

**FRUITA CITY COUNCIL MEETING
February 6, 2024
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
Assistant City Manager Shannon Vassen
Finance Director/City Clerk Margaret Sell
Deputy City Clerk Deb Woods
Communications and Engagement Specialist Ciara DePinto
Parks and Recreation Director Marc Mancuso
Planning and Development Director Dan Caris
City Planner Henry Hemphill
Chief of Police Dave Krouse

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 KREIE MOVED TO ADOPT THE AGENDA AS AMENDED. COUNCILOR WILLIAMS SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**

4. PROCLAMATIONS AND PRESENTATIONS

- A. PRESENTATION – FRUITA TEACHERS AND STUDENTS OF THE MONTH FOR FEBRUARY 2024: FRUITA MIDDLE SCHOOL**

Mayor Kincaid read the names of the students and teachers chosen by Principal Jeremiah Johnston as the “Students of the Month” and “Teachers of the Month.” There was one student from each grade and four teachers who were nominated. Each student and teacher received a Certificate of Recognition, an “I-Heart-Fruita” pin and a day pass to the Fruita Community Center. Photos were taken of the students and school staff with the City Council.

B. PRESENTATION – RECOGNIZING THE FAMILY HEALTH WEST WELLNESS DEPARTMENT FOR THEIR PARTICIPATION IN THE ADOPT A STREET/TRAIL PROGRAM

Mayor Kincaid read the names of the participants from the Family Health West Wellness Department who have contributed to keeping Fruita clean through the Adopt A Street program for one year. Each volunteer received a Certificate of Recognition, a Fruita sticker, and a day pass to the Fruita Community Center. Photos were taken of the Family Health West staff and the City Council.

5. PUBLIC PARTICIPATION

There were no comments from the public.

6. CONSENT AGENDA

- A. MINUTES – A REQUEST TO APPROVE THE MINUTES OF THE NOVEMBER 7, 2023, REGULAR CITY COUNCIL MEETING**
- B. MINUTES – A REQUEST TO APPROVE THE MINUTES OF NOVEMBER 13, 2023, SPECIAL CITY COUNCIL MEETING.**
- C. MINUTES – A REQUEST TO APPROVE THE MINUTES OF NOVEMBER 21, 2023, REGULAR CITY COUNCIL MEETING**
- C. BOARDS AND COMMISSIONS REAPPOINTMENT – A REQUEST TO APPROVE THE REAPPOINTMENT OF YVONNE PETERSON TO THE HISTORIC PRESERVATION BOARD FOR ANOTHER THREE-YEAR TERM TO EXPIRE IN FEBRUARY OF 2027**
- D. ORDINANCE 2024-07 – FIRST READING – INTRODUCTION OF AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF FRUITA BY ZONING APPROXIMATELY 5.07 ACRES OF PROPERTY LOCATED AT 614 RAPTOR ROAD TO A PLANNED UNIT DEVELOPMENT ZONE FOR PUBLIC HEARING ON MARCH 5, 2024 (GEODE FLATS PUD)**

Mayor Kincaid opened the public hearing on the Consent Agenda. Hearing no comments from the public, he directed it to the City Council.

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

7. ACKNOWLEDGMENT OF NEWLY APPOINTED AND REAPPOINTED BOARDS AND COMMISSIONS MEMBERS

Mayor Kincaid wanted to thank Yvonne Peterson for reapplying to the Historic Preservation Board. Ms. Peterson was not present at tonight's meeting, but the City Council wanted to acknowledge her service on a City of Fruita Board and Commission.

8. PUBLIC HEARINGS

A. QUASI-JUDICIAL HEARINGS

1) **SPECIAL EVENT LIQUOR PERMIT APPLICATION - A REQUEST TO APPROVE AN APPLICATION FROM THE FRUITA ARTS AND CULTURE BOARD TO SERVE WINE AT THE COCO VINO FUNDRAISER TO BE HELD ON FRIDAY, MARCH 15, 2024, FROM 3:00 PM TO 10:00 PM AT OUR LADY OF PERPETUAL MOTION LOCATED AT 503 E ASPEN AVE. – DEPUTY CITY CLERK DEB WOODS**

