

**GRAND JUNCTION CITY COUNCIL
MINUTES OF THE REGULAR MEETING**

December 5, 2007

The City Council of the City of Grand Junction convened into regular session on the 5th day of December 2007 at 7:07 p.m. in the City Auditorium. Those present were, Councilmembers Bonnie Beckstein, Teresa Coons, Bruce Hill, Gregg Palmer, Doug Thomason, Linda Romer Todd, and Council President Jim Doody. Also present were City Manager Laurie Kadrich, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Council President Jim Doody called the meeting to order. Councilmember Coons led in the Pledge of Allegiance.

Appointments

Councilmember Beckstein moved to reappoint Deborah Hoefer and Brunella Gualerzi, and appoint John Williams for three year terms expiring December 2010, and appoint Nathan Knoll to complete a partial term expiring December 2008 to the Visitor and Convention Bureau Board of Directors. Councilmember Hill seconded the motion.

Certificates of Appointment

To the Zoning Board of Appeals

Travis Cox and Mark Williams were present to receive their certificate of reappointment to the Zoning Board of Appeals.

To the Grand Junction Forestry Board

Dave Gave was present to receive his certificate of reappointment; and Kamie Long and Molly Pierce were present to receive their certificate of appointment to the Grand Junction Forestry Board.

Citizen Comments

There were none.

CONSENT CALENDAR

Councilmember Hill read the item on the Consent Calendar, and then moved to approve the Consent Calendar. It was seconded by Councilmember Coons, and carried by roll call vote to approve Consent Item #1.

1. **Three Subrecipient Contracts for Projects within the City's 2007 Program Year Community Development Block Grant (CDBG) Program** [File # CDBG 2007-02, 2007-03 and 2007-09]

The Subrecipient Contracts formalize the City's award of \$4,500 to Audio Information Network of Colorado (formerly Radio Reading Service of the Rockies); \$7,181 to the Center for Enriched Communication; and \$24,547 to Hilltop Community Resources, Inc. as allocated from the City's 2007 CDBG Program as previously approved by Council.

Action: Authorize the City Manager to Sign the Three Subrecipient Contracts with Audio Information Network of Colorado, Center for Enriched Communication, and Hilltop Community Resources, Inc. for the City's 2007 CDBG Program Year

ITEMS NEEDING INDIVIDUAL CONSIDERATION

Levying Property Taxes for the Year 2007 for Collection in the Year 2008

The resolutions set the mill levies of the City of Grand Junction (City), Ridges Metropolitan District #1, and the Downtown Development Authority (DDA). The City and DDA mill levies are for operations; the Ridges levy is for debt service only.

Jodi Romero, Financial Operations Manager, reviewed this item. She presented the resolutions setting the mill levies and explained the purposes of each levy. The City's assessed valuations increased by 37% this year.

- a. Resolution No. 175-07—A Resolution Levying Taxes for the Year 2007 in the City of Grand Junction, Colorado
- b. Resolution No. 176-07—A Resolution Levying Taxes for the Year 2007 in the Downtown Development Authority
- c. Resolution No. 177-07—A Resolution Levying Taxes for the Year 2007 in the Ridges Metropolitan District #1

Councilmember Hill moved to adopt Resolution Nos. 175-07, 176-07, and 177-07. Councilmember Coons seconded the motion. Motion carried by roll call vote.

Public Hearing—2007 Supplemental Appropriation and 2008 Budget

The request is to appropriate certain sums of money to defray the necessary expenses and liabilities of the accounting funds of the City of Grand Junction based on the 2007 revised and 2008 proposed budgets.

The public hearing opened at 7:14 p.m.

Laurie Kadrach, City Manager, presented the “State of City” 2008 budget proposal. She first reviewed statistical data that indicated the current status of the City including economic growth, population, job growth, unemployment, wage and personal income growth, and real estate growth. She reviewed a graph that illustrated City service indicators for the last five years.

City Manager Kadrach then reviewed the proposed revised 2007 budget, and the proposed 2008 budget. The total 2008 recommended budget for the City of Grand Junction is \$142,249,786, which is a 23% decrease from the 2007 revised budget of \$183,806,930. She also reviewed the number of additional positions for consideration to the full time labor work force.

City Manager Kadrach then broke the proposed budget down into:

- Operating Revenues expected to increase by 8.5% from \$117 million to \$128 million in 2008
- Capital Proceeds
- DDA Capital Contribution is from TIF revenues
- Planned Use of Reserves (Fund Balance) of \$3.8 million

City Manager Kadrach said the Riverside Parkway has been a great accomplishment, and the City owes a thank you to the City Council, and the community for passing that bond issue. The community will also be able to see this information on the website, and be able to track it from year to year to see how close the City is getting to paying the debt off early.

