

**FRUITA CITY COUNCIL  
REGULAR MEETING  
JULY 20, 2004  
7:00 P.M.**

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

The regular meeting of the Fruita City Council was called to order by Mayor Adams at 7:00 p.m. Members present were Ken Dodgion, Darline Merling, Dave Karisny, Mel Mulder, Bill Tallon and Nick Kohls.

**2. PLEDGE OF ALLEGIANCE AND INVOCATION**

The invocation was given and the Pledge recited.

**3. AGENDA - ADOPT/AMEND**

" **COUNCILMAN KOHLS MOVED TO ADOPT THE AGENDA AS PRESENTED  
COUNCILMAN KARISNY SECONDED THE MOTION. THERE WERE 6 YES  
VOTES.**

**4. PROCLAMATIONS AND PRESENTATIONS**

**A. EMPLOYEE OF THE MONTH**

Yvonne Piquette introduced Sgt. Paquette to present the employee of the month award to Officer Nicholas Peck. After the reading of the nomination of Officer Peck by Sgt. Paquette, Mayor Adams presented Officer Peck with the award and thanked him for his outstanding service to the City of Fruita.

**5. LIQUOR LICENSES**

**A. MONUMENT LIQUORS - TRANSFER OF OWNERSHIP**

City Clerk Margaret Steelman stated that Cheryl Jean Gardner Enterprise, Inc. has submitted an application for a Transfer of Ownership for Monument Liquors. The background check conducted by the Fruita Police Department and Mesa County Sheriff's Office does not indicate any items that would have an impact on the granting of the liquor license.

Ms. Gardner stated that she plans on continuing with modifications to the premises that was approved about a month ago which would provide for the drive-up window.

Councilman Karisny thanked the owner for coming in and asked about the training of their staff on underage purchases and recommended TIPS as part of that process. Ms. Gardner stated that training is scheduled for the 3<sup>rd</sup> week in August.

" **COUNCILMAN DODGION MOVES TO APPROVE THE TRANSFER OF OWNERSHIP OF THE RETAIL LIQUOR STORE LICENSE FOR MONUMENT LIQUORS LOCATED AT 303 HWY 6 & 50 TO CHERYL JEAN GARDNER ENTERPRISES, INC. COUNCILMAN KARISNY SECONDED THE MOTION. THERE WERE 6 YES VOTES.**

**B. FIESTA GUADALAJARA - CHANGE OF MANAGERS**

City Clerk Margaret Steelman noted that the Liquor Code requires the approval of the local licensing authority for a change in managers for a Hotel/Restaurant Liquor licensed establishment. A background check has been conducted on the new manager, Isaac Guterrez and there are no items found that need to be brought to the Council's attention. Mrs. Steelman stated that the registration of managers is just required for hotel restaurant liquor licenses and not for other licenses.

Councilman Mulder asked if Mr Guterrez was the previous manger. Mrs. Steelman replied that he was the manager before Armondo Vidrio. Councilman Tallon noted that the application stated US Citizen was marked "no" and asked if he was working under a work permit. Mrs. Steelman stated that he did go through the background check and he has a permanent residence card.

" **COUNCILMAN KARISNY MOVED TO APPROVE ISAAC GUTERREZ AS THE NEW MANAGER FOR FIESTA OF FRUITA. COUNCILMAN TALLON SECONDED THE MOTION. THERE WERE 6 YES VOTES.**

**C. FRUITA ROTARY CLUB SPECIAL EVENTS LIQUOR PERMIT FOR FRUITA FALL FESTIVAL - PUBLIC HEARING**

City Clerk, Margaret Steelman presented the Special Event application and stated that a narrative was submitted with the application that outlines the operations of the special event liquor permit. In addition to those items that are spelled out in the narrative, the Chief of Police has about 8 conditions that they be required to follow. Mrs Steelman stated that the conditions include 4 foot high aluminum or metal fencing, port-a-johns, uniformed security officers, providing assistance to officer's in insuring that those that are provided alcohol are not providing alcohol to those under the age of 21, and posting of signs at eye level for entrances and exits so that alcohol cannot be brought in or out of the licensed area. Mrs Steelman stated that the Rotary Club has used the wrist bands in the past however the Chief notes that they should still verify age before serving alcohol and also making available sandwiches or other food snacks as required by State Statutes and recommending that alcohol not be served 1/2 hour before closing at 10 p.m.

