

**FRUITA CITY COUNCIL
VIRTUAL MEETING
JULY 21, 2020
7:00 P.M.**

1. INVOCATION AND PLEDGE OF ALLEGIANCE

A moment of silence was observed in lieu of the Invocation and the Pledge of Allegiance was recited.

2. CALL TO ORDER AND ROLL CALL

Mayor Kincaid called the Regular Meeting of the Fruita City Council to order at 7:01 p.m. The meeting was held with virtual access provided through Zoom.

Present via teleconference:

Mayor Joel Kincaid
Mayor Pro Tem Lori Buck
City Councilor Ken Kreie
City Councilor Heather O'Brien
City Councilor Kyle Harvey
City Councilor Matthew Breman
City Councilor Karen Leonhart

Excused Absent:

(None)

Also present via teleconference:

City Manager Mike Bennett
City Clerk/Finance Director Margaret Sell
Deputy City Clerk Deb Woods
Management Analyst Shannon Vassen
Planning & Development Director Dan Caris
Colorado Parks & Wildlife Area Manager Kirk Oldham
Audit Principal Lisa Hemann with Steinkirchner, Davis & Co., P.C.
Members of the public

3. AGENDA – ADOPT/AMEND

Mayor Kincaid asked if there had been any additions or changes to the agenda. Deputy City Clerk Deb Woods confirmed that there had been no additions or changes to the agenda.

- **COUNCILOR LEONHART MOVED TO APPROVE THE AGENDA AS PRESENTED. COUNCILOR O'BRIEN SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**

4. PROCLAMATIONS AND PRESENTATIONS

A. PRESENTATION – AN UPDATE FROM COLORADO PARKS & WILDLIFE AREA MANAGER KIRK OLDHAM

Area Manager Kirk Oldham gave a presentation about CPW's management of public lands and wildlife-related recreation resources for the agency.

Over the past decade, CPW has seen significant increases in outdoor recreation on public lands including state wildlife areas. As a result, in April of this year, the Parks & Wildlife Commission adopted a regulation that requires users of state wildlife areas who are over the age of 18 to have a hunting or fishing license effective July 1, 2020.

Mr. Oldham explained that CPW and wildlife conservation in Colorado are primarily funded by hunting and fishing license sales. So far in 2020, the agency has generated around \$17 million from hunting or fishing license sales in Colorado. With these revenues, CPW looks at making habitat improvements and acquisitions, either through fee title purchases or conservation easements.

Mr. Oldham named the Loma boat ramp as an example of a nearby area where the new regulation will apply. CPW is pursuing an exemption for the Horsethief Canyon state wildlife area and Mr. Oldham mentioned the Riverfront Trail's state wildlife parcels (owned by CPW) that will be exempted since Mesa County built and maintains the trail.

City Manager Mike Bennett related that a few residents reached out to him with concerns about being able to take-out or put-in rafts at the Loma boat ramp and the requirement of having a hunting or fishing license to do so.

Mr. Oldham said CPW will continue to work with those users to iron out the issues.

5. PUBLIC PARTICIPATION

Mayor Kincaid gave attendees who had joined the meeting virtually instructions on how to submit public comments. Shannon Vassen confirmed that there were no comments from the public.