She noted that of the \$56.7 million dollars, approximately \$16 million dollars is expected to be legally restricted by the end of the year (including the \$10+ million dollars expected in the Early Retirement of Parkway Debt Fund). The current balance is 18% of the goal.

Community participation at 3% of the budget was then addressed by City Manager Kadrach:

- Community Program Partnerships \$1.1 million (\$660k in 2007) including Grand Valley Transit (GVT), 5.2.1 Authority, Mesa Land Trust, and Animal Control Facility;
- Economic Development \$1.25 million (\$1.08 million in 2007) including Grand Junction Economic Partnership (GJEP), Infill & Redevelopment, St. Mary's, and Mesa State College; and
- Housing Initiatives \$750,000 (\$1.35 million in 2007) with the Grand Junction Housing Authority to leverage other dollars for projects like Village Park and Bookcliff Squire.

City Manager Kadrach referred to a pie chart outlining where the money for 2008 will go: 42% is a labor request, 27% non-personnel operating (equipment and utilities cost for operating the various departments), 25% goes to new capital construction, a small portion to the debt service, (Parkway bond payoff), 7% for the completion of the Parkway.

City Manager Kadrach addressed the question of whether government is growing in our community. She referenced a slide presentation based on staffing ratios of City Staff per 1,000 of population. Referring to the year 2002, the City had 12.76 employees for every 1,000 in population in the incorporated area. Today, in 2008, the City has 12.60 per 1,000; a smaller ratio today even though the City has more employees than in 2002. The bulk of the staff increase is for public safety with 26% for police and 18% for fire.

City Manager Kadrach reviewed the City facilities and identified the structures that need replacement or attention, including Fire Station #1 and the Quonset huts.

Interim Deputy City Manager Trent Prall reviewed the 2008 planned projects by sector within the City including those that are partnerships with the School District and the Downtown Development Authority. There are also a number of facility improvements in the Capital Improvement Program.

Interim Deputy City Manager Prall then turned over the budget review to the Department Directors for departmental review, by first introducing Fire Chief Ken Watkins.

Chief Watkins said he likens his department to people, places and things. The department is looking at increasing staff personnel to help with the increase in calls, and for future planning of the many upcoming retirements. The department is working on the design of the new safety services facility which will include fire, police, and municipal court. Money has been put into the budget for general maintenance, and minor fire station improvements. In addition, the department is looking at future

locations for the next fire station in keeping with the City's growth. First Responder Training partnership facility, in addition to new employee training, is going to be a big part of 2008. There will be upgrades to technology to allow for on-line reporting for greater efficiencies, as well as being used for fire prevention.

Chief Watkins said they are waiting to hear about several federal grants, in addition to the revenue source from EMS services and the contract with the Grand Junction Rural Fire Department.

Chief Watkins said that labor costs are the highest portion of the budget. He detailed the operating costs for operating the station, uniforms for new officers, and contract services.

Council President Doody asked about fire fighting in high rises, and will there be an impact on service. Chief Watkins said the department does do aboveground training, and currently has one arterial apparatus for these situations. The department has submitted an energy impact grant for an additional ladder truck for taller buildings.

Police Chief Bill Gardner was brought to the podium to discuss the Police Department budget. Chief Gardner stated that staffing was below authorized level for nearly the last year and one-half that he has been Chief of Police. Staffing levels have been increased, to full staffing levels, but he will continue to address the staffing issue of both new recruitments, and employee retention in order to provide the necessary services. Maintaining human resources is the main focus of the department.

Police Chief Gardner said that in partnership with Mesa State College, a new Police Academy was put into place. In order to sustain human resources they will have to provide good work conditions, and continued training. The planning for the new Public Safety Building is a critical piece for the department. Additional staff for the Communication Center is supported by the Communications Center Board who provides some of the funding for these positions. He supported the planning for the new Public Safety facility.

Darren Starr, Acting Utility and Street Systems Director, reviewed the department's focus as being resource stewardship, which includes both the work force and the customers. The challenge is to provide the services and protect and preserve these resources. He identified the challenges and opportunities the department is facing. There are additional mandates, there is competition for labor, demand with Federal regulations ruling water and wastewater, and working towards green policies (recycling).

Public Works and Planning Director Tim Moore discussed department reorganization to include Planning into the Public Works department, and the special projects that they

are involved in such as the Riverside Parkway, Infill Redevelopment Program, and Land Use Comprehensive Plan.