Mr. Joseph Barcott was present on behalf of the Fruita Rotary Club. Mayor Adams asked Mr Barcott if he had read the memo from Chief Angelo. Mr Barcott stated that he read the memo from the Chief dated June 14<sup>th</sup>. Mayor Adams stated that the memo he has was dated for

July 13<sup>th</sup>. Mr Barcott stated he has only seen the June 14<sup>th</sup> memo and if there are any changes from the June 14<sup>th</sup> to the July 13<sup>th</sup> the Rotary Club will certainly adhere to them.

Councilman Tallon inquired about the fencing stating the memo says a portable fence will not be permitted. Councilman Tallon asked if they are going to have a fence or not. City Manager Clint Kinney stated that fencing is required and the inexpensive plastic fence that is sometimes used will not be permitted. An aluminum or metal fence is much more substantial. Mr. Kinney stated that the Fall Festival brings around 30,000 people. Dinosaur Days, Fat Tire Festival, Mike the Headless Chicken and the other special events where the Rotary serves alcohol does not have as large of an attendance as Fall Festival so the City is more flexible with the fencing requirement.

Mayor Adams opened the hearing to the public. With no comments from the public the hearing was closed.

Councilman Karisny inquired if Mr. Barcott had any concerns or issues with the Chief's recommendations for the event? Mr. Barcott indicated that he was fine and the memos look very similar.

" **COUNCILMAN TALLON MOVED TO GRANT THE SPECIAL EVENTS LIQUOR PERMIT TO THE FRUITA ROTARY CLUB ON SEPTEMBER 24 AND SEPTEMBER 25 DURING FRUITA FALL FESTIVAL. COUNCILMAN DODGION SECONDED THE MOTION. THERE WERE 6 YES VOTES.**

## **5.PUBLIC PARTICIPATION**

There was none.

## **6.PUBLIC HEARINGS**

**A. ORDINANCE 2004-25 - SECOND READING - ANNEXING THE HOLYOAK PROPERTY LOCATED AT 1821 J 1/3 ROAD AND APPROVING THE ANNEXATION AGREEMENT.**

**B. ORDINANCE 2004-26 - SECOND READING - ZONING THE NEWLY ANNEXED HOLYOAK PROPERTY LOCATED AT 1821 J 1/3 ROAD TO A LARGE LOT COMMERCIAL DESIGN DISTRICT ZONE**

Community Development Director, Bennett Boeschstein presented the Annexation and Zoning of the Holyoak Property. The annexation agreement Mr. Holyoak has signed and it does contain the conditions that include the screen fencing and the number of vehicles allowed on the property.

Councilman Kohls inquired as to how many cars were on that lot. Mr. Holyoak stated that there was about forty right now. Mr. Holyoak stated that fifty is pretty normal and it is not uncommon to have 7,8 maybe 10 cars apart waiting for parts or for the owners to decide what they want to do with them. Mr Holyoak stated that it was not uncommon to have 10 to 15 cars that are repaired waiting for the customers to pick them up and then maybe 10 to 15 that are waiting to get in the door to find out what is wrong with them so 50 cars is pretty typical.

Councilman Karisny stated that since conditions have been set there should be no problems as development around the property happens. Future neighbors are not going to be bothered because of the conditions that have in placed . Mr. Holyoak- stated that his business hours are 8:00 to 5:30 and there is no evenings and no weekends. Mr. Holyoak stated that 99% of what happens on the property is contained in the building and they are not out there tearing cars apart and making a lot of racket. So it is actually a very quite operation, pretty much anything that does go on is drowned out by the noise of the High School when it is in secession.