6. CONSENT AGENDA

A. MINUTES:

- 1) A REQUEST TO APPROVE THE MINUTES OF THE JULY 6, 2020 SPECIAL CITY COUNCIL MEETING**

**2) A REQUEST TO APPROVE THE MINUTES OF THE JULY 7, 2020
REGULAR CITY COUNCIL MEETING**

- B. LIQUOR LICENSE RENEWAL – A REQUEST TO APPROVE THE RENEWAL OF A HOTEL AND RESTAURANT LIQUOR LICENSE FOR DRAGON TREASUE RESTAURANT LOCATED AT 576 KOKOPELLI BLVD.**
- C. LIQUOR LICENSE RENEWAL – A REQUEST TO APPROVE THE RENEWAL OF A BEER AND WINE LIQUOR LICENSE FOR BESTSLOPE COFFEE CO. LOCATED AT 129 N. PEACH ST.**
- D. BOARDS AND COMMISSIONS APPOINTMENT – A REQUEST TO APPROVE THE APPOINTMENT OF KAYLA BROWN TO THE FRUITA TOURISM ADVISORY COUNCIL TO FILL THE DIRECTOR OF THE FRUITA CHAMBER OF COMMERCE POSITION TO FULFILL AN UNEXPIRED TERM TO EXPIRE IN JANUARY OF 2023**
- E. FINANCIAL REPORTS – A REQUEST TO APPROVE THE JUNE 2020 FINANCIAL REPORTS**
- F. ORDINANCE 2020-02 – FIRST READING – AN INTRODUCTION OF AN ORDINANCE AMENDING CHAPTER 28 OF TITLE 2 AND CHAPTER 11 OF TITLE 9 OF THE FRUITA MUNICIPAL CODE TO PROVIDE FOR MORE EFFICIENT ENFORCEMENT OF AND MONETARY PENALTIES RELATED TO PUBLIC NUISANCE VIOLATIONS FOR PUBLICATION OF PUBLIC HEARING ON AUGUST 4, 2020**
- G. RESOLUTION 2020-28 – A REQUEST TO APPROVE THE FIRST RELEASE OF THE SUBDIVISION IMPROVEMENTS AGREEMENT FOR THE GARDEN ESTATES SUBDIVISION**

Mayor Kincaid opened the public hearing on the Consent Agenda. Mr. Vassen confirmed that he did not see any members of the public asking to comment. Mayor Kincaid closed the public hearing and invited the Council to ask questions, comment, remove Consent items for further discussion or make a motion to approve.

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

7. ADMINISTRATIVE AGENDA

- A. 2019 FINANCIAL STATEMENTS – PRESENTATION OF THE 2019 FINANCIAL STATEMENTS AND FISCAL HEALTH ANALYSIS – FINANCE DIRECTOR/CITY CLERK MARGARET SELL**

Finance Director/City Clerk Margaret Sell provided the Council with a PowerPoint presentation of the 2019 Financial Statements and Fiscal Health Analysis. The overview is intended to provide information on the City's financial condition and a framework for upcoming discussions regarding the 2021 budget. A copy of the 2019 Financial Statements is available at: <https://www.fruita.org/administration/page/financial-statements>.

The Fiscal Health Analysis is a set of seven financial ratios developed by the Local Government Audit Division of the Office of the State Auditor to assess financial health. This information can assist the City in identifying areas to focus on for further examination and, if needed, take appropriate action. There is one missed benchmark (Expenditures per Capita) for the three-year analysis of 2017 through 2019. Ms. Sell noted that the City does not have a negative net position, but it does fluctuate from year to year depending primarily on Capital Projects. A copy of the Fiscal Health Analysis is available at the City Clerk's Office or by emailing msell@fruita.org.

Ms. Sell discussed the year and a half's worth of increases (since 2015) in the City's operating reserves with Councilor Breman. She underscored the significant fluctuations in operating reserves from year to year depending on Capital Projects the City may or may not have in a given year and identified sales tax revenue increases over the last few years as part of the reason for the City's healthy operating reserves at year-end 2019.

This agenda item was for the Council's and Mayor's information and did not require any official action to be taken.

B. 2019 FINANCIAL STATEMENTS – PRESENTATION OF THE AUDITOR'S REPORT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 12/31/2019, LISA HEMANN, AUDIT PRINCIPAL, STEINKIRCHNER, DAVIS & CO., PC

Lisa Hemann with Steinkirchner, Davis & Co., P.C. presented the Independent Auditor's Report. The State of Colorado and the Fruita City Charter require an annual audit of the City's Financial Statements. This ensures that the Financial Statements and financial condition of the City are accurately reported and provides for accountability of the finance functions of the City.

The auditors issued their Audit Report on July 16, 2020 and provided an unmodified opinion on the Financial Statements, meaning they believe that the Financial Statements are fairly presented in accordance with Generally Accepted Accounting Principles.

