

**FRUITA CITY COUNCIL MEETING
SEPTEMBER 19, 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:

(None)

City staff present:

City Manager Mike Bennett
Deputy City Clerk Deb Woods
Assistant City Manager Shannon Vassen
Communications and Engagement Specialist Ciara DePinto
Planning and Development Director Dan Caris
Public Works Director Kimberly Bullen
City Attorney Mary Elizabeth Geiger

Also present:

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 PURSER MOVED TO ADOPT THE AGENDA AS PRESENTED. COUNCILOR MILLER SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**

4. PROCLAMATIONS AND PRESENTATIONS

A. PRESENTATION – INTRODUCTION OF NEW FRUITA MONUMENT HIGH SCHOOL PRINCIPAL

Principal Newt Klusmire introduced himself to the City Council. He said he has been in Fruita for six years and that when he first moved here, took the position of Assistant Principal of Fruita Monument High School (FMHS) and fell in love with Fruita for its strong sense of community.

Principal Klusmire stated that he didn't have any asks of the City Council; he just wanted to introduce himself and offer FMH'S support.

Councilor Miller said she was excited for Principal Klusmire's leadership and knows the kids just love and appreciate him. Principal Klusmire commented that it's easy to lead a school with such great kids.

Councilor Hancey asked Principal Klusmire how he is ensuring transparency within the school between parents, students and teachers in this time of book issues and questionable surveys. Principal Klusmire responded that the keyword is "transparency," and that his number one goal as Principal this year is clear and consistent communication. He added that he welcomes parents who have hard questions about what is going on in the school because oftentimes, the faculty can enlighten them and bring them into the conversation. Principal Klusmire called parental perspective very important and said his school's communication is intentional and transparent.

Councilor Purser asked Principal Klusmire if there was anything he would like see from the Fruita City Council or if there was anything the Council could do for him. Principal Klusmire responded that nothing really came to mind; he just believes in the value of relationships more than anything.

Councilor Purser noted that last year, the City Council discussed the possibility of each of the Council members taking a day of the week to greet students at FMHS in the mornings and that the Council may be reaching out to him about that. Principal Klusmire said giving students a fist-bump as they come into the school in the morning is his favorite part of the day and that Council members are welcome to join him.

5. PUBLIC PARTICIPATION

1. **Kathleen Morrison**, 909 Prince Ct., Fruita, said she was also present at the Special Council meeting on August 29, 2023 when thankfully, the Council chose not to accept the offer for Enoch's Lake. She said she thought that the Council's intention was to give the "Friends of Enoch's Lake" time to come up with a plan to work with the City to protect the public access to the lake.

Ms. Morrison stated that the President of the group "Friends of Enoch's Lake" e-mailed the City Manager and asked to be allowed to have a picnic and a clean-up day at the lake so that everyone could all meet each other, get rid of the fire pits so that people didn't think they could have fires there and make sure that no hooligans show up. Ms. Morrison said that Mr. Bennett told her in an e-mail response that the City basically has no intention of working with "Friends of Enoch's Lake" and that the plan is to sell the property, so "don't bother." She said she is really concerned about that; she thinks the public needs clarification because the "Friends of Enoch's Lake" people are left out in the cold. She added that it didn't seem like staff was giving them a chance and asked for clarification on what the Council's position is; whether or not "Friends" will have an opportunity to go forward with volunteers while the City looks for a buyer.

2. **Vera Mulder**, 983 E. Pabor Ave., Fruita, said she was present at the meeting because of Enoch's Lake and was really pleased to meet the new Principal at FMHS. She said he used a word that she thinks is very good: transparency.

Mrs. Mulder continued that she was handed a copy of what Mr. Bennett stated concerning the City only allowing work to be performed on behalf of the City with a written contract and certain levels of insurance in place (which she can understand) and that since the City and “Friends of Enoch’s Lake” do not have a written agreement, there is no permission given and that it is a liability issue for the City of Fruita, who is currently focused on the process for no longer being the owner of the property. Mrs. Mulder accused the City of having already made up its mind and not giving Mr. Jim Cook and the “Friends of Enoch’s Lake” a chance to provide some alternative ideas to preserve the lake and water for the future.

Mrs. Mulder added that she and a couple of other people had occasion to go up to Enoch’s Lake several times and it was a joy to see it; it is a place where people can go and get in touch with Mother Nature while the City is complaining that it needs the revenue. She suggested that Police Officers give all the speeders on Pabor Avenue (where she lives) and Pine Street tickets because this is where there are little kids and old people trying to cross the street.

Mrs. Mulder concluded by saying that it is a sin for the Fruita City Council to even think about giving up Enoch’s Lake without giving Mr. Jim Cook and his committee, “Friends of Enoch’s Lake” a chance to solve the problem or provide solutions to the Fruita City Council. She added that she doesn’t want to be ashamed of Fruita because she loves Fruita, but that this is going to make her feel very bad.

