parks and Recreation Department is right on Budget at 54%.
- Non-Departmental expenses don't go into any particular category but include Contingency Funds that haven't been allocated to an expenditure as well as Transfers to Capital Projects Funds. As some of the Capital Projects begin to effectuate Budget Transfers, the expenses will increase and will be more on track with Budget.

Mrs. Sell's noted that there were a few anomalies and errors in a few of the Funds that she could explain if the Council had any questions. For example, there is an error in Marketing and Promotion Fund salaries that look like they are way over Budget, but this was an error in the allocation of salaries not getting changed over to the first of the year in the accounting system. She assured the Council that she would get those corrected.

Mrs. Sell pointed out that the last page of the report shows the total revenues and expenses for the City as a whole and will give the Council an idea of how the City is doing. Revenues are at about 49% for all funds and expenses are at about 38% for all funds, which Mrs. Sell said eases her mind because if those percentages were either reversed or were very irregular, those would be things that definitely need attention.

Mrs. Sell also reviewed graphs of a 20-year history of sales and use tax revenues (included in the Council packet) that she finds interesting.

- Over the last four to five years, City sales tax revenues have seen significant increases.
- While less pronounced, County sales tax revenues showed a very similar pattern of increases over the same period of time.
- City and County sales tax revenues when compared to the Consumer Price Index (CPI) also showed the same decreases and increases over the same period of time. Certain historical events such as the 2008 – 2010 downturn in the economy can be easily seen in the graphs.
- Use tax on vehicles over the last 20 years showed distinctly varied increases and decreases but not for any discernable reasons.
- Use tax on building materials were illustrated with even more noticeable spikes and downturns than the use tax on vehicles (the reason these are budgeted so conservatively).
- Lodging tax increases are very evident after the COVID pandemic, when people were anxious to leave home and travel.

Mrs. Sell presented a PowerPoint of the Fiscal Health Analysis that was previously presented to the City Council on June 20, 2023 with the Financial Statements for FY ending December 31, 2022, but she didn't know if the Council had any questions about the ratios or not.

She explained that the Cash to Liability Ratio just means that the City of Fruita has 342% of cash compared to liabilities, so the City has more than enough cash to pay for its liabilities, although it has declined a little bit from a high of 460% in 2020.

There was a discussion between Councilors Hancey and Breman and Mrs. Sell about what a good Cash to Liability Ratio should be and how much in dollars a ratio of 3.42 is (where the City was at the end of FY 2022). Mrs. Sell recalled operating 40 years ago when the ratio was 1:1, but she does

not want to do that again. She said a 3:1 ratio gives a municipality a lot of confidence, but less than that is still not bad.

Councilor Breman noted that the “Cash” is in funds such as Capital Improvement Funds where the City has earmarked the money for something that may happen three years down the road, which he was assuming influences the ratios.

Mrs. Sell stated that the City’s cash in all funds was at \$32.3 million at the end of FY December 31, 2022 compared to liabilities of \$9.5 million. Councilor Hancey said he wondered how much extra cash the City has that could be used to expedite a project or do “x” or “y.” Mrs. Sell pointed out that the TABOR question approved by the voters in Fruita will only allow the City to use any excess revenues on Capital Projects or the maintenance thereof. She stated that the amount of the City’s cash balance now is the highest amount she has ever seen, but she is also looking at some of Fruita’s visions for the future such as getting 19 Road and other high dollar projects done. Mrs. Sell added that it would be really nice if those projects could get funded with cash and the City would not have to go to the voters to ask for a bond issue and a tax increase to pay for it. Councilor Breman said it was a deceiving number (the amount of dollars) when some of the things the money must go towards gets taken out. Mrs. Sell added that some of the ratios do exactly that; they combine funds but are not looking at the bits and pieces. She said it is still a good overall picture of where the City stands.

Mrs. Sell reviewed the rest of the following ratios that were in the Fiscal Health Analysis:

- Unrestricted Fund Balance Ratio (the City has almost two years’ worth of Unrestricted Fund Balance)
- Debt Burden Ratio – Fruita Community Center (the City has five times what is needed for payment of its bonds)
- Debt Burden Ratio – Sewer (the City has three times what is needed for payment of its bonds)
- Tax Revenue per Capita (went from \$663 in 2018 to \$1,010 in 2022. A significant part of this increase was due to destination source sales tax revenues, which went into effect in 2019, and when the COVID pandemic hit in 2020, everyone was buying products online)
- Expenditures per Capita (a lot less dramatic trend than tax revenue per capita. Expenditures were impacted by inflationary factors).
- Revenues and Expenses per Capita
- Operating Margin Ratio
- Enterprise Funds Net Position

Councilor Breman asked if the Tax Revenue per Capita included any inflationary adjustments in the number. Mrs. Sell responded that no, the figures were straight from the Tax Revenue per Capita only. Councilor Breman said he was curious what that would look like after backing out inflation because that would be a better indication of the burden per person. Mrs. Sell said she thought the Council could extrapolate that by looking at the next slide, which was Expenditures per Capita. These show a much less dramatic trend, especially when considering that inflationary factors would impact the numbers as well.