Ms. Hemann clarified that in the Audit Report, the auditors provide opinions on the largest major funds individually and then they provide an opinion on the smaller funds in the aggregate with a number of different opinions and scopes within the City's audit.

Ms. Hemann described the audit process, noting that this year was much different because the auditors weren't able to conduct their audit in person like they normally do; they did the entire audit remotely. She said staff did a great job getting the auditors the information that they needed and gave them the ability to feel comfortable with performing the audit remotely.

Ms. Hemann further detailed the audit process and concluded that the auditors did not have any negative findings or issues. She noted that there were some standards that were postponed this year due to the COVID-19 pandemic; primarily disclosures in the footnotes related to debt, fiduciary activities and leases.

- **COUNCILOR BREMAN MOVED TO APPROVE THE CITY OF FRUITA 2019 FINANCIAL STATEMENTS AND ACCEPT THE AUDITOR’S REPORT. COUNCILOR LEONHART SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**

Councilor Leonhart observed that the Council very much appreciates Margaret Sell and all the amazing things she does. Ms. Hemann echoed the sentiment.

8. CITY MANAGER’S REPORT

City Manager Mike Bennett provided the following updates:

- On July 22nd at 6:00 p.m., the Council’s Joint Workshop with the Parks and Recreation Advisory Board will be held concerning the Parks, Health, Recreation, Open Space and Trails (PHROST) Master Plan at the Fruita Community Center (FCC) in person with social distancing and mask requirements. Consultants will present results from the survey that went out to the community as well as feedback obtained from Open Houses that were held prior to the pandemic, an online forum using the digital engagement tool “Bang the Table” and other stakeholder interviews.
- On July 23rd from 5:30 to 7:00 p.m., a community PHROST Open House will be held at the (FCC) with stations adequately spaced apart and people will be able to walk around, ask questions and provide feedback.
- Staff is working diligently on the “Coronavirus Relief Fund” (CARES Act funding) to perform an extensive review of the City’s expenses and which are eligible for funding. Staff has initiated requests for a number of quotes and estimates for several ideas and will update the Council at the next meeting with more concrete numbers. Staff has also been reaching out to other cities and professional associations to see what they are doing as the funding criteria is the same across the nation. Mr. Bennett noted that staff has learned that their ideas are all very similar to those of other cities and organizations.
- Staff is getting pricing on large tents that can be used to create sizable shade areas at future Special Events and is also working with the Fruita Chamber to discuss the possibility of using the tents to create more outdoor seating for local businesses who are struggling due to social distancing requirements.

- Staff is working with the Business Incubator Center on a program that could allow for businesses and non-profits to apply for funding.
- Staff is getting pricing on upgrading technology to prepare for the possibility of more remote working for more staff members moving forward.
- Staff is awaiting quotes on some options for the technology in the Council Chambers to allow citizens to more easily participate in Council meetings in general.
- Staff is also requesting quotes to add outside help with the City's communication strategy on sharing COVID information that will reach more people in the community.
- Staff will be giving the Council a review of the list of ideas for CARES Act funding at the July 28, 2020 workshop session.
- The Budget process will begin now that the Financial Statements have been wrapped up and several Staff members are already working on it in many ways.
- Staff is combing through the Comprehensive Plan to identify Action Items and Goals and put them in a more professional format to officially bring them to the Council at an upcoming meeting.
- Mike and Management Analyst Shannon Vassen met with the Grand Valley Free Press earlier in the day and were very impressed with the amount of effort that is being put into this digital newspaper.
- Mike reminded the Council that after August 5th, he will be working remotely for the rest of that week.
- Mike requested that prior to going into the Executive Session, the Council take official action to amend his contract to officially change the date of his informal review to occur in July and the formal review to occur in January, which is the opposite of what they currently are. It was not anticipated that the Council would reconvene the regular meeting after the Executive Session for any type of action.

9. COUNCIL REPORTS AND ACTIONS

A. COUNCIL REPORTS AND ACTIONS

COUNCILOR KEN KREIE

Ken reminded all that he would be absent for the Council workshop on July 28th.