3. **Teresa Cox**, 651 E. Carolina Ave., Fruita, stated that what she wanted to say ties into what Mrs. Mulder was just mentioning about speeding. She said she walks her dog all the time and there are speeders on Maple Street as well where people have small children and pets. Ms. Cox said her dog managed to slip out the door the other day and was down the street, which scared her to death because it is not an exaggeration to say she has seen people going through there at 70 miles per hour and that sometimes it’s the motorcycles who are really bad. She said it was routine to see people doing 40, 50 and 60 miles per hour and even walking on the sidewalk is a little nerve wracking because what if something does dart out in front of those cars and they jerk the wheel and lose control? She said this would “take her out” even though she’s on the sidewalk. Ms. Cox called it a very concerning issue that is happening all the time throughout the day and evening and if the Council would send an Officer down there to park and wait on one of the other streets, they will catch them and once that starts happening, it would get a lot of it stopped. She said she sees a real disregard for the law and doesn’t have any other solutions except four-way stop signs or speed bumps, which she was told aren’t easy to do.

6. CONSENT AGENDA

- A. **MINUTES - A REQUEST TO APPROVE THE MINUTES OF THE AUGUST 1, 2023 CITY COUNCIL MEETING**
- B. **ORDINANCE 2023-12 – 1ST READING – AN INTRODUCTION OF AN ORDINANCE AMENDING CHAPTER 2.39 OF THE FRUITA MUNICIPAL CODE CONCERNING MEMBERSHIP OF THE FRUITA PLANNING COMMISSION FOR PUBLIC HEARING ON OCTOBER 17, 2023**
- C. **FINANCIAL REPORTS – A REQUEST TO APPROVE THE AUGUST 2023 FINANCIAL REPORTS**

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.

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

7. PUBLIC HEARINGS

A. QUASI-JUDICIAL HEARINGS

There were no Quasi-Judicial Hearings on the agenda.

B. LEGISLATIVE HEARINGS

- 1) RESOLUTION 2023-27 – PUBLIC HEARING – AMENDING THE 2023 BUDGET WITH SUPPLEMENTAL APPROPRIATIONS OF FUNDS FOR EQUIPMENT, CAPITAL EQUIPMENT AND CAPITAL PROJECTS – ASSISTANT CITY MANAGER SHANNON VASSEN**

Assistant City Manager Shannon Vassen explained that staff needs to appropriate \$130,000 for two (2) Police Interceptors (patrol cars) that are due for replacement next year and was told by Ford Motor Company before the strike that the City has a very limited window in which to order the Interceptors in October to be delivered by October 2025 because they are holding off on all government builds throughout 2024.

Mr. Vassen noted that there are four (4) total Police Interceptors to be replaced over the next two years, but staff is actually going to cycle out two (2) investigator vehicles and put those into the regular fleet, which will transition to either a small SUV or a sedan.

Mr. Vassen continued that in the Sewer Fund, there is \$350,000 that will be appropriated. \$50,000 is to purchase a vertical drum mixer at the Wastewater Reclamation Facility. He recalled that the Council earlier this year approved \$250,000 to replace two (2) vertical drum mixers in the southern basin; one of them was kind of heaping, so staff was going to send it back to the manufacturer to be refurbished and sent back as an extra to have on hand for the future, but unfortunately, that one can't be fixed, so the Resolution before the Council will appropriate an additional \$50,000 to purchase one and have it to be used as a replacement in the future along with the other one that has been pulled out of the aeration basin.

Finally, Mr. Vassen noted that staff received a \$300,000 supplemental grant from the Colorado Department of Local Affairs (DOLA) for the H2S Mitigation Project. This does not increase the Budget for it, but will rather offset the City's cost for the project.

That concluded Mr. Vassen's presentation.

Mayor Kincaid opened the public hearing. Hearing no comments from the public, he closed the public hearing and referred the matter to the City Council.

Councilor Breman asked Mr. Vassen to confirm that even though the City will not receive the two Police Interceptors until 2025, Ford has to be paid now. Mr. Vassen explained that in order for staff to be able to place the order, the City has to have the money appropriated and Ford gave the City a 5% escalation per year, so it is actually more than the City has budgeted currently. This year in the Budget, there is \$55,000 for replacement and an additional 10% to receive the vehicles in 2025 and that is how Mr. Vassen stated he reached the \$130,000 (\$65,000 for each). These vehicles will be fully outfitted and when the Council adopts the 2025 Budget, staff can always increase those funds if needed. Mr. Vassen pointed out that it is currently very difficult to get Police Interceptors.

- **COUNCILOR KREIE MOVED TO ADOPT RESOLUTION 2023-27 – AMENDING THE 2023 BUDGET TO APPROPRIATE FUNDS IN THE GENERAL FUND AND THE SEWER FUND FOR EQUIPMENT, CAPITAL EQUIPMENT AND CAPITAL PROJECTS. COUNCILOR PURSER SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**

8. ADMINISTRATIVE AGENDA

A. PRESENTATION AND CONSIDERATION OF A MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY OF FRUITA AND THE GRAND JUNCTION ECONOMIC PARTNERSHIP (GJEP) – CITY MANAGER MIKE BENNETT