Councilor Breman said in his mind, the per Capita revenues and expenditures should trend the same, but he wasn’t seeing that in Mrs. Sell’s presentation slides. He added that the gap between the two is increasing. Mrs. Sell agreed and noted that what was happening was in large part due to destination source sales tax revenues and that the way she was looking at it was that the City of Fruita is finally catching up to where it should have been 40 years ago. She added that Fruita has always had minimal

retail shopping because people drive to Grand Junction for that but now Fruita is starting to capture what its residents are spending through online retail sales that was not caught previously. Councilor Williams said as a retail store owner, he very much agreed with what Mrs. Sell said. Mrs. Sell added that the missed benchmark was the expenses; that even though there was an increase for them, it didn't concern her because of the greater increases in revenues. Councilor Breman said he felt more comfortable after Mrs. Sell explained about the destination source sales tax.

- **COUNCILOR BREMAN MOVED TO APPROVE THE JULY 2023 FINANCIAL REPORTS. COUNCILOR HANCEY SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**

**C. OVERVIEW OF 2024 CITY COUNCIL BUDGET CALENDAR – ASSISTANT CITY MANAGER SHANNON VASSEN**

Assistant City Manager Shannon Vassen stated that each year, staff presents the City Council Budget Calendar to the City Council, usually at the August workshop session. He reviewed the calendar and noted that staff had been working on the Budget for a couple of months and has made really good progress on it.

Mr. Vassen referred to the dates in a coversheet that was included in the Council packet and stated that pursuant to the Fruita City Charter, the City is required to have a draft Budget to the City Council by the end of September. After that, staff will provide presentations of topic areas or a specific Department.

Mr. Vassen announced the draft 2024 Budget Calendar as follows:

<b>Date/Meeting</b>	<b>Presentation</b>
September 26, 2023 Workshop	Draft 2024 Budget
October 3, 2023 Council Meeting	(No presentation)
October 17, 2023 Council Meeting	Infrastructure and Core Services
October 24, 2023 Workshop	General Discussion, Review of Outside Agency Requests, Feedback to staff
November 7, 2023 Council Meeting	Quality of Place and Community Wellness, Personnel and Employee Retention
November 21, 2023 Council Meeting	First Public Hearing, Economic Health and Development Overview
November 28, 2023 Workshop	Discussion on Outstanding Budget Issues
December 5, 2023 Council Meeting	Second Public Hearing, Final Adoption

Mr. Vassen asked the Council to either provide feedback on the above schedule or approve of it as proposed. He noted that he, the Mayor and City Manager Mike Bennett can always meet with any of the City Council members should they have any issues, comments, questions or concerns.

Councilor Hancey stated that he missed the September 26<sup>th</sup> Workshop Session last year and asked what exactly is presented at that meeting. Mr. Vassen responded that basically, staff presents the whole budget, but mainly covers the highlights from the Transmittal Letter from the City Manager to the City Council and residents. Mr. Vassen said a few other quick topics may be discussed, but usually, staff and the Council will focus on changes from this year compared to the prior year.

Councilor Hancey said it would be helpful to him if some of the actual financials were thrown in with the high-level look and graphics in the Budget. He said he thought it would be more efficient to run

through it that way. Mr. Vassen stated that he may be able to link to the summaries of each department for each presentation because staff does provide the line items instead of keeping it more general.

Mr. Vassen said the only outstanding item is for the Outside Agency Funding Requests. Staff has begun reaching out to all of the City's partner agencies about giving presentations to the City Council along with their requests. This will occur throughout September and October and Mr. Vassen noted that he was pretty sure the Fruita Area Chamber of Commerce would give their presentation at the second meeting in September. Staff has also reached out to the Grand Junction Economic Partnership (GJEP), Colorado West Land Trust and a few others.

Mayor Kincaid asked if the Council members were okay with the proposed schedule and all of them said they were.