Mr. Moore discussed the four different divisions within the department:

- Planning – Professional Planners who handle the review process for current and long range projects
- City Engineering and Development Engineering – Provide civil engineering services, relating to capital projects or development review, and includes other divisions such as: real estate, drafting, and construction inspection
- Transportation Engineering – Provides professional transportation and engineering services, maintains traffic signals, striping, and signage
- Riverside Parkway – Implemented in November 2003

Mr. Moore discussed “Where they are Going”, including the Capital Improvements Program, development of the Comprehensive Plan, improvements to the planning process, and completion of the Riverside Parkway. Looking at the department’s budget, he explained the increased labor costs, as well as non-personnel operating cost. The capital demand goes way down in 2008 since 2007 was the peak year for the Riverside Parkway.

Visitor and Convention Bureau (VCB) Director Debbie Kovalik gave an overview of their mission and goals to encourage visitors to come to Grand Junction and explained how they attract visitors. This is the first time the City of Grand Junction has had the highest hotel occupancy rate (82%) in the State, in what is typically called the “shoulder season” month.

VCB Director Kovalik said in 2008 the VCB will incorporate an aggressive marketing program to attract younger, (30ish) visitors, affluent and culturally minded visitors, and outdoor activity-minded visitors by working more closely with web booking companies like Travelocity and Orbit. There will be a focus on infrastructure using photography, videography, i-pod casting, and new online tours designed for the website. There are plans to redesign the Visitor Center exhibit to be more technology driven, as well as installing web cams in various places throughout the downtown area. In the off-season there will be a Culinary and Culture promotion, and the Air Show in September. One additional staff person is being requested to help with marketing. They plan to market for increased air service. There were no capital expenses planned for 2008.

Interim Deputy City Manager Trent Prall reviewed Administration’s proposed budget. Administration helps the various business units throughout the City organization. He reviewed the new technology advances including video streaming, and upgrades to the City Auditorium. There is only one additional staff requested, the Electronic Records Manager, in the City Clerk’s office. A new financial system will be implemented in 2008

as well as a new utility billing system. A data sharing system called Coplink will be implemented in the Police Department which will allow for the ability to link to other surrounding agencies.

Interim Deputy City Manager Prall said planning for the retirement of many experienced staffers through succession planning is being coordinated by Human Resources. In addition, the new CityScape video programs being produced by Administration will continue and be expanded.

Interim Deputy City Manager Prall said Neighborhood Services will continue to promote community services like neighborhood programs and block parties, while the Fleet Division is going "green". The Fleet Division will be working with and promoting efforts along with the GJ CORE group, to address conservation on a number of different fronts.

Interim Deputy City Manager Prall finished by saying that the capital expenditures in the Administrative budget include the replacement of computers and fleet vehicles scheduled for replacement.

Parks and Recreation Director Joe Stevens reviewed a number of their goals and objectives. He said every department has been affected by the growth. The appearance and first impression of the community is very important, and the Parks and Recreation Department is responsible for maintaining those areas. Secondly, the department promotes healthy lifestyles, and the new pricing structure will make their recreation programs more inclusive. Due to demand, many of the facilities are booked to capacity. The main budget request is in the area of personnel to maintain the facilities. Director Stevens said that the capital expense includes completion of the tennis complex, and the parking area in Canyon View Park. Completion of the items; however, will not complete the Park. The rest of the capital is for Two Rivers Convention Center.

City Manager Kadrich wrapped up the presentation by assuring the City Council that Staff is tracking the booming economy to make sure past experiences will not impact the community again. There are other factors besides the Energy Industry. Ensuring there is attainable housing is very much a focus. She further explained the need for succession planning and retaining experienced employees by moving them into other career tracks. Last, but not least, there is the work being done on the Comprehensive Plan which will guide the City in planning for future growth.

That concluded the Staff presentation. Council President Doody opened it up for public comment.

Don Hartmann, 388 Hidden Valley Court, Development Director for the Grand Junction Housing Authority (GJHA), thanked the Council on behalf of the board and the Executive Director for their support.

Martha Graf, Executive Director for Kids Voting Mesa County, thanked the Council for their consideration in funding the program, and she vowed to continue to increase civic participation by reaching out to teachers and students.

Lena Elliot thanked the Council for completing the next phase at Canyon View Park.

Tim Foster, President, Mesa State College, thanked the City Council for their consideration by helping with the funding of the next phase of the Mesa State College expansion.

There were no other public comments.

The public hearing was closed at 8:33 p.m.

Councilmember Coons thanked the City Manager and staff for the presentation, and feels fortunate the City is able to do the things they are doing for the community.