City Manager Mike Bennett introduced Curtis Englehart, Executive Director for the Grand Junction Economic Partnership (GJEP), who provided the City Council with a PowerPoint update. He noted that he last presented to the Council in January of 2023 and it has been a goal of his since to work with Mr. Bennett to strengthen the partnership between the City of Fruita and GJEP. Slides in his presentation included information about the following:

- GJEP's Mission and Vision
- 2022 GJEP Numbers of Wins (relocation or expansion of the area), Local Assists (GJEP helped a business in some form/fashion), primary jobs created and potential jobs created
- 2022 Economic Impact of \$15,690,242
- 2016 – 2022 Numbers of Wins (relocation or expansion of the area), Local Assists (GJEP helped a business in some form/fashion), primary jobs created and potential jobs created
- Cumulative Economic Impact years 2016 – 2022: \$73,162,459
- Announcement that GJEP received Business Facilities' 2023 Top Economic Development Organization Award (recognized for 27 Rural Jump Start companies - state leader)
- List of Fruita and GJEP's past collaborations (Economic Development Forums, trade shows and board/committee meetings)
- Focus on Fruita Businesses:
 - 3 Wins: Canfield Bikes, FHE – Rural Jump Start approval, SCORED – Rural Jump Start approval
 - 63 New jobs and 53 potential jobs
 - Capital Investment of \$579,251
 - Savings to Fruita Businesses:
 - \$69,492 in tax credits

- \$162,500 in grant dollars (OEDIT and GJEP)
 - 15 Site Visits for prospective business
 - 80+ Fruita properties shown in proposals
- Updated Prospect Development numbers (General and Jump Start)
- Top Sources for Active Prospects (Direct inquiry, local referral, trade show or other)
- Top Industries for Active Prospects

The remainder of Mr. Englehart's presentation was dedicated to a Memorandum of Understanding (MOU) between the City of Fruita and GJEP. He explained how after his last presentation to the City Council in January, he and City Manager Mike Bennett sat down and started having detailed conversations on how to strengthen and grow the partnership, resulting in a draft MOU between the City and GJEP.

Mr. Englehart listed each of the commitments from GJEP pursuant to the proposed MOU and GJEP's financial request of the City of Fruita of \$20,000 as the City Council begins the 2024 Budget process. He added that if there was a tiered approach that the Council would like to look at, he would be open to that as well before the City fully invests in GJEP at \$20,000 for the year.

Mr. Englehart turned the presentation over to City Manager Mike Bennett, who then reviewed each of the commitments of the City pursuant to the draft MOU with GJEP. He pointed out that GJEP is an expert at some things that the City is not such as all the programs that Mr. Englehart had described in his presentation such as Rural Jump Start, Job Growth Incentive Tax Credit, Career Development, Skills Advanced Colorado, Enterprise and Opportunity Zones. Mr. Bennett said that GJEP does a phenomenal job of walking businesses through these programs, whether they are existing businesses or prospective businesses and that Fruita has seen a lot of success with these. He added that the City of Fruita also has a lot of economic development successes where business owners come directly to the City and sometimes, those have clear-cut processes that the City's Planning and Development Department can walk them through (while keeping GJEP updated), but GJEP is always willing to help whenever they can.

Mr. Bennett noted that currently, the City's budgeted amount to pay GJEP is \$10,000 per year and that Mr. Englehart's request was for \$20,000, which is not part of the MOU. The MOU simply refers to an annual contribution to be determined as part of the annual budget appropriation process for outside agencies.

Mr. Bennett provided staff's recommendation that the Council approve the MOU subject to one correction in the first bulleted item of GJEP commitments (removing the words "City staff" and replacing them with "GJEP staff") and direct the City Manager to execute the MOU.

Councilor Breman asked Mr. Englehart if there was any chance that GJEP would change its name to the "Grand Valley Economic Partnership." Mr. Englehart responded that that would be a board discussion and decision, although he appreciated the question.

Councilor Breman stated it was his understanding that Mesa County is eligible for the Rural Jump Start Program because it is a depressed area, but now the area is starting to come out of that. He asked Mr. Englehart what tools would be available to the Grand Valley as the economy continues to improve. Mr. Englehart explained that there are a few different factors to Rural Jump Start; the base requirement is that Mesa County is in a rural area and then there are different cash incentives based on the level of being distressed. Mesa County is in more of the mild level of distressed, so it's a

\$20,000 cash incentive where more distressed counties are at \$40,000. He said that regardless of whether Mesa County is distressed or not, Rural Jump Start is still available in Mesa County; however, the program will sunset in 2024, so GJEP will be going back to the Colorado Legislature to try to get the program extended again. Mr. Englehart called it a great program and Councilor Breman agreed wholeheartedly.

Councilor Hancey asked Mr. Englehart what challenges he sees Fruita having and what Fruita could do to be even more attractive to potential businesses. Mr. Englehart said the thing that GJEP runs into with the City of Fruita the most is the lack of commercial properties to look at, although they do showcase land in Fruita quite a bit, such as the Fruita Business Park. He added that Mesa County as a whole has a very skilled and robust workforce, so that isn't an issue, and the only other thing that Fruita could probably do a little bit better job of is local incentives. He said it is tough for Fruita to compete with some of the other areas when Fruita doesn't have the funds for those kind of incentives from a cash perspective. Mr. Englehart clarified that the City of Grand Junction provides GJEP with a small amount of cash incentives on an annual basis. Councilor Hancey asked if the cash incentives would be in addition to the \$10,000 to \$20,000 that GJEP was requesting of the City of Fruita and Mr. Englehart confirmed that to be correct.