## 9. CITY MANAGER'S REPORT

Assistant City Manager Shannon Vassen provided the following updates to the Council:

- Reminder that the Boards and Commissions Mixer event is scheduled for next Wednesday, August 23, 2023 at 6:00 p.m. at the Fruita Community Center (FCC). To date, 25 Boards and Commissions members have RSVPed and 10 of them are bringing plus ones. Shannon suggested that Council members reach out to the board or commission for which they are a Liaison to encourage them to participate. About the event itself, he said it will be a good opportunity for the City's Boards and Commissions members to mingle and get to know each other a little bit. Joel noted that earlier in the day, Deputy City Clerk Deb Woods had emailed the Council members a list of current vacancies on all the different boards and Communications and Engagement Ciara DePinto had emailed the Council the list of board members who still haven't said whether they would be attending the Mixer or not. Joel requested that Council Liaisons reach out to their board members. Shannon noted that Staff Liaisons would also reach out to the board members.

The event will be held in a "round-table style" with 8 or 9 different tables and each participant will get approximately 5 to 7 minutes to go to each table. Each board and Commission will have a table and there will be a training table for going over Open Meetings Laws, core requests and conflicts and interest. Shannon stated that every time he gets a new Board and Commission member, he usually meets with them and explains that the boards are subject to Open Meeting Laws and conflicts of interest provisions within the Colorado Revised Statutes.

- On Friday, August 18, 2023 the pool at the FCC will be closed for maintenance and the entire facility will close the week of September 19<sup>th</sup> through September 24<sup>th</sup> for Maintenance Week. Staff will get the word out to social media and the information will also appear in the next issue of the *City Link* newsletter, which will be mailed to Fruita residents prior to Maintenance Week taking place.
- New in the Budget this year are four new events that were approved by City Council:
  - Game Night at Civic Center Memorial Park on Thursday, August 17<sup>th</sup>
  - Second Game Night at Civic Center Memorial Park on Thursday, August 31<sup>st</sup>

- Movie Night (Super Marios Bros) at Civic Center Memorial Park on Friday, September 15<sup>th</sup>
- Second Movie Night (Back to the Future) at Civic Center Memorial Park on Friday, October 6<sup>th</sup>
- A Thursday Night Concert was canceled, so it will be made up on Thursday, August 31<sup>st</sup> during “Game Night.”
- At its workshop meeting, City Council advised staff to move forward with requesting of Waste Management three (3) fall leaf cleanups, moving the implementation date for the single stream recycling and the 96-gallon container conversion and providing one roll off dumpster following the holidays. The single stream recycling and 96-gallon containers will be implemented in January, but the fall leaf cleanups and roll off dumpster will occur this fall. Waste Management will be sending out a mailer to all Fruita residents about the changes.

Jeannine recalled that right after the last meeting with Waste Management, there was an agreement that the City would be the ones to communicate the new policies first, but somehow, Waste Management had already put something out to the residents. Shannon said that a mailer did go out to some of the unincorporated areas (not in Fruita City limits) and that any mailer that Waste Management wants to send to Fruita residents has to first be approved by City staff, who has received a first draft of the mailer they will be issuing soon.

Joel asked when the Council would be seeing the contract with Waste Management for approval and Shannon said it can happen any time before January of 2024.

Aaron asked if the contract cost would remain flat and Shannon explained that the costs are adjusted each year according to the Consumer Price Index (CPI) and that Waste Management can request an extraordinary adjustment, which they did last year. He said it is uncommon, but it says in the contract that when things come up, Waste Management can request an adjustment above and beyond the CPI data. Their reasoning last year was inflation; that landfills are charging more because their costs went up. Shannon said he hasn't gotten the adjustment yet and that staff usually calculates what the CPI increase is at this time of the year, but usually Waste Management just sends the City a “rate letter.” The hope is that it will be the CPI adjustment only and no additional extraordinary requests. Shannon added that the landfill may be facing some financial hardship because they lost some of the trash that is usually diverted to Mesa County but is now going out to Mack. He said the landfill could decide to increase their costs to help offset some of the losses that they've incurred.

## **10. COUNCIL REPORTS AND ACTIONS**

### **COUNCILOR JAMES WILLIAMS**

James stated that the only thing he wanted to comment on was that he attended the Family Health West Gala that they host every year and he talked to the new Foundation Director, Glacia, and apparently, the City of Fruita did not get a table this year and didn't sponsor the event like it normally does every year. Joel explained that the City usually gets a table at the annual Chamber Banquet, but

not at the Family Health West Foundation event. He added that if there are any events in Fruita that the Council wants to support, the opportunity is always there. Amy thought FHW might be worth discussing because they are a huge part of the Fruita community and is one of its largest employers. James said it was just weird that the City of Fruita was not there and that it felt very strange.