Mayor Adams opened the hearing to the public on both Ordinances. With no comments from the public the hearing was closed.

" **COUNCILMAN KOHLS MOVED TO ADOPT ORDINANCE 2004-25 ANNEXING THE HOLYOAK PROPERTY AND APPROVING THE ANNEXATION AGREEMENT. COUNCILMAN DODGION SECONDED THE MOTION. THERE WHERE 6 YES VOTES.**

" **COUNCILMAN KOHLS MOVED TO ADOPT ORDINANCE 2004-26 ZONING THE HOLYOAK PROPERTY TO A LARGE LOT COMMERCIAL DESIGN DISTRICT. COUNCILMAN DODGION SECONDED THE MOTION. THERE WHERE 6 YES VOTES.**

**C. RESOLUTION 2004-35 - APPROVING A SUPPLEMENTAL BUDGET AND APPROPRIATION FOR THE CITY OF FRUITA FOR THE 2004 FISCAL YEAR.**

City Clerk Margaret Steelman presented the Supplemental Budget Appropriation which increases both the amount of funds that are available and also the amount of funds that are going to be expended for the 2004 budget year. The resolution appropriates an additional \$25,000 in the General Fund, \$2,500 in the Stormwater Fund, \$116,000 in the Capital Projects Fund and \$407,000 in the Sewer Fund. She reviewed the individual sources and uses of the additional appropriations.

Mayor Adams inquired as to the twenty thousand dollar contribution to the 5-2-1 Drainage Authority. It was noted that the Supplemental Budget resolution appropriates an additional \$2,500 to the Stormwater Fund with each of the five participating government agencies (including the City of Fruita) contributing \$500 each.

City Manager Clint Kinney stated that there is two sections as to what the Council is dealing with financially. One is this Appropriations Resolution and then later on the agenda there is a Resolution transferring funds back and forth. Mayor Adams inquired as to they are not in one Resolution. City Clerk Margaret Steelman stated that the procedures are different. The Charter requires a public hearing on supplemental appropriations which increase the amount of revenue and expense for the year. A budget amendment transferring monies between funds and departments require Council approval but not a public hearing. Clint Kinney stated that this also allows the Council to approve one budget amendment but not the other.

Councilman Mulder stated that the traditional sewer fund balance is \$1.6 to \$2.0 million. Margaret Steelman stated that there is not a traditional fund balance in the Sewer Fund as it has been growing the past few years with the new development and tap fees that have been coming in. Councilman Mulder stated that basically we are going to end up with half of what we started the year with. Mrs. Steelman stated that was correct. It will leave about a million dollars in fund balance which is adequate for an operating reserve fund. Mrs. Steelman noted that the City has some potentially large expenses in the future such as a mechanical treatment plant. If and when that occurs it is going to require more funds than is available in fund balance. Mrs. Steelman stated that it will requiring some outside financing and long term debt.

City Manager Clint Kinney stated that there has always been a assumption that the sewer fund is the most flush of our accounts. While it does have a fair amount of cash it has also has the greatest future demand upon it. Mr Kinney stated that there is going to be a 20 million dollar sewer plant in the next 3-5 years and while a million dollar fund balance sounds fantastic it is not what we need. This supplemental appropriation is an investment in the Greenway Business Park and is designed to bring in more businesses and act as that impetus to generate more general fund revenues. But there is that expense side of it that we are incurring right now. Mr. Kinney stated that he hopes that is going to pay back dividends in the future.

Mayor Adams inquired as to the additional appropriation for the irrigation water fund and if there needs to be an adjustment to the charges for the service. Mrs Steelman stated that the fee was increased this year and more adjustments may be needed next year. She noted that staff has received some complaints about the increased cost.