Councilor Hancey asked if there would be any benefit to additional community training or understanding more of what GJEP does for the Fruita community. Mr. Englehart said that GJEP has actually sat down with the Fruita Area Chamber of Commerce as they hired a full-time workforce coordinator position and part of that job consists of going out and meeting with local businesses. He explained oftentimes people think GJEP only brings businesses in, but they also help local businesses expand, and so GJEP is meeting with the Fruita Chamber to help them understand some of those incentive programs and when to involve GJEP to help.

Councilor Miller asked Mr. Englehart if prospective businesses are looking for existing commercial structures because they don't want to build and he responded that right now, GJEP is seeing probably 80% to 85% of businesses looking for existing structures because the cost to build is still really high. He added that many of them are looking to lease, so it begins to limit the options that Fruita can provide. Mr. Bennett agreed that many prospective businesses who have had interest in Fruita just were not in a position to build, so they ended up leasing an existing building in Grand Junction.

Councilor Miller noticed that Fruita used to participate in trade shows quite often and asked if that was something that will come back now that the pandemic was over. Mr. Englehart said trade shows are coming back but when they first started up again, they really weren't worth attending because the vendor turnouts were low. He added that GJEP attended nine trade shows this year and some have been really good and some they won't be going back to, so as GJEP continues to navigate which ones they should be going to, there will be an invitation for Fruita as well.

Mayor Kincaid asked which type of trade shows GJEP has gone to, is looking at going to and which might be good for Fruita. Mr. Englehart explained that GJEP has expanded its scope a little bit outside of outdoor recreation, although they still do those such as the Outdoor Retailer Show in January and the Big Year Show in Denver. He said out of the nine trade shows, three were outdoor rec-focused, but they've also done two or three aerospace shows and have applied for a grant to go to a clean energy one. He noted that aerospace seems to be the trade show that is coming back the quickest.

Mayor Kincaid pointed out that the Grand Valley is getting faster internet speed with new fiber connections and asked if that is going to help or if it just puts the valley on neutral ground with the

rest of the country for attracting businesses. Mr. Englehart said it is definitely a positive aspect because it feels like fiber is expected when dealing with some prospects, so it is good to see that it is coming. He added that for shovel-ready properties, GJEP will showcase that quite a bit.

Mayor Kincaid asked if there are grants that the City of Fruita could apply for that would help with economic development. Mr. Englehart answered that there aren't a ton of grants for governments and that there's a lot more for businesses such as those available through the Office of Economic Development and International Trade (OEDIT), who did an "Action Grant," which was up to a \$40,000 grant to help towards economic development efforts. He said he thought this was some of the pandemic relief money that OEDIT got and RFPed out. GJEP was a recipient of that grant, and Mr. Englehart said he didn't know if it would be available annually or if it was just a one off, and this was one example. He added that as far as larger grants to build out some specifications, GJEP doesn't have any of that at this time.

Mr. Bennett noted that there are a few grants staff is working on related to economic development and the riverfront properties that the City has. Staff has been in touch with the Department of Local Affairs (DOLA) and will be looking for infrastructure grants to help impact the City's public-private partnership with 2Forks Ventures and a Great Outdoors Colorado (GOCO) grant for Open Space and Recreational, which is key to getting the commercial pieces of that development. Staff is also working with DOLA on a grant for a bridge over the Big Salt Wash near the Fruita Business Park and in order for Fruita to be competitive, there has to be an actual project and partnership.

Mr. Englehart thanked the City of Fruita for supporting GJEP for a number of years.

Mayor Kincaid asked the Council members if they had any questions or concerns about the bullet points in the MOU that list the commitments of both GJEP and the City of Fruita. There were none.

- **COUNCILOR HANCEY MOVED TO APPROVE THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY OF FRUITA AND THE GRAND JUNCTION ECONOMIC PARTNERSHIP (GJEP) AS AMENDED. COUNCILOR KREIE SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**

9. CITY MANAGER'S REPORT

City Manager Mike Bennett provided the following updates to the Council:

- Mike noted that there were quite a few exciting updates and accomplishments listed in the Weekly Information Update, so he was not going to repeat them.

10. COUNCIL REPORTS AND ACTIONS

A. ENOCH'S LAKE SALE PROCESS AND DIVESTING OF MOUNTAIN PROPERTIES PROCESS DISCUSSION

City Manager Mike Bennett noted that staff had listed potential options for the City Council to consider in the Council packet. He reminded all that at the August 29, 2023 Special Meeting after the Council decided not to accept the current offer on Enoch's Lake, the Council directed staff to bring forth options for selling Enoch's Lake and in addition, to have a conversation related to the

other mountain water properties owned by the City on Pinon Mesa. These include Reservoirs #1, #2 #3, some springs and a large land holding without any water rights that was to be the future home of Reservoir #4 prior to 1983 when the City was no longer able to use the water from Pinon Mesa and contracted with Ute Water instead.