Deputy City Clerk Deb Woods gave a staff presentation, which was a review of the documents in the application. She also gave an overview of the commitments from the Fruita Arts and Culture Board that they would serve wine during their fundraising event on the main floor only, ID's will be checked at the entry to the event, it is an adult only event, and attendees are limited to two glasses of wine each. She explained that event volunteers will observe both the entrance and the emergency exit doors to ensure no one enters or leaves the premises with alcohol. Patrons will also be monitored for signs of intoxication. Signage will be posted at both Aspen Street and alley entrances stating that no alcohol may leave the building. Ms. Woods stated that Chief of Police Dave Krouse reviewed the application and provided his memorandum stating that there was nothing to prohibit the issuance of the license being requested. She concluded that staff's recommendation of approval subject to the following conditions:

- Applicant will discontinue serving alcohol at 9:30 pm to allow patrons to finish their beverage and leave the permitted area.
- All alcohol will be secured and removed by 10:00 pm.
- No alcohol shall be brought into or out of the premises.
- The licensee needs to be aware that they are solely responsible for control of the licensed premises regarding alcohol possession, consumption, and adherence to state and municipal liquor laws.

Fruita Arts and Culture Board member, Nancy Patterson, was present in the audience as the applicant's representative. Ms. Patterson stated that this is the Board's second fundraiser. She said they have released an additional ten (10) tickets due to it being open-house style, they will not overload the facility. Ms. Patterson explained that tickets would go on sale February 16, 2024, which was about a month before the event, but they sold out in two (2) weeks last year.

Mayor Kincaid opened the public hearing. Hearing no comments, he closed the public hearing and brought the matter back before the Council.

Councilor Williams asked if it was the same weekend as last year. Ms. Patterson explained that it is a week later due to a date conflict with the venue, but they were hoping to move it back to the previous weekend next year.

- **COUNCILOR BREMAN MOVED TO APPROVE THE APPLICATION FOR A SPECIAL EVENTS LIQUOR PERMIT FROM THE FRUITA ARTS AND CULTURE BOARD TO PROVIDE WINE AT THE COCO VINO FUNDRAISER TO BE HELD ON FRIDAY, MARCH 15, 2024, FROM 3:00 PM TO 10:00 PM AT OUR LADY OF PERPETUAL MOTION LOCATED AT 503 E. ASPEN AVE SUBJECT TO THE CONDITIONS STATED BY STAFF. COUNCILOR PURSER SECONDED THE MOTION. THE MOTION PASSED WITH SIX YES VOTES.**
- 2) **ORDINANCE 2024-06 – SECOND READING – AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF FRUITA BY ZONING APPROXIMATELY 14.52 ACRES OF PROPERTY LOCATED 1873 K ROAD TO A COMMUNITY RESIDENTIAL ZONE (1873 K ROAD REZONE) – CITY PLANNER HENRY HEMPHILL**

City Planner Henry Hemphill provided staffs presentation, which consisted of the following:

- Application details (name of property owner, location, application type, name of applicant’s representative)
- Legal notice (of public hearings) dates, methods, and illustration of buffer area of those people that must be notified via a postcard from the Planning Department
- Property history (property originally in Mesa County and was recently annexed)
- Future Land Use Map from Fruita’s 2020 Community Plan
- Aerial photo of entire subject property showing where the property is located.
- Review criteria to consider pursuant to Fruita Land Use Code
- Community Residential (CR) Zone requirements for density, minimum lot size and setbacks
- Available Density Bonus criteria for density over six (6) dwelling units/acre
- Review comments: No reviewer concerns.
- Public comments: No written comments received by staff, and no comments received at the Planning Commission meeting.
- Staff’s recommendation of approval of Ordinance 2024-06 amending the official zoning map of the City of Fruita by zoning approximately 14.52 acres of property located at 1873 K Road, Fruita, Colorado to a Community Residential (CR) Zone

Mr. Hemphill stated that the City Council approved an Ordinance in January to annex this property into the City of Fruita city limits and, as stated by law, the City has 90 days to designate a zone district. Mr. Hemphill also explained that all the properties adjacent to the annexed property are zoned Community Residential (CR) according to the City of Fruita’s Future Land Use Code.

Mayor Kincaid opened the public hearing. Hearing no comments, he closed the public hearing and brought the matter back before the Council.

