

# AGENDA ITEM COVER SHEET

**TO:** FRUITA CITY COUNCIL AND MAYOR

**FROM:** JOSEPH ZAHER FINANCE DIRECTOR

**DATE:** DECEMBER 17, 2024

**AGENDA TEXT:** RESOLUTION 2024-49 – Repealing Resolution 2024-38 and Enacting Resolution

2024-49 - Approving an amendment to the lease agreement of a room located in the Fruita Civic Center located at 325 E Aspen to Mesa County for Motor Vehicle

Registrations and Related Services

#### **BACKGROUND**

On December 3, 2024, the Council adopted Resolution 2024-38 – Approving the lease of a room at the Fruita Civic Center to Mesa County for a period of less than one year for Motor Vehicle Registrations and Related Services. It has since come to staff's attention that the existing lease agreement with Mesa County contains a provision that allows for four (4) one-year lease extensions, therefore, requiring not that a new lease be approved, but that the *amendment to the lease to extend the lease* be approved.

Mesa County desires to amend and extend the lease of a room at the Fruita Civic Center for motor vehicle registrations (DMV Office located in the SE corner of 1st floor). The provision of motor vehicle registration services in the City of Fruita provides a convenient location for lower valley residents to register vehicles and take care of other related services provided by the Division of Motor Vehicles.

The Fruita City Charter requires that leases for a period of time longer than one year be approved by Ordinance. State Statutes require that leases of less than one year in length be approved by resolution or ordinance.

Terms of the lease agreement include the following:

- The City will lease the property to Mesa County for \$200 per month for janitorial services and a portion of utility charges. Mesa County shall also reimburse the City actual costs incurred for provision of other services provided by third party providers (carpet cleaning, etc.) subject to mutual agreement of the parties.
- The City will maintain the grounds and building systems.
- Mesa County is responsible for routine maintenance and upkeep of the interior of the room.
- 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 fiber, internet, phones, and other utilities.

• The initial term of the lease is for less than one year with the option of renewing the lease for four one-year extensions.

### FISCAL IMPACT

The City will receive \$200 per month to help offset 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, renewals and other services provided by the DMV office.

#### **OPTIONS TO THE COUNCIL:**

- Approve the resolution and lease agreement extension as presented.
- Approve the resolution and lease agreement extension with amendments
- No action (Deny the resolution and lease agreement extension)

## **RECOMMENDATON:**

It is the recommendation of staff that the Council by motion:

• ADOPT RESOLUTION 2024-49 - APPROVING THE LEASE AMENDMENT OF A ROOM AT THE FRUITA CIVIC CENTER LOCATED AT 325 E ASPEN TO MESA COUNTY FOR MOTOR VEHICLE REGISTRATIONS SUBJECT TO THE TERMS OF THE LEASE AGREEMENT