Mr. Bennett mentioned that the City's realtor, Lori Chesnick, was present in the audience to help with the discussion or any questions that the Council may have. He pointed out that staff and present and past City Councils over the many years have been very clear and transparent about trying to divest the City of Fruita from owning and maintaining the Enoch's Lake property with an interest in keeping it accessible to the public.

Mr. Bennett also stated that one of the problems the City has always had is that there is a continued non-monetary commitment valued at \$140,000 for delivery of water as needed to Ron Tipping for repairs he made pursuant to an agreement with the City. There is also the requirement of working with the State of Colorado's Dam Safety Engineer for jurisdictional dams. Mr. Bennett pointed out that both of these aspects would have to be continued for whomever owns Enoch's Lake.

Mr. Bennett recalled that the City went through the Ordinance process for the Council to be able to consider a non-solicited offer for Enoch's Lake, which is required in the Fruita City Charter. He said the goal for this meeting was to get direction from Council on next steps after it was made it clear in public hearings that the Council wanted to reconsider the process for selling the property.

One option included in the Council packet was to list the property on the open market through the City's realtor, who recommended that the property be listed in the MLS for 30 days including photos and drone footage. The listing would also include stipulations for the agreement with Mr. Tipping, the requirements of the state's Dam Safety Engineer, an Ordinance process and Ute Water's First Right of Refusal.

Mr. Bennett noted that staff had received the appraisal on Enoch's Lake, property and water rights after City Attorney Mary Elizabeth Geiger reached out to four or five appraisers and only one group agreed to do the appraisal. Mr. Bennett pointed out that the appraised amount plus the non-monetary obligation to Mr. Tipping would also be a point of discussion for the Council in deciding on a sale price if that was the course of action the Council chose to take. He suggested that the discussion continue with Enoch's Lake first followed by the City's other properties on Pinon Mesa.

Mayor Kincaid noted that staff and the Council could decide how to list property for sale and get information out to the public about it. Regarding Enoch's Lake, he stated that if the City receives many offers for it, the Council could accept the offer from someone who wants to keep the lake open to the public versus an offer for a higher dollar amount. City Attorney Mary Elizabeth agreed and added that the offer would then need to go back to Ute Water Conservancy District again for them to decide whether or not they want to purchase the lake on the same terms. Assuming they don't, then the matter would go back through the Ordinance process like before.

Councilor Kreie commented that realtors have a set fee and asked how that would be affected if the City were to accept an offer that wasn't for the highest dollar amount. Ms. Geiger said it would be the same percentage of a lower number, so it wouldn't matter.

Councilor Breman asked for clarification on whether the discussion at this meeting was just about the process for Enoch's Lake or was it for all mountain properties. Mayor Kincaid reminded him that

Ms. Geiger's recommendation was to discuss the Enoch's Lake property first and then the other properties after that. Councilor Kreie said he'd rather remain consistent for all the properties.

Mr. Bennett agreed that there needs to be a similar and consistent process but added that the properties are not the same because there were nuances to some of the properties such as Enoch's Lake not being on US Forest Service land; therefore, there would be no agreements with the Forest Service to go along with that property if someone wanted to buy it. He added that the process for listing property and then going through the Ordinance process could be similar for all the properties, but stressed that each property has different types of assets that would need to be incorporated into one of those first two steps. Ms. Geiger stated that for instance, Reservoir #3 has no land associated with it whatsoever; it is only the water that is sitting on US Forest Service property. She explained that concerning the reservoirs that sit on Forest Service property, the City has had discussions for years with other public entities such as the Forest Service and Colorado Parks and Wildlife and those agencies would probably be the ones that make the most sense to approach first because of the fact that the reservoirs already sit on public lands. Ms. Geiger pointed out that that is why those properties are very different from Enoch's Lake, which is surrounded by private property and sits only on City-owned property. She added that the City has only one parcel that is only land and she thinks that it could fit easily in the same process as what the City might do for Enoch's Lake and that is the dam for Reservoir #1 because the dam sits on land owned by the City, but the rest of the reservoir sits on US Forest Service land. Reservoir #2 is currently under a no-fill order, so it is really different because it's got a whole host of issues associated with what is next for that dam, whether it's a repair or a breach. Ms. Geiger said she didn't see a scenario when that one is ready for listing yet. Councilor Purser pointed out that the City is unlikely to spend the \$3 to \$4 million to fix Reservoir #2. Mayor Kincaid asked about the breach option and Ms. Geiger explained that the City would then have nothing to sell at that point because the water would be gone but the Forest Service land would remain.

Mr. Bennett suggested that the Council choose how they wanted to list and sell Enoch's Lake and then a similar process could be followed for the other properties except for the types of things that are being sold that may have some nuances to them. He added that the City could now write up a real offer of donation for which the other agencies would be allowed a period of time to accept. He added that if the Forest Service were to accept a donation like that and they continued to manage the property, then it would then be a public-accessible body of water, which would be an ideal situation for the City of Fruita. He further explained that the City would make it clear that it no longer intends to manage the properties because if they know that the City is just going to continue managing them, then of course, they don't want the properties because they don't want the liability of the dams and that has been their reasoning up until this point. Mr. Bennett also pointed out that staff wasn't recommending this for Enoch's Lake because the lake is surrounded by private property and is not connected to those other agencies who have been very clear about not having the resources to take care of the lake.