- **COUNCILOR HANCEY MOVED TO APPROVE ORDINANCE 2024-06 AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF FRUITA BY ZONING APPROXIMATELY 14.52 ACRES OF PROPERTY LOCATED 1873 K ROAD TO A COMMUNITY RESIDENTIAL ZONE. COUNCILOR MILLER SECONDED THE MOTION. THE MOTION PASSED WITH SIX (6) YES VOTES.**

B. LEGISLATIVE HEARINGS

- 1) **RESOLUTION 2024-03 – PUBLIC HEARING – A REQUEST TO APPROVE AN AMENDMENT TO THE 2024 ANNUAL BUDGET WITH SUPPLEMENTAL APPROPRIATIONS OF FUNDS FOR COMPLETION OF CAPITAL PROJECTS AT THE FRUITA COMMUNITY CENTER INITIALLY BUDGETED FOR IN THE 2023 ANNUAL BUDGET, AND A SUPPLEMENTAL APPROPRIATION OF FUNDS FOR THE MAPLE STREET BRIDGE PROJECT – SHANNON VASSEN, ASSISTANT CITY MANAGER**

Assistant City Manager Shannon Vassen shared the staff presentation of Resolution 2024-03 requesting an appropriation of funds for three (3) projects started in 2023 and will be completed in 2024. Mr. Vassen explained that the first project is the retile project for the Fruita Community Center locker rooms. He said that \$100,000 was budgeted in 2023 and \$27,000 worth of expenses were completed in 2023, so \$70,000 will need to be rolled over to 2024. Mr. Vassen explained the second supplemental appropriation is for the installation of a new water slide at the Fruita Community Center. \$850,000 was budgeted in 2023, but due to additional design work, has a total cost of \$865,000. \$850,000 will need to be rolled into the 2024 budget. Lastly, Mr. Vassen stated that there is a request for appropriation of \$25,000 in the Capital Projects Fund for the design of the Maple Street Bridge. \$225,000 was budgeted in the 2024 budget, but after going out to bid, the total project cost will be \$250,000. Funds from Mesa County will offset any additional costs.

Mayor Kincaid opened the public hearing. Hearing no comments, he closed the public hearing and brought the matter back before the Council.

Councilor Purser asked Mr. Vassen to review the water slide project for the public, as this may seem like a large purchase, but there are funds allocated specifically for these purchases. Mr. Vassen said yes, the City sets aside a certain amount of funds, typically around \$1 million, on a yearly basis specifically for building improvements and enhancements. He said the slide was originally part of the Community Center design, but it was omitted for cost effectiveness at the time. Mr. Vassen stated that the Community Center has a very good fund balance, and the City feels comfortable using the building improvement funds for the water slide.

Councilor Hancey asked if Mr. Vassen thought that \$850,000 budget would be enough to complete the project, due to prior conversations about plumbing issues. Mr. Vassen said that the City had spent an additional \$15,000 on some additional design to get the area construction ready but he felt confident that \$850,000 would be enough. He said that there was a contract in place for construction and equipment and it was right at \$850,000. He said there could always be surprises in construction, but he felt good about that number.

Councilor Hancey asked if the Maple Street Bridge project was still set to be constructed in 2025. Mr. Vassen said yes. He said the City had received Federal funding for the project and there were additional requirements that needed to be met and the City is in the process of updating the design to meet those qualifications. He said the goal is to get the design update and the surveying done in 2024 so construction can begin in 2025. Mr. Vassen explained that it takes about a year to get Federal funding in hand as well, so 2025 seems like a reasonable time to begin.

Councilor Miller asked if the Maple Street Bridge project would be like the Pine Street Bridge project and would planning need to be similar to that project. City Manager Mike Bennett said yes, there are some similarities and if construction can begin it will begin Fall 2025. He also said that there would be some things that the City could avoid with the Maple Street Bridge project from the Pine Street Bridge project.

Mayor Kincaid asked if there was a contingency fund built into the \$850,000 for the water slide. Mr. Vassen said that the City usually tries to reserve 10% for contingencies within the project budget. He explained that the Fruita Community Center has a built-in contingency fund and, if those funds are needed, there wouldn't be a need for a supplemental appropriation, rather just approval from the City Council. He said that after the design work and construction drawings, \$850,000 is a comfortable number.

City Manager Mike Bennett explained that design work got into the project due to the age of the Fruita Community Center and, since it was engineered out of the original design, it was necessary to find out how far the infrastructure went, to see where this project needed to be picked up. He also explained that the City is trying to coordinate two other replacement projects so that there can be limited closures on the building.