COUNCILOR KAREN LEONHART

Karen reported that the Police Commission met on Wednesday, July 15th and board member Don Williams has resigned. Staff may contact Police Chief Krouse to get a written statement of resignation. Commissioner Ed Vigil is also going to be leaving the board when his term expires in October. At the meeting, the Commission discussed car break-ins, which are at the top of the list of concerns for the PD and is mainly due to people leaving their cars unlocked. Karen wondered if there was a good way to communicate to the public (such as in the next issue of the City Link) that they need to lock their cars. The Commission also discussed how Council members could drop in at the station anytime to show their support and how that would be appreciated.

Karen also reported that a Museum of Western Colorado (MWC) Board of Directors meeting would be held the following week and that she had a Livability Commission meeting coming up on Thursday, July 23rd.

Karen added that a small group has gotten together that includes Councilor Kyle Harvey and Fruita Library Branch Services Manager Shanachie Carroll and they have been working on the idea of a community book read. The group has chosen the name “Fruita for Equality” and is trying to get as many more people involved as they can. They aim to start the conversation with an Open House event on Saturday, September 12, 2020 (tentative) from 4:00 to 6:00 p.m. at Civic Center Park where people will be able to share ideas, stories and concerns, have ice cream and potentially pick out a book for the community book read in the future.

“Fruita for Equality” is hoping to get the Fruita Youth Action Council involved as well and Karen said that the Library has really taken the lead by providing resources both financial and otherwise.

The group wants to let people know that the direction in which they are headed is for everyone to listen and learn from each other.

COUNCILOR KYLE HARVEY

Kyle said he was excited to be a part of the community book read project.

Kyle reported that the Arts & Culture Board met and voted Nancy Patterson in as the new Chair to replace Bill Holstein, who left big shoes to fill and is greatly missed by the members.

Kyle noted that he would be about ten minutes late to the Joint Workshop meeting with the Parks and Recreation Advisory Board about the PHROST Plan.

COUNCILOR MATTHEW BREMAN

Matthew stated that the Grand Junction Economic Partnership (GJEP) did not meet in July and their next meeting is scheduled for August 13th.

Matthew also announced that he would be absent at the Joint Workshop the following evening with the Parks and Recreation Advisory Board due to a scheduling conflict.

MAYOR JOEL KINCAID

Joel stated that he had a family commitment and would be late by about 45 to 50 minutes to the Joint Workshop meeting the next evening.

Joel noted that the Tourism Advisory Council would be meeting on Thursday, July 23rd and the Fruita Area Chamber of Commerce is going to put out a joint announcement with the City of Fruita about canceling Fruita Fall Festival, Thursday Night Concerts and the Mike the Headless Chicken Festival.

Karen added that the cancellation of Fruita Fall Festival might make a difference in the date for the “Fruita for Equality” Open House that she had just mentioned in her report.

- **COUNCILOR BUCK MOVED TO APPROVE THE AMENDMENTS TO THE CITY MANAGER’S CONTRACT THAT WERE SUPPLIED IN THE COUNCIL PACKET. COUNCILOR KREIE SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**

B. EXECUTIVE SESSION – DISCUSSION AND POSSIBLE ACTION TO CONSIDER A MOTION TO CONVENE IN EXECUTIVE SESSION REGARDING PERSONNEL ISSUES UNDER C.R.S. SECTION 24-6-402(4)(F) IN ORDER TO DISCUSS THE CITY MANAGER’S INFORMAL REVIEW

- **COUNCILOR O’BRIEN MOVED TO CONVENE IN EXECUTIVE SESSION REGARDING PERSONNEL ISSUES UNDER C.R.S. SECTION 24-6-402(4)(F) IN ORDER TO DISCUSS THE CITY MANAGER’S INFORMAL REVIEW. COUNCILOR LEONHART SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**

The Council convened into Executive Session at 8:35 p.m. and did not reconvene the regular meeting when the Executive Session was over.

Respectfully submitted,

Debra Woods
Deputy City Clerk
City of Fruita