Councilor Hancey asked for more details about the property known as "Reservoir #4," which doesn't actually have a reservoir on it because it was never built. Ms. Geiger explained that this property consists of 125 acres that abuts some private property, some Forest Service land and has the county road and water pipelines out of Reservoir #1 that go through it, so it would be subject to those rights-of-way. She added that it didn't mean that the Colorado Parks and Wildlife or the Forest Service would not want that parcel. Councilor Hancey said he thought Enoch's Lake and Reservoir #4 were similar, so perhaps the process for both could be similar.

The City Council continued discussion concerning the process of listing Enoch's Lake and Ms. Geiger explained that any offers that came to the City would be public record and advised that once the agreed upon timeframe for accepting offers had ended, the Council should meet fairly soon afterward to discuss the offers in an open session. She added that there could be an Executive Session placeholder on the agenda should the City Council and/or staff have any legal questions. The Council would then make a decision in open session as to which offer they wanted to move forward to Ute Water for their review, and assuming Ute Water would not want the property, the Council would then set that offer for the Ordinance process.

Realtor Lori Chesnick explained that she would need ten to twelve days for photography and getting all the documentation together to create a listing. She added that any time an offer comes in, she will review it, do a net proceeds sheet on it, get all the information together and then present it to the City Manager, who would in turn get it to the City Council. Ms. Geiger clarified that the Council would need to review all the offers at the same time (not as they come in) and come to a decision in an open meeting.

The City Council came to a consensus to schedule a Special Meeting on Monday, November 13, 2023 at 6:30 p.m. to review offers on Enoch's Lake. Ms. Chesnick explained that if the City receives no offers by then, the property will still be listed for sale and the Council can decide how they want to proceed from there.

Councilor Williams stated that he would really like to know what "Friends of Enoch's Lake" had been able to accomplish (e.g., if they've moved forward with their non-profit status) because he would really like to see Enoch's Lake stay open to the public and if that wasn't possible, he would like to see it end up in the hands of the people of Glade Park. He clarified that his preference was for the City donating Enoch's Lake to either of those groups.

Mayor Kincaid said he didn't think Councilor Williams' ideas were off the table after he pointed out that the "Friends of Enoch's Lake" could offer the City \$1 for the property with the caveat that they would ensure public access to the lake and that would still be something for the Council to consider.

Councilor Breman pointed out that nobody on the Council had said that the property would be sold to the highest bidder. Councilor Williams said he felt a lot more comfortable with that clarification. Councilor Purser expressed her desired approach that anybody could make an offer and everyone's offer had equal opportunity to be considered by the City Council. Councilor Miller noted that the conditions that would need to be addressed in the offers would include:

- The approach to the liability insurance
- Maintenance of the dam
- The arrangement with Mr. Tipping.

The Council then discussed the price to be included in the listing for the Enoch's Lake property and came to a consensus to use the appraised value of the property, which is \$425,000. Ms. Geiger noted that once the Council sees the offers and makes a decision, they can amend the agreement with realtor Lori Chesnick accordingly. Ms. Chesnick explained that the only thing that couldn't be amended was the compensation the City would be offering to the other cooperating real estate agent, but added that she would be happy to change her compensation for the good of Fruita. Ms. Geiger pointed out that buyers do not have to make offers through an agent, however, and she would presume that if someone were making a donation or \$1 offer, they are probably not working with a realtor.

Mr. Bennett stated that staff would receive the offers from Ms. Chesnick and would put them in a Council packet to go out on Thursday, November 9th (November 10th is the Veterans Day Holiday) for the Special Meeting on November 13th. He suggested that the Council clarify that the City will accept offers through November 8th and request that Lori Chesnick get the listing done as soon as she could.

Ms. Geiger requested that the Council and staff stop referring to the property known as “Reservoir #4” as a reservoir because there is no reservoir and that a better name for it would be the “125 acres.” Mr. Bennett pointed out that the biggest difference with the 125 acres and Reservoirs #1, #2 and #3 is that it is not subject to a First Right of Refusal with Ute Water. He requested that the Council consider whether they wanted staff to draft a Resolution to create a little more clarity about why the City is selling the mountain water properties but with the intention of keeping them public. He said staff could bring it to the Council at the next workshop meeting.

Mr. Bennett also noted that the City currently has a Request for Proposal (RFP) out for breaching Reservoir #2, although staff has been very clear that no decision to breach it has been made; the Council just wanted to know what it would cost because they already know it will cost millions to repair the reservoir. He added that there is also the NRCS study that’s pending. Staff has followed up with the Bureau of Reclamation multiple times and is just not getting a response. Staff knows that the consulting firm that the Bureau paid to do the study turned it over to them months ago and staff is just waiting on the Bureau’s approval to turn the study over to the City. Mr. Bennett said he was pretty certain that there will not be some big solution for Reservoir #2 and the focus would be whether there are some other funding sources to help repair it. All indications throughout the process of the study have been that there are no good opportunities for that.