- **COUNCILOR MILLER MADE A MOTION TO APPROVE AN AMENDMENT TO THE 2024 ANNUAL BUDGET WITH SUPPLEMENTAL APPROPRIATIONS OF FUNDS FOR COMPLETION OF CAPITAL PROJECTS AT THE FRUITA COMMUNITY CENTER INITIALLY BUDGETED FOR IN THE 2023 ANNUAL BUDGET, AND A SUPPLEMENTAL APPROPRIATION OF FUNDS FOR THE MAPLE STREET BRIDGE PROJECT. COUNCILOR PURSER SECONDED THE MOTION. THE MOTION PASSED WITH SIX (6) YES VOTES.**

9. ADMINISTRATIVE AGENDA

A) PUBLIC SAFETY UPDATE – *CHIEF OF POLICE DAVE KROUSE*

Chief of Police Dave Krouse gave an annual update on the Police Department. He gave a brief review of 2023:

- Established new tracking system of officer-initiated activities.
- Calls for 2023 – 11,234; shows a 29% increase over 2022. Most of the increase is due to the new way officer activities are tracked.
- Top ten (10) calls for service:
 - Civil Issues – 193 calls
 - Community Engagement – 238 calls
 - VIN Inspection – 256 calls

- Welfare Checks - 301 calls
- Suspicious Activities – 475 calls
- Animal – 509 calls
- Assistance – 536 calls
- Follow-up Investigations - 867 calls
- Traffic Stops - 1036 calls
- Checks – targeted patrols – 3713 calls
- Engagement Activities
 - National Night Out
 - Cops and Cars
 - Coffee with a Cop
 - Fruita Academy
 - Neighborhood Presentations
 - Shop with a Cop
- 2024
 - Staffing – 1 Current Vacancy, but in the process of hiring for this position now.
 - Continued focus/expansion outreach and engagement – Once the department is fully staffed, they will hire a Community Engagement Specialist to focus on and coordinate engagement activities.
 - Continue to monitor traffic issues. Growth and additional visitors to the City leads to more traffic issues and safety concerns.
- Continuing Challenges
 - Recruitment/Retention – Continue to struggle, but the department is in a good spot going into 2024.
 - Social Issues – mental health, substance abuse and homelessness. The Chief said that these issues are some of the more challenging events to deal with as they are not always law enforcement issues. He said that they partner with the Sheriff's Office who has a co-responder program that teams a deputy and a licensed mental health clinician together and the Fruita Police Department relies heavily on them to help with the more difficult calls. Chief Krouse explained that houselessness is an issue, especially with neighboring communities and they are watching those situations carefully.
 - Balancing calls for service, staffing, state reporting, technology, and training.

Chief Krouse went on to share several comments from citizens that show appreciation or gratitude for the way the Fruita Police Department has conducted themselves while having different community interactions. Chief Krouse explained that the Department gets these kinds of comments often and he said that he felt that, knowing how much support the Fruita Police Department receives from the City Council, it was important to share the comments with them. He also explained that it is important to relate it back to the challenges and that the service that generates these types of comments cannot change due to those challenges. The level of service needs to remain the same. Chief Dave Krouse then took questions.

Councilor Miller asked if the 29% increase in calls for service correlated to the crime rate. Chief Krouse explained that no, crime statistics are reported differently, and are reflected differently than the calls for service.

Councilor Miller asked how the crime rate looked. Chief Krouse said that it was generally very good. The crime rate in general has dropped in many areas of the state. He also said it was important to point out that on the list of calls for service, there really weren't any crimes listed.

Councilor Miller asked Chief Krouse if he would share the slides with the City Council members and to keep up the good work.

Councilor Purser thanked Chief Krouse for his presentation and wanted to know what the top two traffic stops might be. Chief Krouse said that he didn't have the actual statistics with him, but he would say that speeding and stop sign violations would probably be the top two traffic violations.

Councilor Purser explained that she had witnessed two separate traffic stops on Saturdays in January on Aspen Street, stating that it was such a rarity, that people were slowing down to see what was happening. She asked if that was a focus area for traffic stops. Chief Krouse explained that they have several focus areas. He said it is the "STEP" program, or Strategic Traffic Enforcement Program. He said that those can be either generated from public concerns within the City or the Police Department can generate those areas, such as school zones during the school year. He said that his guess would be that the stops on Aspen Street were due to a citizen complaint, and they created a STEP program for that area.

Councilor Purser asked about the partnership with the Mesa County Sheriff's Department lending their support for calls for the co-responder program. She asked how significant those calls were and if that was a service that needed to be provided in-house for the Police Department. Chief Krouse said as far as volume, they didn't rise to the top. He said complexity and challenge are certainly there. He said they are monitoring whether they need that service in-house currently, but from a cost benefit perspective, they don't need it right now.

Councilor Purser asked about the houselessness and if it was increasing. Chief Krouse said no, that there hadn't been an increase in the population of unhoused in the City.

