

GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY

November 18, 2013 – Noticed Agenda Attached

Meeting Convened: 3:10 p.m. in the City Auditorium

Meeting Adjourned: 4:55 p.m.

Council Members present: All. Staff present: Englehart, Shaver, Moore, Schoeber, Watkins, Kovalik, Romero, Trainor, Camper, Hazelhurst, Valentine, Ranguet, and Tuin.

Agenda Topic 1. Budget Wrap-up

City Manager Rich Englehart asked Financial Operations Director Jodi Romero to hand out updated Fund Balance Worksheets and informed City Council that there are some changes in the revenues and with the review, he is hoping a resolution comes together to be able to put forward a supplemental appropriation ordinance and a 2014 appropriation ordinance. He said that the strength in the budget is in the flexibility.

Financial Operations Director Jodi Romero stated that the beginning balance for 2014 depends on the ending fund balance for 2013 and she reviewed the figures on the 2014 Requested Budget Worksheet which included the projected year end fund balance for the General Fund, an earmarked amount for the 1% for the Arts, and the Minimum Reserve. She reviewed the changes from the last workshop which included the reduced sales and use tax revenues based on the October 2013 collections, anticipating November and December 2013 being equal to 2011, the Transportation Capacity Payment (TCP) deferred fees being paid in 2013 for Community Hospital Medical Offices Building, some other expense reductions, some unspent 2013 City Council and City Manager contingency, the Stadium and Public Safety Building contingencies, and the \$150,000 payment received from the Avalon Theatre Foundation.

Councilmember Chazen asked Ms. Romero to give a breakdown of the \$769,067 for the Contingency Funds for the 2014 requested budget. Ms. Romero said that \$300,000 is the City Manager's contingency fund and \$469,067 is the Avalon Theatre Foundation cash flow contingency.

Council President Susuras asked what the \$40,000 contingency for the Visitor and Convention Bureau Fund is for. Ms. Romero said that it is for the Pro Cycle Event if it does occur.

Councilmember Chazen asked about the status of the TCP Fund. Ms. Romero said that the TCP Fund is holding its own and does not need any money from the General Fund for 2014. Councilmember Chazen asked where the money went in the TCP for 2013. Ms. Romero explained that there was a \$2.7 million transfer in the 2013 adopted budget from the General Fund into the TCP Fund and that is being spent on the major capital projects.

Ms. Romero said that there is enough in the requested 2014 budget in the TCP Fund to cover anticipated projects for 2014. Councilmember Traylor Smith asked where the \$690,000

anticipated revenues came from. Ms. Romero said residential development and other projects that they are aware of.

Council President Susuras feels that since there is an extra \$1.4 million over the \$18.5 Minimum Reserves, that money should go towards funding the Colorado Mesa University request, Economic Development, and fully funding Grand Valley Transportation (GVT). That would still leave some excess if something else comes up.

Councilmember Doody agreed with fully funding GVT and thought it would be a good idea for Staff to bring Council up to speed in early 2014 on details about the partnership and possibly look at other ways GVT can be funded. Councilmembers Norris and Traylor Smith feel the calculation for funding needs to be recalculated based on the most recent census and renew the Intergovernmental Agreement because the valley has changed. City Manager Englehart advised that a recalculation will likely result in an increase in the City's share.

Councilmember Boeschstein said that the City needs to fund GVT and not pull out from the agreement. It is important to make GVT accountable and he agrees that maybe it should be put on the ballot for them to form an Authority. GVT is important as it does provide people a way to get to work.

City Manager Englehart said the original agreement with GVT was a five year agreement with a graduated schedule. After that, in 2008, all the partners decided to continue with an annual renewal with no increases.

Councilmember Norris said that she has asked Todd Hollenbeck, Mesa County Regional Transportation Planning Office, to provide City Council with new calculation numbers but it will be too late now for the 2014 budget. City Manager Englehart suggested that perhaps the \$20,000 be put back into the budget and a letter to Mr. Hollenbeck be sent asking that the \$20,000 be justified.

Council President Susuras polled Council on whether or not they want to reinstate the additional \$19,885 to GVT with a letter identifying what is expected from them. Council was in favor six to one (Councilmember McArthur was not in favor) of reinstating the additional amount with Staff providing a letter to GVT. The matter will be looked at again next year.

Council President Susuras asked Council how they feel about providing \$500,000 funding for Colorado Mesa University's Classroom Building.

Councilmember Doody said it is a partnership and the City needs to appropriate money for the first payment. Councilmembers Norris, Boeschstein, and Traylor Smith agreed.

Councilmember Chazen said he thought that if any money was available, it would go to streets. He would like to wait and see how the first quarter does. Councilmember McArthur agreed with Councilmember Chazen. Council President Susuras feels that the money has been found

and should be allocated to CMU. Council was in favor five to two of allocating the \$500,000 to CMU. City Manager Englehart said that they will wait until May before making that payment.

The City Council was in favor six to one (Councilmember Doody was not in favor) of funding the City Council's Economic Development Contingency Fund at \$500,000.

Council President Susuras asked about Grand Junction Economic Partnership and if it needed discussion. Councilmember Norris said she feels that a letter needs to be put together with the payment that talks about measurement, similar to what the County did, and move that funding into the Council's economic development funding for when they do bring projects forward, the money is there. It is important to know what they are spending money on. The rest of Council agreed.