Mayor Adams opened the hearing to the public. With no comments from the public the hearing was closed.

" **COUNCILMAN KARISNY MOVED TO ADOPT RESOLUTION 2004-35 - APPROVING A SUPPLEMENTAL BUDGET AND APPROPRIATION FOR THE CITY OF FRUITA FOR THE 2004 FISCAL YEAR. COUNCILMAN DODGION SECONDED THE MOTION. THERE WHERE 6 YES VOTES.**

**D. ORDINANCE 2004-27 - SECOND READING - GRANTING A FRANCHISE TO BRESNAN COMMUNICATIONS, LLC TO USE THE STREET WITHIN THE CITY OF CONSTRUCT, OPERATE AND MAINTAIN A CABLE TELEVISION SYSTEM IN THE CITY OF FRUITA, COLORADO AND SETTING FORTH THE TERMS AND CONDITIONS THEREOF.**

City Manager, Clint Kinney presented the Franchise Agreement with Bresnan Communications, LLC to use the streets within the city to construct, operate and maintain a cable television system in the City of Fruita, and setting forth the terms and conditions thereof.

Councilman Karisny stated the "I" network is important to use and what Mr. Kinney was indicating is that Bresnan was exploring how they might do that and is there any further developments in that endeavor.

Paul Kugler of Bresnan stated that throughout the negotiations they have discussed the "I" net and what Bresnan Communications has done for other communities is build the fiber optic system or used the fiber optic system that is already in place. Mr. Kugler stated that to provide this dark fiber or an "I" net it would be leased to the different government entities. Mr. Kugler stated that they have put together a proposal for networking the different buildings the City has and submitted that to Mr. Kinney

Councilman Mulder inquired if there would be a substantial contract by next workshop. City Manager, Clint Kinney stated that it will be prepared by next Tuesday and would like get it to you for next Council meeting which will be in two weeks for consideration and then give it to you for review, then have it for another formal discussion on the 17<sup>th</sup>.

Councilman Tallon stated that Mr. Sands comments include 28 items and are pretty lengthy. Councilman Tallon stated that the City should take its time to review the Franchise Agreement and not rush the process.

Councilman Kohls stated that one citizen stated there was not a local place or drop box to pay the Bresnan bill in Fruita. Mr Kugler stated that they have a drop box at the Fruita City Market.

Mayor Adams opened the hearing to the public. With no comments from the public the hearing was closed.

Councilman Tallon stated that the Council appreciates the high technology but not to overlook, as you plan your programing, the people that can not afford to pay the high end dollars in programing and give more latitude and choice. Councilman Tallon stated that more packages would benefit the lower income persons of the community.

Mayor Adams asked the Council for a motion to continue consideration of the Ordinance to August 17, 2004 so the staff can have the opportunity to negotiate with Bresnan Communications concerning the remarks by City Attorney Ed Sands.

" **COUNCILMAN MULDER MOVED TO CONTINUE CONSIDERATION OF ORDINANCE 2004-27 TO AUGUST 17, 2004. COUNCILMAN DODGION SECONDED THE MOTION. THERE WERE 6 YES VOTES.**

## **7. COUNCIL REPORTS AND ACTIONS**

### **COUNCILMAN KARISNY**

Councilman Karisny presented a report on the Drainage Authority Board. and the School Bond Issue.

### **COUNCILMAN MULDER**

Councilman Mulder encouraged everyone to get out and vote. Councilman Mulder also stated that Mr. Jim Spehar, Grand Junction City Councilman was elected to the CML Board of Directors as Secretary Treasure. Councilman Mulder recommended that the Council open a line of communication with him and perhaps bring him into a council meeting for an update on what CML is doing in the near future. City Manager Clint Kinney asked the Council if they would like to invite him to a Council meeting or maybe make a presentation at one the Municipal Dinners. Councilman Mulder stated that a dinner would be the best.

