

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

**March 3, 2010**

The City Council of the City of Grand Junction convened into regular session on the 3<sup>rd</sup> day of March 2010 at 7:02 p.m. in the City Auditorium. Those present were Councilmembers Bonnie Beckstein, Teresa Coons, Tom Kenyon, Gregg Palmer, Sam Susuras, and Council President Bruce Hill. Councilmember Bill Pitts was absent. Also present were City Manager Laurie Kadrach, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Council President Bruce Hill called the meeting to order. Council President Hill led in the Pledge of Allegiance.

**Citizen Comments**

Neal Kaspar, 503 River View Drive, addressed the City Council regarding medical marijuana dispensaries. He addressed the City Council previously on this issue. After that he met with the proprietor and the investors of the proposed dispensary across from the Messiah School. The facilities will not be going into the location across from their school.

**Presentations**

2010 Budget Amendment Presentation

City Manager Laurie Kadrach presented this item. She said this is a follow up to the workshop that occurred a few weeks ago. She said the 2010 budget process started in the fall of 2009. The budget was based on 2006 revenues. Unfortunately the revenues streams were lower than 2006. The budget was able to be balanced in 2009. January 2010 collections were 20% lower than last January. February 2010 is 16% less than last February. Retail sales seem to be up but that does not mean that is a trend.

City Manager Kadrach then reviewed the City Council goals regarding the budget and what the City has done in regards to local stimulus projects. They are infrastructure projects to the tune of \$13,600,000. There is \$30 million in construction projects planned for 2010 which will result in a \$453 million local economic impact. This is based on a factor from the Economic Development Corporation. The other major expense the City has is the pay off of the Riverside Parkway debt.

City Manager Kadrach then reviewed the General Fund revenues that have declined from 2008. There were a few offsets: a slight increase in cable franchise fees, a slight increase from the Highway User Tax Fees, and an increase in property tax. The total of these offsets do not make up for the lost revenue in other areas.

City Manager Kadrach reviewed the various ways the City has operated with existing revenues. The 29 Road viaduct project was delayed while awaiting grants. The City in partnership with the County did receive \$3.2 million from the Department of Local Affairs (DOLA).

Councilmember Palmer asked what development projects will be coming forward this year. City Manager Kadrach listed Cabelas, American Furniture Warehouse, two motels, and a new City Market to name a few.

Councilmember Beckstein asked about the 3% growth which is based on 2006, not on 2009. City Manager Kadrach concurred. She added that the City has not seen a population decline like what happened in the 1980's. People have left from the energy industry and from the construction industry but there are still people moving here. This data is based on the number of utility customers and school enrollment.

Councilmember Palmer noted the number of vacant rentals.

Councilmember Kenyon added that some empty houses may still have utilities hooked up. From a real estate perspective, he does not see good times for a while but houses are cheaper, so there is opportunity for buyers. There is still a lot of uncertainty.

Council President Hill noted it is barely March and even the revision could still need to be adjusted. It is good to know there are projects coming.

City Manager Kadrach noted the City will be the last to benefit from the new projects. Even people who get jobs will take time to recover from this downturn. That is why the City is staying conservative but may not be conservative enough.

City Manager Kadrach then reviewed the reductions that have been made. There was a 3% salary reduction and there has been a reduction in work force program that has reduced the work force by 70 positions.

The City has stayed committed to capital projects. City Manager Kadrach listed 14 ways to further reduce the budget to the tune of \$4,836,300. Two other items will be deferred until the fourth quarter- \$500,000 to Mesa State College and the fire station alerting system for \$200,000. Many of the fourteen items will affect services in the community and City Manager Kadrach detailed some of those things that will be noticeable in the community such as no street overlays and the collapse of the Code Enforcement division.

Councilmember Coons asked about Code Enforcement issues that might be health and safety issues and asked if discussions have taken place with the County to share

resources. City Manager Kadrach said discussions have taken place and are continuing in that regard.

Councilmember Palmer asked how long the deferments can happen. City Manager Kadrach said in some cases the City will be okay but an area of concern is vehicle replacement. If there is a problem piece of equipment, it will be replaced through the fleet replacement fund so that it is not a maintenance problem. The chip seal project will likely be done in phases and citizens may not like that. Park maintenance is another area that will be reduced.

Councilmember Palmer asked City Manager Kadrach to identify the programs that will continue. City Manager Kadrach said every program that is revenue neutral will continue. Councilmember Palmer asked about Spring Cleanup. City Manager Kadrach said Spring Cleanup will take place. Spring Cleanup is a big recycling program. Recycling from others is encouraged. The Leaf Removal Program will also continue. It is a minimal cost. Picking up the leaves keeps the drain systems clear.

Councilmember Susuras asked about the payment to Mesa State College and if that will extend the time period. City Manager Kadrach said she would prefer to keep the term the same and increase the payment to catch up.

Councilmember Susuras asked if the fire alerting system is a safety situation. City Manager Kadrach said it is not and they are looking at possibly phasing some of it in.

Next, City Manager Kadrach addressed the work force numbers. Currently the City is at 643 full time employees which computes to 11.07 employees per 1,000 in population.

Councilmember Coons asked how many employees in Public Safety participated in the workforce reduction program. City Manager Kadrach said there was one, there were other retirements but those were backfilled with the over hire positions. She then identified a number of job shifts.

Councilmember Kenyon asked about the 70 position reduction that is being taken over a period of time and if the \$3.7 million is the net gain for the year. City Manager Kadrach confirmed and stated that the savings will not be completely realized until next year's budget. There is still a hiring freeze in place. There is some hiring in specialized areas but the numbers are reduced.

City Manager Kadrach demonstrated how the area served by the City has increased and the number of employees per 1,000 in population is lower than in 1973. The City's area is now 37.8 square miles compared to 8.5 square miles in 1973.

Council President Hill thanked City Manager Kadrich for the presentation noting that the budget is a tool and can continue to be adjusted.

Councilmember Coons thanked the Staff for putting together the presentation.

### **CONSENT CALENDAR**

There were no items on the Consent Calendar.

### **ITEMS NEEDING INDIVIDUAL CONSIDERATION**

#### **Non-Scheduled Citizens & Visitors**

There were none.

#### **Other Business**

There was none.

#### **Adjournment**

The meeting was adjourned at 7:57 p.m.

Stephanie Tuin, MMC  
City Clerk