Councilor Purser asked how people get their comments to the Police Department. Chief Krouse said they come through the general police email, cards, phone calls, and cookies.

Councilor Hancey thanked the Chief for managing a great department and helping our community. He went on to ask what some of the tactics are when there is a homeless situation. He thought that being such a small community, it could be a challenge. Chief Krouse said that the first thing they do is address any kind of public safety issue. He said they also offer services and resources. He explained that most of those resources are located in other communities, such as Catholic Outreach and Homeward Bound.

Councilor Hancey said that over the last month we have had some significant instances in the City, one being a break-in and the other being a standoff sort of situation. He asked if the Police Department was seeing an increase in those kinds of incidents within the community. Chief Krouse said that he didn't see them increasing. He said that they do get calls like that from time to time. He said those incidents are quite public and very well recognized when they happen because they are large incidents, but statistics wouldn't support an increase.

Councilor Purser asked if the Police Department was able to hand out GVT passes for the houseless population to connect them with services in other communities. Chief Krouse said that they hadn't

considered it. He said that they are happy to provide rides for those who are interested in seeking those resources. He said that he knew that there were other agencies that provided bus passes, but it wasn't something the Fruita Police Department did currently.

Councilor Williams asked if the Police Department had what they need regarding the partnership with the Mesa County Sheriff's Department. He said that he thought the entire City Council is on board to provide those services in-house if needed. He also asked if there was anything the Police Department needed that the City Council could help with. Chief Krouse said that he appreciated the question, but he thought they had everything that they needed to do their jobs in the best way possible.

City Manager Mike Bennett wanted to commend the Police Department for being proactive in their outreach and calls within the community. Mr. Bennett also said that he reviews their annual performance reviews, or EDAs, and each one of the officers has multiple comments that their supervisor has saved and shared and it is reflected in their EDAs. He said it is easy to call when someone is upset about something but not everyone shares those kinds of accolades when everything goes right, and he thought it was important to recognize how much community support the Police Department has. Mr. Bennett went on to explain that they did not budget an additional police officer in the 2024 Budget because it had taken an entire year to fill one vacancy. He said that if recruitment found an additional qualified officer, then there could be a request to the City Council for an additional position.

B) ORDINANCE 2024-08 – FIRST READING – INTRODUCTION OF AN ORDINANCE AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH FARM, LLC FOR ITS PURCHASE FO CITY PROPERTY KNOWN AS 169 S. MULBERRY STREET, FRUITA, COLORADO AND TO EXECUTE ALL DOCUMENTS TO PERFECT THE SALE AND CONVEYANCE OF THE SAME FOR PUBLIC HEARING ON MARCH 5, 2024 - CITY ATTORNEY MARY ELIZABETH GIEGER & SPECIAL COUNSEL KIM CRAWFORD

RESOLUTION 2024-04 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRUITA, COLORADO AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT TO BUY AND SELL REALL ESTATE WITH FARM, LLC FOR 169 S. MULBERRY STREET - CITY ATTORNEY MARY ELIZABETH GIEGER & SPECIAL COUNSEL KIM CRAWFORD

City Attorney Mary Elizabeth Geiger explained that usually first readings are done on the Consent Agenda, however they wanted to present this separately to give a little bit more information. She said that as the City Council is aware, the City Charter states that City property needs to be conveyed via the Ordinance process. She explained that in the past, the City Council had gone through the Ordinance process and at the end, the contract was executed. In this instance, due to the nature of the development agreement and potential redevelopment, the buyer needs to be able to obtain financing for a letter of credit. That is why there is Resolution 2024-04 so that Mike can sign the agreement. The buyer will need a signed contract in order to get financing in place. Ms. Geiger explained this contract is still contingent on the Ordinance passing at the second reading as well as the development agreement being finalized to both parties' satisfaction. This will just get the process started.

