

**FRUITA CITY COUNCIL
WORKSHOP
OCTOBER 25, 2022
6:30 P.M.**

CALL TO ORDER AND ROLL CALL

The workshop of the Fruita City Council was called to order at 6:30 p.m. by Mayor Kincaid. City Council members present were Jeannine Purser, James Williams, Amy Miller, Aaron Hancey, Ken Kreie and Mayor Pro-Tem Matthew Breman.

City Staff present were City Manager Mike Bennett, Assistant to the City Manager Shannon Vassen, Planning and Development Director Dan Caris, and Finance Director/City Clerk Margaret Sell.

AGENDA ITEMS

1. 2023 BUDGET UPDATES/DISCUSSION AND REVIEW OF OUTSIDE AGENCY FUNDING REQUESTS

City Manager Mike Bennett began by covering a recap of the budget process to date and upcoming discussions as follows:

Upcoming Calendar and Public Hearings

November 1, 2022 – City Council Meeting Budget Presentations

- i. Quality of Place and Community Wellness
- ii. Personnel and Employee Retention Overview

November 15, 2022 – City Council Meeting, Public Hearing

- i. Economic Health and Development Overview
- ii. First Reading – 2023 Budget

November 22, 2022 – City Council Workshop – General Discussion

December 6, 2022 – City Council Meeting

- i. Public Hearing Final adoption of the 2023 Budget, mill levy, and fees and charges.

Mr. Bennett then took any questions Council had on previous presentations during this year's budget process. The Council discussed adding or replacing a column representing the percent change of the proposed budget to the estimated budget of the current year in the budget document to the chart in each area that compares the proposed budget to previous years. Staff also clarified that following the first reading, changes to the budget may only be less than 5 percent of the total budget before the second reading and final public hearing.

Mr. Bennett provided an overview on the following budget items:

Personnel Changes

- a. ***Adding Police Officer*** - City was not awarded the federal grant to help subsidize costs of two new officers, but there is still a significant need for additional sworn officers. Using Public Safety tax dollars and general fund dollars, a new Officer will be added in the final draft of the budget document. The City will use the fund-balance for one-time expenses to support the position (equipment, Police

Interceptor, etc). There is estimated to be \$500,000 in public safety fund balance at the end of the year.

- b. **New Holiday** - Including a new holiday next year. When compared to surrounding organizations, we have one less paid holiday per year. Last year, the City of Grand Junction and Mesa County added Juneteenth to their holidays. We could add Juneteenth or Martin Luther King Jr. Day. A holiday we have that is different is Good Friday.

Council directed staff to provide holiday comparisons of Grand Junction, Palisade and Mesa County before determining which holiday to add at the next meeting. The Council discussed the differences of a holiday and a floating holiday.

Parks Projects

- a. **Highway 340 Trail Design** - The City went out to bid twice and did not receive a response to the first bid but received two responses the second time. Both were significantly (over double the \$90,000 budgeted) over budget. The bids were \$185k and \$190k.

Council directed staff to update the One Riverfront Foundation, to not accept the bids for the Highway 340 Trail Design and pause on the project while considering possibilities with the Raptor Road trail connection in the future development of the Lagoon property.

3% Lodging Tax Split

- a. Currently split between Economic Development, Housing, and Public Places (1/3 each).
- b. Moving 100% of the GJEP Membership (\$10,000) to the Economic Development Fund.

Assistant to the City Manager Shannon Vassen covered the following:

Outside Agency Funding

- a. Received four applications for outside agency requests. Summarized here:
 - 1. Grand Valley Pets Alive - \$3,500 (increase of \$600 from the prior year)
 - 2. Colorado West Land Trust - \$9,000 (no change)
 - 3. One Riverfront - \$4,600 (no change)
 - 4. Fruita Area Chamber of Commerce (FACC) - \$30,000 (requesting an increase of \$5,000 for staffing needs)

*We have also committed \$2,700 for a Safe Routes to School match that will come out of this line item – funding that is available is \$37,300.

Council discussed each of the requests asking questions about each and focusing most of the conversation on the FACC'S request of an additional \$5,000. Discussion focused on what is the long-term commitment of the City's financial contributions to the FACC, considering they made \$40,000+ in 2021 and the City provides the building, groundskeeping, \$25,000 for administration, about \$10,000 in-kind staff work, and \$8,000 for events. The Council focused on the benefit the FACC provides the

community and directed staff to keep the \$30,000 in the proposed budget and to request the FACC Balance Sheet and Income Statement for 2021 and year-to-date for 2022. It was suggested that in future years requests for outside applications to require the same information for all requests over \$10,000.

2. HOUSING WORKSHOP

Planning & Development Director Dan Caris provided an overview of the draft by-laws for the Fruita Housing Authority as prepared by City Attorney Mary Elizabeth Geiger per the Council's direction at their August workshop. Council discussed the time commitment of the Council being the Housing Authority and limiting the role of the Housing Authority to only tax abatement projects such as Low-Income Housing Tax Credit (LIHTC) projects. The Council voiced wanting to have more influence in potential projects and that state statute enables Housing Authorities to wave property tax for such. Mr. Bennett let Council know that the City Attorney left more flexibility in the by-laws since the Council would be the board to limit future needs for changes. Council directed staff to revise the by-laws to the limited scope of tax abatement projects, since all other housing goals would not go through the Housing Authority and to align the by-laws with the Charter as it pertains to voting.

Mr. Bennett addressed housing goals and strategies by clarifying that with the completion of the housing study by Economic Planning Solutions (EPS) it would be beneficial for the City to first identify realistic goals and then staff can provide recommendations on which of the many strategies Council has discussed over the past couple years to deploy in order to achieve the goals. Council directed staff to bring back draft goals at a future meeting.

3. OTHER

Council discussed phone calls each Council member had received from Developer Garrett Davis, Chronos Builders, who was not in agreement that the City of Fruita should bring building services in-house and felt the City had not engaged with him and his colleagues on the matter. Some Council members had also received a call from the Home Builders Association of Western Colorado (HBA) regarding the same topic. Council discussed the fact that Mr. Davis is the brother of Commissioner Davis and that Commissioner Davis had expressed confusion with the Mayor that the City was proceeding with in-house services. Staff recapped the updates made to the County multiple times since August, Mesa County being first to know each step of the way including notice from Mr. Bennett to County Manager Pete Baier in mid-August of the City's intent to bring building services in-house in 2023, the attempt with Mesa County to address the transition in the new building services contract and notice about the posting to hire a Chief Building Official in mid-September. Mr. Caris let Council know that at his request he was speaking to the HBA Board the next day and passed out the email with the agenda and notice of the meeting. Council directed staff to draft a letter to the Mesa County Board of Commissioners to clear up any confusion, specifying the City will bring building services in-house in 2023.

4. ADJOURN

With no further business before the Council, Mayor Kincaid adjourned the meeting at 10:59 p.m.

Respectfully submitted,

Mike Bennett, City Manager