Councilmember Norris has been attending the Incubator meetings and the Manufacturing group meetings and one project is a "maker space" at the Incubator which would be a great incentive for the manufacturing group. It will be a place where manufacturers can develop new products. The kitchen at the Incubator (a similar concept) has been very successful. The manufacturers need \$60,000 to develop the "maker space" and get the equipment which one third of that will come from federal funding. \$40,000 will have to come from other sources. Some manufacturers are going to donate equipment and part-time help would be needed to teach, probably for two years. The kitchen was self-sufficient after two years and they think that is about how long the "maker space" will take to start up. City Manager Englehart asked if Council would like to earmark some of their contingency for the "maker space" start up project. When polled, Council was in favor six to one (Councilmember McArthur was not in favor, he felt \$20,000 should be allocated) for funding \$40,000 from the contingency in 2014 for this project.

Councilmember Chazen asked if there was any money in the 2013 budget to purchase property for a new fire station. City Manager Englehart said yes, but it is being rolled over to 2014 budget. There is \$175,000 for the design of the fire station, and the remaining for the acquisition of property. Grants will be applied for but because of what happened on the Eastern Slope, they won't be putting in for Department of Local Affairs (DOLA) funds. Councilmember Chazen asked how much it is going to cost. Financial Operations Director Romero said that \$475,000 is being budgeted for 2014 and \$2.5 million is being contemplated for 2015 for the actual construction.

City Council held some discussion on the City needing to save because it is unknown what could happen in 2015 and 2016.

City Manager Englehart referred to the handout showing the Capital projects proposed and where it stands to date. Financial Operations Director Romero explained the handout provided about the various funds and how they work. City Manager Englehart also noted and explained the handout showing the reserves as well as the handouts put together by Risk Manager Dave Roper on Natural Disaster Responses and Insurance Coverage in Disaster Scenarios and said that they have tried to plan for the worst but of course hope nothing ever happens.

The last handout, City Manager Englehart explained, was a draft for the Budget review scheduled for the City Council meeting on December 4th. He asked City Council to please give any feedback on it.

Agenda Topic 2. Board Reports

Council President Susuras gave an update on the Airport Authority. The Authority has no idea what any charges might be from the investigation. There is a Board meeting on November 19th and there will be an Executive Session following that meeting. City Attorney Shaver said he has been in communication with the Airport Authority's attorney and had nothing further to add. There was some discussion of possibly providing a letter of support for the Authority, but it was decided that the City should stay out of it.

Councilmember Boeschstein advised that the County Commissioners voted in favor of going ahead with the riverfront trail from Grand Junction to Fruita. They have a huge grant and it is a big project. On the horizon, Las Colonias is the big riverfront project for next year. The segments between Las Colonias and 29 Road need to be put together in a trail project. At the Mesa Land Trust meetings there has been a lot of discussion about conservation easements between the cities of Grand Junction, Fruita, and Palisade. The Avalon construction is proceeding and should be done by summer. The Incubator is a great economic development tool and he encouraged all to attend their Holiday Open House.

Councilmember Doody advised that Parks and Recreation Director Schoeber is putting something together for City Council on the STARS Program and he enjoys being on that board.

Councilmember Traylor Smith said that the Housing Authority welcomed new board member Tammy Beard and they have done a lot of good planning and have done a self-evaluation looking out how and what the Housing Authority does.

Councilmember Norris said that she and Councilmember Doody had a meeting with Pear Park Fire and EMS Coverage Committee. All of the members are in place and goals were identified. Councilmember Norris advised the Manufacturing Council is an interesting group and is working hard to pull manufacturers together.

Councilmember Chazen was a guest at the Parks and Recreation Advisory Board and there was discussion on commercial use of the parks. The Forestry Board discussed how they were going to set up classes and licensing due to the two recent ordinances that City Council adopted. He attended the Urban Trails Committee meeting and Kevin Williams from Grand Valley Drainage District and Greg Trainor, Public Works and Utilities Director, gave a great presentation on the 521 Drainage Authority. He attended a Downtown Development Authority meeting and there was just a general discussion held.

Councilmember McArthur stated that the 521 Drainage Authority has received the draft storm water permit from the Colorado Department of Public Health and Environment (CDPHE). A

response has been received by the Bureau of Reclamation and they want a permit for every discharge point.

Agenda Topic 3. Other Business

City Manager Englehart passed around a Thank You card to be signed for the Town of Palisade thanking them for hosting the Municipalities Dinner. He advised Council that Senate Bill 08-218 provided that 50% of the Federal mineral lease donor payments be set up to backfill communities that had a drop of more than 10% in Federal lease payments. It appears that the State did not appropriate the distribution. Associated Governments of Northwest Colorado (AGNC) will be taking a look at this. He will send the background on this to City Council. The City's allocation would be around \$70,000.

Deputy City Manager Moore passed out a handout and explained it was a work plan for the formation of an Urban Rural Authority. He asked Council to take a look at it. There will be a Public Hearing at the December 18th City Council meeting for the Urban Renewal Authority.

Deputy City Manager Moore advised that the Town of Palisade has asked the City to do some design work for them to rebuild five blocks of Main Street in Palisade. Palisade plans to apply for a grant. The City has a Junior Engineer that could help them with the design for four weeks. The design needs to be completed by the spring of 2014. Unless the City Council has an objection, they will put a proposal together for Palisade, it will probably be for around \$10,000 or \$12,000. City Manager Englehart said that Palisade could hire it out but the Town of Palisade does not have the resources to do that. City Council was in favor because it does build good relationships.

City Attorney Shaver advised City Council that legislation may change rules for Urban Renewal Authorities and he will keep City Council informed.

With no other business, the meeting adjourned.

**GRAND JUNCTION CITY COUNCIL
WORKSHOP**

**MONDAY, NOVEMBER 18, 2013, 3:00 P.M.
CITY AUDITORIUM
250 N. 5TH STREET**

To become the most livable community west of the Rockies by 2025

- 1. Budget Wrap-up**
- 2. Board Reports**
- 3. Other Business**