Special Counsel Kim Crawford gave a presentation about the development agreement via Zoom. She explained that the development agreement sets forth the conditions that the buyer needs to perform for the benefit of the City and the surrounding community. The presentation covered:

- The FARM approached the City to redevelop the property at 169 S. Mulberry.
- They will provide public parking.
- Envision a mixed-use development space.
- Commercial development that promotes and supports arts, outdoor recreation, retail, and restaurants, as well as community gathering space.
- Remediate blight of the current building and surrounding area.
- Spur economic development, and revitalization of the area.
- Increase parking, and ease of access for vehicles, cyclists, and pedestrians.
- Terms of the Agreement:
 - Obtain a letter of credit that can be drawn on if the buyer defaults.
 - Redevelopment to include removal of lean-to and additions, add new metal roof, replacement of skylights, new garage doors, new exterior lighting, and new exterior paint.
 - Provide 20 initial parking spaces which the buyer will lease to the City for five years. On or before the expiration of the lease, the buyer will convey to the City certain property including 20 parking spaces.
 - Once parking is conveyed, the parking shall be improved and maintained at the sole expense of the City.
 - The 24 existing spaces north of the FARM property shall remain as public parking until the dedication of the 20 permanent public parking spaces is complete.
 - The buyer is responsible for maintaining the existing 24 parking spaces.
 - Purchase price of \$640,000, comprised of cash and nonmonetary contributions.

Ms. Crawford explained that there are provisions on both sides that enable the parties to dissolve the agreement if they aren't met. She also stated that the buyer will have the line of credit if they do not do as they are required, the City can draw on that line of credit to pay for said improvements at the buyer's expense.

Ms. Crawford went on to talk about the considerations for the City. They are:

- Does this plan of development meet the City's stated goals and objectives?
- Will the redevelopment of the building meet with the City objective of remediation of blight and enhancement of the downtown area?
- Is there a better use for the property?
- Is the City protected in the event the Buyer fails to perform?
- Are there additional risks?

Next, Ms. Crawford covered the risks involved with the development agreement:

- The biggest risk is that the buyer cannot meet their contractual obligations.
 - Buyer will back out of project.
 - Purchase contract has several conditions and contingencies that need to be met or the Buyer can withdraw.
 - City would lose the time that staff and others have dedicated to this project, but no monetary penalties to the City.
 - The City would be able to pursue other offers/options.
 - Buyer not able to meet its contractual obligations to redevelop the property.

- This risk is mitigated by the Buyer providing the letter of credit that can be drawn upon at certain times upon the occurrence of certain events or the inability of the Buyer to meet specified benchmarks.

Ms. Crawford explained that the fact that the Buyer would establish a line of credit for the City to draw on shows how dedicated the buyer is to the purchase and meeting their specified benchmarks. Ms. Crawford then asked for any questions.

Councilor Breman asked about the verbiage regarding the 20 initial parking spaces. Ms. Geiger explained that, while the agreement specifies 20 parking spaces be allocated, the final 20 parking spaces may not be in the same location as the initial 20 spaces.

Councilor Purser asked if there was a line-item breakdown of the \$640,000 in both monetary and nonmonetary improvements, for transparency to the public. Ms. Geiger said that is really part of the development agreement and as they are working through the precise improvements to the property, they can try to assign an exact dollar amount to each line item. She said they weren't prepared to do that this evening, but they could certainly try for a future meeting.

Mr. Bennett reminded the City Council that all the terms had been agreed on with the Buyer, it was just a matter of putting them into the agreement format reflecting those terms. He said both the parking agreement and the development agreement will be signed upon closing of the property, at least 30 days following second reading.

Councilor Hancey asked what the dollar amount on the line of credit was. Ms. Geiger said that it was roughly \$240,000. Mr. Bennett explained that that dollar amount was the dollar amount estimated to make all the necessary improvements to the building should the buyer default.

Councilor Hancey asked if FARM had approached the City about entering a partnership once the City had purchased the property. Ms. Geiger explained that, yes, FARM had approached the City as they currently own the property adjacent to this one and wanted to expand and were already in the area.

Councilor Hancey asked if the value of the overall contract and sale to the City included an improved property, 20 additional parking spaces and potential for additional businesses in the downtown corridor, beyond the monetary and nonmonetary piece. Ms. Geiger said that yes, that was the overall benefit to the City.

Councilor Hancey wanted to reiterate that there would be a second reading of Ordinance 2024-08. Ms. Geiger said yes, this is an Ordinance, and it does need to have a public hearing which is set for March 5, 2024. The other thing that needs to be considered tonight is Resolution 2024-04, which will allow Mr. Bennett to enter into an agreement with FARM so that they may secure financing for their line of credit.