## **8. CONSENT AGENDA**

**A. APPROVAL OF CITY COUNCIL MINUTES OF JULY 6 2004 REGULAR MEETING**

**B. ORDINANCE 2004-29 - 1ST READING - AMENDING SECTION 9.03.005 OF THE FRUITA MUNICIPAL CODE BY PROHIBITING ALL PETS FROM A DEFINED SPECIAL EVENT AREA WITHIN THE CITY LIMITS FOR THE PURPOSE OF PROVIDING A SAFE AND HEALTHY ENVIRONMENT FOR FESTIVAL PARTICIPANTS AND ATTENDEES**

**C. ORDINANCE 2004-30 - 1<sup>ST</sup> READING - AMENDING SECTION 9.01.037 OF THE FRUITA MUNICIPAL CODE CONCERNING LOITERING AND OBSTRUCTING PUBLIC STREET, SIDEWALKS, PLACES OR PASSAGEWAYS**

" COUNCILMAN DODGION MOVED TO APPROVE THE CONSENT AGENDA AS PRESENTED. COUNCILMAN KOHLS SECONDED THE MOTION. THERE WERE 6 YES VOTES

**9. ADMINISTRATIVE AGENDA**

**A. ADMINISTRATIVE SERVICES DIRECTOR**

**i) 2005 SALARY SURVEY - COMPARATIVE COMMUNITIES**

Administrative Services Director Yvonne Piquette presented the proposed communities to be used in the Salary Survey.

City Manager, Clint Kinney stated the salary survey is the first step in the budget process and what is being proposed this year is to drop some of those smaller cities, some of those cities that may not be as great as comparisons as they were in the past and then make cities that are generally at least closer to us in general fund size, population size and rate of growth and location. Mr. Kinney stated that Grand Junction is considerably larger but its located next door and Palisade is considerably smaller but it is still in the same market so both of those are in the survey. Mr. Kinney stated that one community, Fredrick, is a little bit smaller than Fruita, but has a 22% growth rate and so we wanted some cities in there that showed some of those issues and how they are dealing with them and what they are paying their employees so that we can understand what we will need in the future to recruit and retain employees.

Councilman Karisny stated that he thought it sounds like a good idea. and inquired if there any parts of any of these municipalities that may be uniquely different. For

example, the Police Department of Glenwood, if it is affected at all by being next door to Aspen.

City Manager Clint Kinney stated that is why we get such a large number of cities that we compare with. Mr Kinney stated that some of these communities are college towns and Alamosa, has got those kind of issues. Some run water and electric utilities so their maintenance workers might have different skills. Mr. Kinney stated that this is definitely not a science when you go down and compare position to position. If it was, it would be a lot easier, but its hard to tell what a maintenance worker in Fruita does compared to what a maintenance work in Grand Junction does. It might be far more specific skill where our maintenance workers need to have maybe not as detailed or as depth of a skill, but far broader because one day they might work in irrigation, one day they might work sewer, one day they might work streets. The salary survey give us a good ballpark to make sure we are in correct realm.

Councilman Dodgion stated that we're going to have problems with retention anyway because competition with Grand Junction especially with the Police Department.

City Manager, Clint Kinney stated that the Fruita Police Department has been at full staff now for about 6 months and there are other ways to compete besides salary and the Cities health benefits are excellent Mr. Kinney stated the Fruita is one of the few cities that pays 100% benefits for family health. Mr. Kinney stated that he feels the health benefit helps retain employees.

Mayor Adams stated that some people don't realize what kind of benefits they get as part of their wages including vacation, sick time and paid holidays and health coverage. Staff has done a better job of informing the employees of what they actually do make. Mayor Adams stated some concern that the City of Fruita will need to take a hard look at it health insurance benefit as costs continue to increase. Councilman Tallon stated that he concurs with the Mayor and its unrealistic today and certainly municipalities and counties are paying the bill for the employees full coverage but not paying a full 100%.

