

GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY October 17, 2022

Meeting Convened: 4:00 p.m. The meeting was held in person at the Fire Department Training Room, 625 Ute Avenue, and live streamed via GoToWebinar.

City Councilmembers Present: Councilmembers Phil Pe'a, Randall Reitz, Dennis Simpson, Rick Taggart, Mayor Pro Tem Abe Herman and Mayor Anna Stout. Councilmember Chuck McDaniel was absent.

Staff present: City Manager Greg Caton, City Attorney John Shaver, Community Development Director Tamra Allen, Human Resources Director Shelley Caskey (virtual), Finance Director Jodi Welch, Deputy Finance Director Ashley McGowen, Financial Analyst Matt Martinez, Budget Coordinator Linda Longenecker, General Services Director Jay Valentine, Parks and Recreation Director Ken Sherbenou, Fire Chief Ken Watkins, Interim Police Chief Matt Smith, Visit Grand Junction Director Elizabeth Fogarty, Assistant to the City Manager Johnny McFarland, City Clerk Amy Phillips, and Records Manager Debbie Kemp.

1. Discussion Topics

a. 2023 Budget Workshop: Economic Development Partners Budget Discussion- Western Latino Chamber of Commerce and Business Incubator, Horizon Drive Business Improvement District, Downtown Development Authority, Downtown Business Improvement District, Non-Profit Funding, Economic Development Funding

City Manager Caton reviewed the agenda and gave a summary of the presentations from the various Economic Development Partners.

The WCLCC and BIC receive a portion of the revenue generated from the vendors fee cap for business retention/start up support, and makers space/incubator kitchen respectively. The BIC receives funding for ongoing operation from other City resources. For 2023, they requested funding in the amount of \$35,000 for WCLCC and \$137,600 for BIC (including \$53,600 for operations).

The Horizon Drive Business Improvement District has a new Executive Director Jonathan Purdy who started his position on October 3, 2022. The District has two proposed budgets based on the results from the upcoming November 8th election, asking voters to "De-Bruce" the District. If the ballot question passes, the 2023 budget will be \$222,287 in revenues and \$242,879 in expenses resulting in a -\$20,592 net income, but a proposed Fund balance ending 2023 at \$321,015. If the ballot question does not pass, the 2023 budget will be \$115,862 in revenues and \$242,879 expenses for a -\$170,017 net income, but a proposed ending 2023 Fund balance of \$214,590.

Brandon Stam, Executive Director for the Downtown Development Authority (DDA) presented the proposed Downtown Business Improvement District Operating Plan and Budget of \$438,240 in revenue and \$421,318 in expenses with a projected 2023 year end fund balance of \$163,620, as well as the DDA's budget for 2023.

Mr. Stam also presented the DDA proposed 2023 budget for Fund 103 as \$1,329,440 and \$1,233,922 in expenses, and \$2,850,737 in revenue vs \$2,800,942 in expenses for Fund 611. The projected fund balance at the end of 2023 for Fund 103 is \$2,258,236 and \$2,083,692 for Fund 611 for a combined total of \$4,341,928.

Economic development is identified as a City Council strategic priority and the City has devoted significant funding toward the development of strategies and amenities designed to strengthen the community as a regional economic hub and attract new residents and businesses. Economic Development can be seen in two major areas of the budget: 1) In core services and through the associated capital plans which fund improvements to street infrastructure and public amenities such as parks, trails, community sports, and recreation facilities and 2) Supporting agencies that directly engage in economic development. Economic Development funding comes from the 0.75% sales tax, the vendor fee cap, and the General Fund. The 2023 Recommended Economic Development Budget is \$6.5 million.

- \$1,055,000 – Colorado Mesa University
- \$598,312 – Grand Valley Transit
- \$500,000 to Economic Development Partners from vendors fee cap
- \$2.4M – City Council Infill Policy
- \$1.8M Downtown Development Authority

A break was called at 5:17 p.m. The workshop resumed at 5:40 p.m.

Support of community non-profit organizations is allocated through Community Development Block Grant (CDBG) funds as well as direct funding. For direct funding, community non-profit organizations request funds be allocated in the City's budget annually, beginning with an application process in the summer. Each applicant is asked to fill out a form which helps characterize the nature of their request as well as a description of how the request aligns with the City's Strategic Priorities. Based on Council direction, the process for the 2023 Non-Profit Funding requests was changed to break requests into two tiers based on the amount requested.

Tier 1 includes requests for \$50,000 or less and Tier 2 includes requests greater than \$50,000. Through media release, website presence, direct communication, and a longer application period, more agencies were reached and applied for funding. Non-profit funding comes from the General Fund, and after reviewing applications for alignment with the City's Strategic Priorities, history of funding, and type of request, this year staff was able to recommend funding for 32 agencies based on available resources. The 2023 Recommended Budget for non-profit funding is \$878,221.

In 2023 the recommended capital plans dedicate \$66.7M to critical utilities, transportation, street maintenance, parks and recreation amenities, public safety, trails, drainage, and curb, gutter, and sidewalk projects.

ARPA Update – The ARPA committee recommended 6 entities for funding. After discussion and direction from Council, staff will schedule a meeting with the six recommended entities as well as Homeward Bound to make presentations before Council.

Capital Public Works – presented by Public Works Director Trent Prall

Mr. Prall reviewed his 2023 proposed Capital Budget.