- **COUNCILOR KREIE MADE A MOTION TO APPROVE THE PUBLICATION OF A SYNOPSIS OF ORDINANCE 2024-08 AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH FARM, LLC FOR ITS PURCHASE OF CITY PROPERTY KNOWN AS 169 S. MULBERRY STREET, FRUITA, COLORADO AND TO EXECUTE ALL DOCUMENTS TO PERFECT THE SALE AND CONVEYANCE OF THE SAME FOR PUBLIC HEARING ON MARCH 5, 2024. COUNCILOR BREMAN SECONDED THE MOTION. THE MOTION PASSED WITH SIX (6) YES VOTES.**

- **COUNCILOR MATTHEW BREMAN MADE A MOTION TO APPROVE RESOLUTION 2024-04, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRUITA, COLORADO AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT TO BUY AND SELL REAL ESTATE WITH FARM, LLC FOR 169 S. MULBERRY STREET. COUNCILOR PURSER SECONDED THE MOTION. THE MOTION PASSED WITH SIX (6) YES VOTES.**

10. CITY MANAGER'S REPORT

City Manager Mike Bennett had no additional updates.

11. COUNCIL REPORTS AND ACTIONS

A. ELECTION COMMISSION APPOINTMENTS – A REQUEST TO RATIFY THE APPOINTMENT OF EMMA-LEIGH LARSEN AND STEPHEN RYKEN TO THE ELECTION COMMISSION

- **COUNCILOR HANCEY MADE AN AMENDED MOTION TO APPROVE A REQUEST TO RATIFY THE APPOINTMENT OF EMMA-LEIGH LARSEN AND STEPHEN RYKEN TO THE ELECTION COMMISSION FOR A TWO-YEAR TERM FROM FEBRUARY 2024 THROUGH FEBRUARY 2026. COUNCILOR MILLER SECONDED THE MOTION. THE MOTION PASSED WITH SIX (6) VOTES.**

B. COUNCIL REPORTS AND ACTIONS

COUNCILOR KEN KREIE

Councilor Kreie had nothing to report.

COUNCILOR AMY MILLER

Councilor Miller said that she had attended the State of the State address with Mike and Shannon. She said that she thought it went well and they got to see the Riverside Education Center and it is a really great facility.

Councilor Miller missed the Historic Preservation board meeting today.

COUNCILOR AARON HANCEY

Councilor Hancey thanked staff for their efforts with the month-long road closure and detour at 19 Road and K Road. He said that good solutions were found were trying to limit the amount of time of the closure.

Councilor Hancey told the City Council that the museum board had finished interviews for a new Executive Director, and they had secured enough yes votes to hire one of the candidates. Councilor

Hancey asked Mike if the trailers had been removed from the museum premises. Mike said there is one in the back and one in the parking lot. The one in the parking lot is awaiting pickup.

Councilor Hancey said he attended a Park Board meeting. He explained that a high school student wanted to do a project in Kodels Canyon, and it isn't going the way she wanted it to due to ownership of the property. Councilor Hancey suggested that staff speak to the developer of the Sunset Point Subdivision about the trail system that will possibly be constructed within the subdivision and the property that is supposed to be donated to the City. Councilor Hancey wanted to make sure that the developed trails follow the rules and regulations of the BLM and other outside agencies for connection.

Councilor Hancey let the City Council know that the construction groundwork at Reed Park is about a month ahead of schedule. He said that, in a few weeks, the entire park will be closed for four (4) to six (6) weeks so the construction company can run the new electrical lines.

Councilor Hancey said that there was some discussion around locations for the new vault toilet at Snooks Bottom.

Lastly, Councilor Hancey said there was some discussion around the location of the self-cleaning restroom. He said there were some different locations suggested, such as the parking lot at Kim's Auto, the west side of the Civic Center, or the corner of Civic Center Park. Mike said the City had been looking at a few different locations at the Civic Center and one of the locations identified is the west side of the building where there is already a sidewalk installed. He explained that there is already fiber, water, and electricity on site, so it is an easier connection. He said that the City is actively working on updating the electrical at the Civic Center. Councilor Williams asked if there was a timeline on the upgrade. Mike said that construction had already begun and would be ready to go for the spring and summer activities. Councilor Williams asked if, before the changes happen near the stage, if his main production person could consult on what needs to happen there, so that they can have exactly what is needed. Mike said he would. He went on to say that some of the location ideas for the self-cleaning bathroom had already been dismissed, but the west side of the building seemed like a good possibility.

MAYOR PRO TEM BREMAN

Councilor Breman wanted to thank Councilor Williams for asking the Police Department what they may need.