Mr. Bennett said no matter what happens with the study, breach or not, there was no reason in his mind to wait to start drawing up donation offers of these properties to Ute Water, the US Forest Service and Colorado Parks and Wildlife, but if all those agencies deny the offers, he would prefer to have a discussion with Mesa County concerning whether to include them as well for the offers rather than just submitting offers to them, although that would be a Council decision.

Councilor Breman said it was his opinion that the City should ask Mesa County first since it is Mesa County residents that would be affected. Mr. Bennett said Councilor Breman had a very good point.

Councilor Kreie wondered if Mesa County would consider signing a letter of support for the other agencies to accept the offers of donation from the City of Fruita.

Councilor Purser said she felt it was important to stress to Mesa County that the City’s intention was that the new owners of the properties would maintain open access to the public.

Ms. Geiger reminded the Council that the very first offer must go to Ute Water and that any of the other agencies could close public access if they decided to accept donated property from the City of Fruita but didn’t want to allow public access for whatever reason. She added that she had no idea what the zoning was for the 125 acres, but she knows there are no water rights associated with it.

Ms. Chesnick offered to do a market analysis on the 125 acres and come up with the value of the property.

- **COUNCILOR BREMAN MOVED TO APPROVE THE LISTING OF THE PROPERTY KNOWN AS ENOCH'S LAKE WITH ALL BIDS DUE BY 5:00 P.M. ON NOVEMBER 8, 2023 WITH THE LISTING PRICE OF THE APPRAISED VALUE OF \$425,000 WITH THE AFOREMENTIONED CONDITIONS (STATED BY COUNCILOR MILLER ABOVE). COUNCILOR WILLIAMS SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**
- **COUNCILOR BREMAN MOVED TO HAVE STAFF WORK WITH THE CITY REALTOR (LORI CHESNICK) TO DO A MARKET ANALYSIS OF THE 125.54 ACRES. COUNCILOR PURSER SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**

Mayor Kincaid asked the Council members if they were comfortable with Mr. Bennett's suggestion that after the First Right of Refusal with Ute Water for Reservoirs #1, #2 and #3, the City shall approach Mesa County next and the other entities after that. Councilor Purser said she'd rather offer them to the US Forest Service after Ute Water because the Forest Service owns the surrounding property and she was just more comfortable with that. Councilor Miller agreed with Councilor Breman that Mesa County should be asked next after Ute Water to keep it more locally focused and especially because it does affect Mesa County residents. She added that if Mesa County decided that they didn't want to accept it, perhaps they could help back the City of Fruita up with the Forest Service and Colorado Parks and Wildlife. Councilor Hancey said he was in favor of approaching Ute Water first, Mesa County second and that Reservoirs #1, #2 and #3 be lumped together as a group of properties with water rights. Mr. Bennett stated that it would be cleaner if the three reservoirs were offered together as a group.

Mayor Kincaid reminded the Council that they had not yet made a motion to direct staff to draft a Resolution on what the City's goals are for the Pinon Mesa properties.

- **COUNCILOR KREIE MOVED THAT THE CITY COUNCIL OFFER AS A DONATION RESERVOIRS #1, #2 AND #3 AS A GROUP TO UTE WATER FIRST FOR THEIR RIGHT OF FIRST REFUSAL AND MESA COUNTY SECOND AND IF MESA COUNTY DOES NOT WANT THEM, THE CITY SHALL OFFER THE PROPERTIES TO THE US FOREST SERVICE NEXT AND FOLLOWING THAT, COLORADO PARKS AND WILDLIFE. COUNCILOR HANCEY SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**

Concerning the Resolution, City Manager Mike Bennett explained that basically, staff would take points from the website and talking points that went out to the public to draft a Resolution for the Council's consideration.

B. COUNCIL REPORTS AND ACTIONS

COUNCILOR AMY MILLER

Amy reported that the Fruita Chamber's new sign had been installed earlier in the day and looks amazing. She said if you look closely at the leaves, they are hand-painted and customized.

Amy also reported that she attended the 2023 Health Innovation Symposium and had a really cool, collaborative conversation. Input was taken concerning what the community's priorities are for health

care moving forward, resulting in priorities being set. Amy said she would really like to see if the Council could invite the new Mind Springs Director to a meeting and learned that she just missed him at a recent Council meeting when she was excused absent.

Amy asked if the “Narrow Bridge” sign been removed from Pine Street. Mr. Bennett said he wasn’t sure if they had come down just yet. He clarified that the contractor is still working to finish up some things.

COUNCILOR AARON HANCEY

Aaron said he really appreciated the GJEP presentation and thinks it would be valuable to instruct staff to talk about local business incentives at the December workshop meeting or later. Mayor Kincaid noted that the City does have money set aside from the 3% lodging tax for economic development.