Councilmember Palmer asked about spending down revenue reserves, and where are those balances.

City Manager Kadrach said that the City has in excess of \$30 million in reserves in all funds, and deferred to Ms. Romero for exact figures.

Ms. Romero replied that the general fund reserve balance by the end of 2008 will be \$21.8 million.

Councilmember Palmer asked if these funds are at levels that need to be maintained.

City Manager Kadrach said reserves are set aside for additional future projects. Another portion is operating reserves which are \$7 million that covers TABOR issues, and operating reserves. The spending of the reserves does not adversely affect the City's financial position or bond rating.

Councilmember Todd thanked the Staff and the City Manager for the budget workshop process as well as the presentation.

City Manager Kadrach said the presentation is only a portion of the information that is available to the public. A booklet summarizing the budget will be published.

Councilmember Coons made known that both the City Council and Staff spent considerable hours at workshops going through the budget, in addition to the hours Staff spent preparing the budget.

Councilmember Beckstein said the process this year was much easier to digest and understand, and was more informative than in the past. She thanked City Manager Kadrach for the new approach.

Councilmember Doug Thomason asked if this was an award winning budget, as it was referred to in years past. City Manager Kadrach said the financial structure will meet the criteria.

Councilmember Thomason said he appreciated the method used in the budget preparation process. City Manager Kadrach said the budget was a difficult topic to present to elected officials, but it is easier if the information is presented in smaller pieces.

Councilmember Palmer said the Council has had countless meetings and lots of hours of complex discussion, and it is not possible for everyone to love every piece. He said he had issues with the employee pay because of the cost of living adjustment which he feels is a double raise, but that it is hard to hold out one piece when the entire body of the budget has been prepared so thoroughly. He has great confidence in this budget.

Councilmember Hill commented on the process. Addressing City Manager Kadrach, he said that she did a great job keeping Council updated, listened to Council comments and asked them for input on the process. Everyone was engaged as a team, and the budget reflects planning for the future, creating an award winning community with visionary leadership by leveraging dollars that impact this community in a huge way. He noted that 31% of the budget is capital, invested in the community, which is very rare. He is looking forward to celebrating the opening of Riverside Parkway next year, and he lauded the community's support to be able to use TABOR excess to pay off bonds. He would like to see the City develop a City facilities replacement fund.

Councilmember Todd said she would like to reach out to the department heads who brought forward the human element during this process.

City Manager Kadrach said that the key focus in this year's budget was for our No. 1 resource, people. The City is not a type of business that can turn over the kind of service delivery to technology, and it is rare that the City would be able to contract out the kind of services that the City provides. In addition, City Manager Kadrach said looking to the future market for employees was a huge issue as she looked at the budget. She said that she is confident that the formulas used addressed the needs in the community, the growth, and the impact that the City employees have had. As a

result she believes that it is a fair and equitable presentation this year for a compensation package, as well as the request for added Staff that the City needs.

Councilmember Coons said the employees are also citizens of the community, and she commended the City Manager for seeing that they have the financial ability to live, work, and play in the community.

Councilmember Palmer said this is a budget that contains much benefit to the community outside of operating expenses, and includes a great number of community partnerships.

Council President Doody commended Ms. Romero on the way she prepared the budget. He said the partnership piece is so important, and he listed a number of them, and the creative ways to make the community better. He is looking forward to working with the CORE (Conserving our Resources Efficiently) group moving toward efficiency and resource conservation. Council President Doody then thanked the City Manager for all her effort she has put forward.

a. Second Supplemental Appropriation Ordinance for 2007

Ordinance No. 4152—An Ordinance Making Supplemental Appropriations to the 2007 Budget of the City of Grand Junction

b. 2008 Budget Appropriation Ordinance

Ordinance No. 4153—An Ordinance Appropriating Certain Sums of Money to Defray the Necessary Expenses and Liabilities of the City of Grand Junction, Colorado, the Downtown Development Authority, and the Ridges Metropolitan District for the Year Beginning January 1, 2008, and Ending December 31, 2008

Councilmember Hill moved to adopt Ordinance Nos. 4152, and 4153, and ordered them published. Councilmember Beckstein seconded the motion. Motion carried by roll call vote.

Non-Scheduled Citizens & Visitors

There were none.

Other Business

Councilmember Todd asked if there is a contingency fund for heat on her end of the dais.

Council President Doody reminded everyone of Friday, December 7th honoring World War II Veterans.

Adjournment

The meeting adjourned at 9:00 p.m.

Stephanie Tuin, MMC
City Clerk