Matthew asked about School District #51, who is also a large employer in Fruita.

Margaret provided some history that the Council at one time (a formerly constituted Council) discussed this at length and they felt awkward because they would start making donations to FHW, the Chamber of Commerce and the Fruita Monument Kawanis Club but felt that it was probably not appropriate because they were taking taxpayer money and distributing it to special groups they felt were worthy. Margaret stated that it also likely had to do with the dollar amount of the donations and that if the current Council wanted to change the policy, they could.

#### MAYOR PRO TEM MATTHEW BREMAN

Matthew had nothing to report, assuming the Mayor was going to cover the meeting held in Mike's office with Lauren Boebert.

#### COUNCILOR AARON HANCEY

Aaron reported that he loves what is going on with the changes that are happening at the Parks and Recreation Advisory Board. He said they are taking to heart serving the Council in an active advisory role and are planning soon to go to Snook's Bottom to see what can be done and then will propose ideas to the Council.

Aaron also spoke about the merry-go-round at Reed Park, saying that an RFP will go out to artists to see what different ideas they may have for it. Amy noted that it was a condition of approval.

#### COUNCILOR JEANNINE PURSER

Jeannine reported that at the Arts and Culture Board's last meeting, there had been nine (9) submittals for the three pieces of artwork that will be installed. The artists were anonymous so the board members did not know who did what. The three artists have been chosen and the art will be installed by September 7<sup>th</sup> before Fruita Fall Festival takes place downtown. There will be a reception held in the FARM building lobby on September 13<sup>th</sup> at 6:00 p.m. (the same time of Community Hospital's opening of their daycare). The art will be installed at:

1. Mulberry Plaza
2. In front of Kim's Auto (the existing artwork there will be placed somewhere else)
3. On the southeast corner of the circle

Jeannine reported that her two other board meetings would be held later in the week.

#### COUNCILOR AMY MILLER

Amy reported that at the Historic Preservation Board meeting, they talked more about the presentation that was made to the City Council about the plaques, on which they are moving forward. The big

focus right now for the board; however, is the History Fair at Fruita Fall Festival. They confirmed the location as the Cavalcade.

### MAYOR JOEL KINCAID

Joel spoke about the Cops n Cars car show, saying that he didn't know the total dollar amount that they raised, but that it was likely around \$9,000, which will go toward Special Olympics.

Joel asked if any of the other Council members were planning on attending Senator John Hickenlooper's August 21<sup>st</sup> Town Hall event from 6:30 to 7:30 at Colorado Mesa University. He said he would forward the email invitation to the other City Councilors. Joel said that he would be leaving early to represent Fruita.

Joel also reported that he, Matthew and staff members met with Lauren Boebert and her staff to go over available Congressional spending for bridges in Fruita. There is a \$1.75 million federal grant and Matthew stated that there is a commitment within the House to reduce the money that comes from the Senate in the appropriations bill, so Mrs. Boebert is under pressure to reduce that spending, although it was Fruita's pitch to keep it in there and get her backing it for next year. Mrs. Boebert was then given a quick tour, which included showing her the bridge.

There was a discussion about a Fruita resident who had contacted Joel about his having an issue with neighbor cats coming into his yard and killing the birds that are attracted to his birdfeeder. The resident wanted to know why Fruita can't have a leash law for cats like it does for dogs. The Council didn't feel like that would be a realistic solution and discussed how they allocated some funding to Grand Valley Pets Alive last year to help with the City's feral cat problem. The Council decided to see if maybe they would have some ideas.

Matthew announced that on September 13<sup>th</sup> and 14<sup>th</sup>, "The World is Coming to Grand Junction" will be hosted by Colorado Mesa University and will feature Consulate Generals from Canada, Mexico, Japan, Taiwan and a few others. The Consulate General for Canada wants to meet with Matthew because the company Matthew works for is traded on Canada's stock exchange. Matthew said he will participate in the event as both a representative of his employer and the City of Fruita. The idea behind the event is to promote international trade.

Ken added that Grand Valley Transit bus fares are free during the month of August.

## **11. ADJOURN**

With no further business before the Council, Mayor Kincaid adjourned the meeting at 9:40 p.m.

Respectfully submitted,

Debra Woods  
Deputy City Clerk  
City of Fruita