

**FRUITA CITY COUNCIL
SPECIAL MEETING (VIRTUAL)
JULY 6, 2020
12:00 P.M.**

1. CALL TO ORDER AND ROLL CALL

Mayor Joel Kincaid called the Regular Meeting of the Fruita City Council to order at 12:00 p.m. The meeting was held with virtual access provided through Zoom.

Present via teleconference:

Mayor Joel Kincaid
City Councilor Ken Kreie
City Councilor Karen Leonhart
City Councilor Kyle Harvey
City Councilor Heather O'Brien

Absent:

Mayor Pro Tem Lori Buck
City Councilor Matthew Breman

Also present:

City Manager Mike Bennett
City Clerk/Finance Director Margaret Sell
Management Analyst Shannon Vassen
Deputy City Clerk Deb Woods
City Attorney Paul Wisor
Members of the public

2. AGENDA – ADOPT/AMEND

Mayor Kincaid asked if there were any changes to the agenda. City Manager Mike Bennett stated that there were no changes to the agenda.

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

3. COUNCIL REPORTS AND ACTIONS

- 1) **MEMORANDUM OF UNDERSTANDING – A REQUEST TO APPROVE A MEMORANDUM OF UNDERSTANDING REGARDING ALLOCATION AND DISBURSEMENT OF CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY ACT (CARES ACT) FUNDS WITH MESA COUNTY, THE CITY OF GRAND JUNCTION, TOWN OF PALISADE, TOWN OF COLLBRAN AND TOWN OF DEBEQUE**

Finance Director/City Clerk Margaret presented the Memorandum of Understanding agenda item. She explained that the State of Colorado is appropriating \$13.2 million of CARES spending to Mesa County and that the county and its municipalities have created a Memorandum of Understanding (MOU) to disburse those funds among all entities. In order for the City of Fruita to receive reimbursement of an allocation of about \$1.1 million, the City must opt-in to the program by July 7, 2020 and enter into the MOU between the county and all other municipalities. Reimbursement requests will be administered through the Colorado Department of Local Affairs (DOLA).

Mrs. Sell continued that the MOU spells out the understanding that the City of Fruita will spend those funds according to the CARES Act requirements. To be eligible for reimbursement, the expenses:

1. Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. Were not accounted for in the budget most recently approved as of March 27, 2020 for the local government; and
3. Were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020 (collectively, "Eligible Expenses").

Mrs. Sell went on to explain that the MOU goes on to say that any funds that the City of Fruita hasn't expended by October 31st will be made available to any other entities for their use. The funds will then revert back to the state at the end of the year.

Mayor Kincaid asked for clarification that the City of Fruita would be getting reimbursed for expenses incurred. Mrs. Sell confirmed this to be correct, as long as the expenses are eligible under the CARES Act and either were or will be spent by the City prior to the end of the year.

Mayor Kincaid said it was his understanding that the City Council would have to transfer funds within the budget and Mrs. Sell clarified that she wasn't sure if the Council had already accounted for some of those expenses with the reduction that was approved at the last Council meeting and were transferred to Contingency accounts, so there still could be a need to transfer those funds back so they can be used for the purpose that they were intended.

Mayor Kincaid asked if the other municipalities had already signed the MOU and City Attorney Paul Wisor explained that the other municipalities also had to opt-in by no later than tonight (July 6, 2020) if they haven't done so already.

- **COUNCILOR LEONHART MOVED TO APPROVE THE MOU WITH MESA COUNTY AND OTHER MUNICIPALITIES IN MESA COUNTY REGARDING THE ALLOCATION AND DISBURSEMENT OF CARES ACT FUNDS. COUNCILOR KREIE SECONDED THE MOTION. THE MOTION PASSED WITH FOUR YES VOTES.**

City Manager Mike Bennett noted that staff had sent out an updated Council packet and agenda for the following evening (July 7, 2020) that includes an update from Jeff Kuhr, Director of Mesa

County Public Health, on Mesa County's status with respect to COVID-19. He suggested that the Council members think about questions they may be receiving from the public and businesses about the current or next stages of the county's re-opening plan to ask Mr. Kuhr.

4. ADJOURN

With no further business before the Council, the meeting was adjourned at 12:12 p.m.

Respectfully submitted,

Debra Woods
Deputy City Clerk
City of Fruita