He spoke to Council's Strategic Priority *Mobility & Infrastructure* and highlighted the following projects and costs slated for 2023:

- \$9,000,000 – F ½ Parkway, Market Street to Patterson Road beginning of \$17M project (transportation bonds)
- \$3,525,000 – Street Maintenance
- \$2,550,000 – F ½ Parkway – Three Arrows – 23 ½ Road to 24 Road
- \$2,100,000 – North Avenue Enhanced Transit Corridor
- \$1,500,000 – Three Arrows Drainage Replacement
- \$900,000 – Alley Improvement Districts; GJHS, Main St (\$300,000 assessment revenue)
- \$620,000 – Quiet Zone Implementation

He presented a slide that represented the various proposed projects around the community that will be constructed with funds authorized by the voters through issuance of transportation bonds.

- I-70 Interchange at 29 Road and its partnerships that total \$2.4M 2022-2024 split with Mesa County.
- Safe Routes to School and Sidewalk Improvements \$600,000
- 4th-5th Street Implementation - \$700,000 in 2023 (\$150,000 CDOT); \$3.35M 2024-2027
- Crosby Ave \$2,500,000, \$1,000,000 coming from CDOT
- Tour of the Moon: South Broadway Improvements \$300,000
- Highway 50 at Palmer Street \$461,500

Capital - Parks and Recreation presented by Parks and Recreation Director Ken Sherbenou

Mr. Sherbenou reviewed the 2023 proposed Parks and Recreation Capital projects and stated that Parks and Recreation has \$3.7M worth of projects themed around taking care of what we have; some of the projects highlighted were:

- \$1,200,000 – Canyon View Park Asphalt Parking Lot Renovations
- \$500,000 – Trail Repairs (Parkland funded)
- \$400,000 – 5th Street Plaza Restrooms (DDA \$200,000)
- \$325,000 – Lincoln Park Pool Replaster & \$50,000 Pool Boiler (CTF)
- \$130,000 – Las Colonias River Park, Dog Park Shade Structures (Parkland)
- \$100,000 – Emerson Park Destination Skate Park Design
- \$75,000 – Water Conservation Projects Turf to Native

He also highlighted the Lincoln Park Pool renovations and how they align with Council's Strategic Plan Priority: Quality of Life.

- \$325,000 Pool Replaster
- \$50,000 Boiler Replacement

Utilities Department - Water Services presented by Water Services Manager Mark Ritterbush

Mr. Ritterbush reviewed the 2023 proposed budget and Capital projects.

Water System

Infrastructure Maintenance

- Distribution \$320,000
- Water Treatment Plant \$89,000

Support Managed Growth \$110,000

- 30 New Taps

Additional Staff to Improve Reliability and Enhance Sustainability

- Water Plan Operator
- Pipeline Maintenance Crew Leader
- Water Conservation Specialist

He stated maintenance of the City's water infrastructure assets is critical to delivering high quality, reliable drinking water. The Utilities' asset management program focus will be to increase preventative maintenance activities and reduce the amount of corrective or reactive maintenance activities that may cause an interruption to service such as a waterline break. The budget includes:

- \$50,000 for repair/replacement of chemical pumps, filters, and laboratory equipment.
- \$45,500 for a backup generator at the Kannah Creek water treatment plant to improve reliability and building improvements at both the Kannah Creek and Grand Junction water treatment plants to improve safety, security and energy conservation.

He addressed the following affordable water rates and how they promote water conservation.

- 2% rate increase on base rates (less than 3,000 gallons of water use per month)
- 7% is recommended for higher water usage tiers
- 5% for Bulk Water
- Ridges Irrigation 10% to Golf and 5% to residential.
- Plant investment fee
- Increase based on 3-year phase (2020-2022)
- \$180,000 for plant investment fees based on limited growth within the City water service area (34 new taps)
- \$165,000 for raw water sales at City Parks (flat rate of \$1.60/1,000 gallons)

His presentation covered water plant investment and tap fees, graywater control program fees, and City rates compared to Grand Junction area water rates.

He stated that the Utilities-Water Operating Budget is proposed at \$7M, and the Utilities-Irrigation Operating Budget is proposed at \$343,778.

Water Fund – Capital Improvement Plan totals \$3.7M.

Highlighted projects:

- Condition Inspection of Lower Kannah Creek Flowline \$150,000
- Design of Kannah Creek Flowline (Reeder Mesa to Whitewater Creek) \$150,000
- Replacing remaining 7 miles of the Purdy Mesa flowline (7.0 miles)
- Replacement of 3 miles of Kannah Creek flowline between the Intake and Juniata Reservoir
- Intertie between Kannah Creek and Purdy Mesa Flowlines to improve reliability.
- Water Rights Infrastructure Development \$100,000
- Grand Mesa Reservoirs \$50,000
- Ranch Improvements/Sustainable Agriculture Plan \$200,000
- Carson Lake Dam Rehabilitation, \$500,000
- Grand Mesa Reservoir Improvements, \$280,000
- Improve flow capacity to the Dos Rios development
- Continue a lead service line replacement program. This program includes replacement of the municipal service line as well private service lines for properties that qualify for Community Development Block Grant (CDBG) funding.

Mr. Caton closed budget presentations outlining Next Steps.

- October 18th Joint Persigo Board Budget Meeting -
- October 31st Workshop – 4 to 6 pm Sports Commission, Budget Discussions
- November 2nd First Public Presentation and Ordinance Reading
- December 7th Second Public Presentation and Ordinance Reading

2. City Council Communication

Staff will ask Grand Junction Economic Partnership to attend the Workshop on the 31st. Mayor Pro Tem Herman explained that he would not be at the October 31st workshop and ask several questions regarding budget line-item increases. All questions were answered by increases in personnel, expenses move from one department to another, and PTO buyouts.

Councilmember Simpson asked about Capital projects updates. He asked for a Capital Projects Update by the October 31st workshop. Staff stated they will make that available as soon as possible.

There was discussion about City Manager and City Attorney goals and reviews.

3. Adjournment

There being no further business, the Workshop adjourned at 7:37 p.m.