Mayor Adams stated that the Grand Junction Drainage District has been addressing the health insurance issue for its employees as well.

City Manager, Clint Kinney stated that staff meets with Rocky Mountain HMO every year. Mr. Kinney also stated that two years ago the City actually decreased benefits considerably and so paying 100% of the premium for the employee and family does not mean we are not decreasing costs. Mr. Kinney stated that there are

a lot of different options to keep that expense the same. Mr. Kinney noted that when the City decreased the benefit by changing plans they placed some of the savings in a co-pay bank to assist employees with the higher deductibles. There are a lot of different options for controlling health care costs. The City of Fruita, just like the Drainage District, is in the small group benefit band and there is very little control of the rates. Mr. Kinney stated that as the City staff gets larger, the City can start looking at self- insurance and other cost saving alternatives. Mr. Kinney stated that any decision on health insurance coverage provided by the City needs to be made as part of a total benefits package. Mr. Kinney also stated that in talking to employees for the last two years the number one reason he hears that they love working for Fruita, and probably the number one retention tool besides excellent city management is this health program.

Mayor Adams stated that he doesn't like insurance to start with because he has never had a sick day in his life and he has paid insurance every month all his life. Mayor Adams stated that he has never collected a dime from health insurance and he is one of the very few people that is 67 years old that can say that. City Manager Clint Kinney noted with the birth of his daughter last year, his health costs were over \$70,000.

Councilman Karisny stated that he recalls, about four years ago when the City was reviewing the Police Department's salaries Health Insurance was right on top even as we were trying to bump the salaries up. Councilman Karisny stated that was attracting police officers to Fruita and that was real apparent and still true today.

Mayor Adams stated that he didn't disagree with that. However, there is going to come a time that there is no way in the world that the City of Fruita or any other government can continue to pay 100% and that it is just going to become economically impossible.

City Manager Clint Kinney inquired if the Council has any issues with comparable cities proposed for use in the salary survey. The Council felt that there was a good selection for comparison purposes.

## **B. CITY MANAGER**

### **ii) DISCUSSION REGARDING 2005 PRIORITIES FOR OPERATING AND CAPITAL BUDGETS.**

City Manager Clint Kinney stated that the overall priorities for the 2005 operating and capital budget will be based on the Councils input at the goal setting workshop. The comparison of salaries and salary survey is the first step in the budget process.

Mr. Kinney stated that staff will do the salary survey and come up with estimated budget costs. Mr. Kinney stated that they will be going back to department heads and let them know what their expenses can be for the year. The proposed budget will be presented to Council at the workshop in September. Mr. Kinney asked the Council to let him know of any other priorities they may have. Mr. Kinney stated that in previous years we focused on capital expenditures. At the last goal setting we talked about a switch in priorities and with staffing being more of a key issue. Mr. Kinney stated the ramification is that capital expenses will be decreased and the three year capital program will need to be reconsidered.

Councilman Karisny stated in last years assessment of the budget and needs, there were a number of personnel needs throughout a number of different departments. There are some departments right now, such as Engineering, that are getting some staffing assistance. However, everybody needs some assistance with personnel and he agrees that staffing is a priority. Councilman Karisny inquired if there is a different revenue source that could be looked at.

City Manager Clint Kinney stated that the capital funds come from savings from the operations budget and the City pays the operations first from the ongoing revenue and if expenses are less than the revenue or revenue is greater than anticipated the excess can go to capital.

### **C. FINANCE DIRECTOR**

#### **iii) RESOLUTION 2004-39 APPROVING THE TRANSFER OF BUDGETED AND APPROPRIATED MONEYS BETWEEN SPENDING AGENCIES WITH A FUND AND BETWEEN FUNDS TO DEFRAY EXPENSES IN EXCESS OF AMOUNTS BUDGETED FOR THE 2004 FISCAL YEAR**

City Clerk, Margaret Steelman presented an outline of budget amendments that involves transfers between department, funds or contingency expenditures. Mrs. Steelman stated that several items have come up or are anticipated before the end of the year which require transfer of funds.