Councilor Breman went on to ask the City Council for a letter of support for the Rural Jump Start Program. He said the program is up for renewal and GJEP uses it to attract companies to the area. He explained that if a company meets a certain criterion including not having any competition within the state as well as bringing jobs above the AMI, as a company the employees do not have to pay State income tax for four (4) years, and they can reapply for another four (4) years. He said that the program is set to end. He would like the City Council to write a support letter with two additional criteria added. One (1), there is a limit to how many employees can be within a zone. He thought that the limit is 300 employees in Mesa County, and he would like to request it be brought to 500 employees. He would also like to have the "no competition within the State" be removed, as he finds it a bit restrictive. He asked if the City Council was okay with that, and they said they were. He then asked Mike to draft the letter.

Councilor Breman said that he spoke to Candace at the Grand Junction Chamber of Commerce, and she told him that the City of Fruita has a seat on the Airport Taskforce which is not the airport board. He said one of their goals is to work with the airport to increase flights in and out of Grand Junction. He explained that no one was currently filling that position, but he wasn't sure if that was something the City Council wanted to do now or wait until after the election. Mayor Kincaid asked if the seat was available now. Councilor Breman said that the seat has been vacant since the inception of the taskforce. Councilor Purser asked if they were asking for an actual City Councilor or just a Fruita citizen. Councilor Breman said they were requesting a City Councilor. It was decided to wait until after the election and then decide on who would be filling that seat. Councilor Breman said that he would get some additional information in the meantime. Mike said that he receives all the packets for those meetings and is invited to attend. He has attended when there is a request for feedback from Fruita, however a large part of the meetings is regarding how to spend the City of Grand Junctions lodging tax funds for the benefit of the airport.

Councilor Breman also informed the group that he and Mike attended a round table event with the Governor promoting the circular economy, which includes upcycling or recycling. Mike got to speak about the bio-solids process that happens at the Wastewater Reclamation Facility. Mike said that the City of Fruita takes materials that would otherwise go to the land fill and turn it into fertilizer. He said the City of Fruita eliminates around 100 tons of waste every year. He explained that the fertilizer is offered free to residents and at a nominal charge for commercial users who would like to use it for flowers beds and turf. Mayor Kincaid asked how much the City makes from the sales. Mike said he didn't know, but it wasn't that much. Councilor Breman said it was cost effective for the City.

COUNCILOR JEANNINE PURSER

Councilor Purser said that she went to the final Localism Committee meeting. She said the committee would be bringing a recommendation before the City Council on February 24th. She also went to the candidate orientation that Mike held, and it was very informative.

Councilor Purser wanted to know if there was a way to get the City of Fruita utility bill emailed rather than receive a paper bill. Mike said they would look into it as he thought it was a bulk process.

Councilor Purser asked about the new software that was purchased to find unlicensed rental properties and how that was working. Mike said that it was working very well to find unlicensed rentals and to educate property owners. Mayor Kincaid asked for an update about the software to be presented at a future meeting. Mike said it would be put on the agenda.

COUNCILOR JAMES WILLIAMS

Councilor Williams said that he was unable to attend the FTAC meeting.

Councilor Williams said that the Winter Concert was on track. He said the band is booked and Ciara has done a great job with the promotional materials. He did ask about power outlets, as he didn't see any. Community Development Director Dan Caris let Councilor Williams know that power was located near the planter boxes, and they are weatherproof as well. Councilor Williams asked who he should talk to prior to the event to walk the space. Mike said Ciara, Jen, and Matt could have that walk around with him. Dan wanted to confirm the date of February 23, 2024, for the concert. Councilor Williams said that it was and there was a huge community response.

Councilor Williams told the group that he received an email from Diana Garcia, the assistant director of Communications from the Grand Junction stake of the LDS Church. She asked him if he would like to meet for lunch with President Harrison and go over any needs the City Council may have. Council Williams asked if any of the other City Councilor's or Mayor had anything they wanted him to bring up or talk about, to let him know.

MAYOR JOEL KINCAID

Mayor Kincaid had a Police Commissioner meeting last month and that went well. He said that he was thinking about citizens who term out on Boards and Commissions and how the City Council shows their appreciation for them serving for six (6) years. He said, in the past, they have given them a certificate in recognition, but he thought that they should receive something larger to show how much the City Council appreciates their service. Councilor Breman asked if the Fruita "F" and gear, in a smaller version, was what the Mayor was thinking. There was some discussion around what type of gift to give. It was decided that there would be a unique, small token of appreciation given to Board and Commission members who have reached their term limit.

12. ADJOURN

With no further business before the Council, Mayor Kincaid adjourned the meeting at 9:07 p.m.

Respectfully submitted,

Jennifer Cupp
Executive Assistant
City of Fruita