MAYOR PRO TEM MATTHEW BREMAN

Matthew noted that Fruita Fall Festival was coming up and there will be poop circles for the parade, which is where kids take chalk, draw a circle and put their name in it on the parade route and if a horse poops in it, they win a prize.

Joel recalled that every year, the Chamber has a Mayor’s carriage ride and every year, he asks Council to join him. Aaron said he might be able to and would let Joel know.

Amy said she was talking with the Chamber Executive Director, Kayla Bowers, and the Chamber really needs volunteers for the parade portion of Fall Festival because they only had one. Kayla asked if the City could put a call out to its Boards and Commissions members to help. Councilor Williams thought the Youth Action Council would be good to ask.

Matthew said he’d had a conversation with Mike about Trick or Treat Street and there seems to be some confusion between the Downtown Advisory Board (DAB) and the Chamber. The DAB is not doing it and Matthew and Mike have been trying to figure out what the costs are if the City were to take over traffic control for the event or if subcontracted out, what the cost would be. The concern is that if there is no traffic control and kids are running around everywhere, there is the potential liability of someone getting hurt. The Chamber is hosting the event, but they need help on options for traffic control. Jeannine said originally, the idea was for the DAB to shadow the Chamber at the event, not take it over. She said there would be a meeting about it the following day and she was sure it would be a topic of discussion. James said the Chamber was trying to stretch the event to three hours from two, which was ridiculous. Amy explained that they are trying to have the younger children get the first hour of the event.

Matthew also reported that he attended “The World Comes to Grand Junction,” which he called a very cool event featuring representatives from Canada, the UK, Japan, Taiwan and Mexico and one of the stranger parts was the Consul General from Japan talking to Dalida with the Business Incubator (who is from Sweden) in Hebrew, in which they are both fluent. This was the first time for this event and they are going to try to do it again next year. It really was about resources and making connections for businesses here to do business overseas.

Matthew noted that he would be attending the Grand Junction Economic Partnership (GJEP) meeting the following evening.

He said with the jobs that come to Fruita, if they are of median income and Fruita collects 3% of that, it more than pays for the funding request from GJEP for 2024.

COUNCILOR JEANNINE PURSER

Jeannine reported that she received a complaint about the odor from the dumpsters in the alley behind Aspen Avenue and she told the person she would bring it up at the Council meeting. She recalled discussions about moving the dumpsters for years and years, but wondered what could be done about the smell because it is getting out of hand and she didn't know if there was anything the Council could do about it.

Jeannine also reported that the "Heart of Fruita" event was the previous Wednesday and it went really well; lots of people came and took the tour. She urged others to go take a look at the artwork.

COUNCILOR JAMES WILLIAMS

James reported that the September Fruita Tourism Advisory Council (FTAC) meeting was rescheduled to Friday, September 29th due to the Council Riverfront Development Field Trip scheduled for September 28th.

James also reported that there were four City Council members at the groundbreaking for the new LDS Church and it was very emotional. He said they did a really good job of recognizing the Lower Valley Fire Protection District (LVFPD) and first responders and that the whole ceremony was very thoughtful and moving. Mayor Kincaid said he got a shovel with a plaque on it and he wanted to engrave the Fruita logo and each of the City Council members' names on it and donate it to the Historic Preservation Board.

COUNCILOR KEN KREIE

Ken reported that he received a briefing the previous week from the Grand Valley Regional Transportation Committee (GVRTC) about a potential location for the future of the mobility hub and more information would be coming out in the future.

Aaron remembered that he and the Mayor attended the Open House for Community Hospital's childcare facility, "Adventure Academy," and they were able to get 113 seats instead of 100 and will be able to expand to 306. He added that there are over 8,000 total seats needed and half are filled.

MAYOR JOEL KINCAID

Joel said he spoke to Dr. Korrey Klein and he and Mike have been talking about childcare for Family Health West (FHW) employees. Dr. Klein has stated that FHW has a hard time retaining employees because they don't have a childcare program and facility in Fruita and it will be an ongoing discussion.

Joel also reported that when the City had the get together for Boards and Commissions members, the Livability Commission gave him a list of the roadway areas that still need to be cleaned up. The

Commission wants to know if the Council will step up and take one of the sections in the “Adopt a Street” program. There are several road sections available and Joel asked if any of the Council members were interested, noting that he was going to do it. Jeannine said she would like participate as well. Matthew suggested that there be a Doodle Poll of the Council members.

Joel also asked for a quick update on the Fruita Police Department’s radar sign and the speeding on Pabor Avenue that has been reported to the City Council. Mike stated that in the proposed 2024 Budget, there is a traffic calming measure for next year for Pabor. Officers have been monitoring and patrolling it pretty heavily while the radar sign is rotated around all complaint areas. Mike added that the Police Department has stepped up on speeding enforcement far more than was done in the past.

Joel noted that budget season is coming up and he had talked to Mike about getting more microphones for staff so that they don’t have to pass them around.

Amy added that the new signage for public parking is working well.

Jeannine added that Movie Night was well attended.

11. ADJOURN

With no further business before the Council, Mayor Kincaid adjourned the meeting at 9:45 p.m.

Respectfully submitted,

Debra Woods
Deputy City Clerk
City of Fruita