Mrs. Steelman stated that the additional personnel costs for part time, temporary and contract employees to provide necessary services to keep up with growth in the city comes to \$66,800, equipment needs comes to \$15,700 and street maintenance cost are \$20,000 for a total of \$102,500 in contingency expenses. Mrs. Steelman stated that the amendment also transfers funds for workers compensation insurance costs between different departments in the amount of \$2,700 and transfers between capital projects for various street improvements is \$183,700. The \$30,000 for the bank parking lot project is being changed to the Aspen Avenue alley and drainage

improvement project. Mrs. Steelman stated that the amendment will reduce the City's contingency funds available for use for the remainder of the year.

City Manager Clint Kinney stated that originally in the budget was money to re-pave the entire parking lot behind the soon to be Brew Pub. Mr. Kinney stated that because of a lot of property issues about ownership we have determined that some storm drain improvements are in order to make what the parking lot work properly. Mr. Kinney stated the plan is to improve the alley between Peach and Mulberry behind Aspen and also install the storm drain from the alley north to Pabor. Mr. Kinney stated that all that is changing is the focus of the project and to do the project in phases.

**" COUNCILMAN MULDER MOVED TO ADOPT RESOLUTION 2004-29 TRANSFERRING BUDGETED AND APPROPRIATED FUNDS FROM CONTINGENCY AND BETWEEN DEPARTMENTS FOR THE 2004 BUDGET. COUNCILMAN KOHLS SECONDED THE MOTION. THERE WERE 6 YES VOTES**

#### **ii) REVIEW AND DISCUSSION OF JUNE 2004 FINANCIAL REPORTS**

Finance Director, Margaret Steelman gave a brief summary of the General Funds Revenues, Sales Tax Revenues, Use Tax Revenues, Utility Billing Information, Financial Statements and the 2005 Budget Calendar. Mrs. Steelman stated that the reports given to the Council are in more detail than previously and any feedback the Council may have is appreciated.

Councilman Karisny reviewed the Budget Calendar noting that a draft budget will be presented in September, a workshop will be held in November and adoption by December. Margaret Steelman stated that the Mesa County Assessor's Office has to certify the property tax values so the mill levy can be set. Mrs. Steelman stated that Mesa County is required by law to do that by December 10<sup>th</sup>. The City of Fruita is required by law to adopt the budget by December 16<sup>th</sup>. Mrs. Steelman noted that this leaves a small window to adopt the budget (between December 10 and December 15) resulting in the need for a special meeting to formally adopt the budget and mill levy.

**" COUNCILMAN MULDER MOVED TO APPROVE THE JUNE 2004 FINANCIAL REPORTS AS PRESENTED. COUNCILMAN DODGION SECONDED THE MOTION. THERE WERE 6 YES VOTES.**

**10. DISCUSSION AND POSSIBLE ACTION TO CONSIDER A MOTION TO CONVENE IN EXECUTIVE SESSION REGARDING PERSONNEL ISSUES.**

" **COUNCILMAN KARISNY MOVED TO MEET IN EXECUTIVE SESSION WITH THE CITY STAFF TO DISCUSS ISSUES RELATED TO PERSONNEL MATTERS UNDERSTANDING THAT DISCUSSION OF SUCH ISSUES IN EXECUTIVE SESSION ARE SPECIFICALLY PERMITTED BY THE STATES OPEN MEETING LAW CRS 24-6-402 SUB SECTION 4, F. COUNCILMAN TALLON SECONDED THE MOTION. THERE WERE 6 YES VOTES.**

Upon reconvening from the executive session, Mayor Adams announced that the Council Discussed the City Managers annual review.

With no further business to come before the Fruita City Council the meeting was adjourned at 9:30 P.M.

Respectfully Submitted,

Chet Shankel  
Planning Technician