



# **SPECIAL MEETING AGENDA**

## **FORT COLLINS CITY COUNCIL**

**November 2, 2005**

Doug Hutchinson, Mayor  
Karen Weitkunat, District 2, Mayor Pro Tem  
Ben Manvel, District 1  
Diggs Brown, District 3  
Kurt Kastein, District 4  
Kelly Ohlson, District 5  
David Roy, District 6

City Council Chambers  
City Hall West  
300 LaPorte Avenue  
Fort Collins, Colorado

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on the Comcast cable system

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### **Proclamations and Presentations 5:30 p.m.**

- A. Proclamation Proclaiming November 2, 2005 as "David Hall Day."
- B. Proclamation Proclaiming "Patience as the Community Character Focus of the Month" for November 2005 in the City of Fort Collins.

### **Regular Meeting 6:00 p.m.**

#### **PLEDGE OF ALLEGIANCE**

- 1. CALL MEETING TO ORDER.
- 2. ROLL CALL.
- 3. CITIZEN PARTICIPATION (limited to 30 minutes)

Individuals who wish to address the Council on items not specifically scheduled on the agenda must first be recognized by the Mayor or Mayor Pro Tem. Each speaker is allowed 5 minutes. If there are more than 6 individuals who wish to speak, the Mayor may reduce the time allowed for each individual.

- State your name and address for the record
- Applause, outbursts or other demonstrations by the audience is not allowed
- Keep comments brief; if available, provide a written copy of statement to City Clerk

4. CITIZEN PARTICIPATION FOLLOW-UP:

This is an opportunity for the Mayor or Councilmembers to follow-up on issues raised during Citizen Participation.

5. AGENDA REVIEW: CITY MANAGER

### Consent Calendar

The Consent Calendar consists of Items 6 through 8. This Calendar is intended to allow the City Council to spend its time and energy on the important items on a lengthy agenda. Staff recommends approval of the Consent Calendar. Anyone may request an item on this calendar to be "pulled" off the Consent Calendar and considered separately. Agenda items pulled from the Consent Calendar will be considered separately under Item No. 10, Pulled Consent Items. The Consent Calendar consists of:

- Ordinances on First Reading that are routine;
- Ordinances on Second Reading that are routine;
- Those of no perceived controversy;
- Routine administrative actions.

6. Items Relating to the Funding of Projects at the Fort Collins-Loveland Municipal Airport.

- A. Resolution 2005-113 Authorizing the Execution of a Grant Agreement with the State of Colorado for Funding of Airport Projects at the Fort Collins-Loveland Municipal Airport.
- B. First Reading of Ordinance No. 128, 2005, Authorizing the Appropriation of Funds of the Fort Collins-Loveland Municipal Airport for Expenditure to Be Used to Purchase Snow Removal Equipment for Use at the Airport.

**Item A**

A grant from the State of Colorado in the amount of \$250,000 was approved by the Aeronautic Board on September 30, 2005. The Resolution authorizes the Airport Director to accept the grant on behalf of the Cities. The funds will be used to purchase the high-speed snow plow truck with blade and power sweeper attachments. The snow removal equipment is needed to meet FAA requirements for safety and time requirements for clearing snow and ice from the runway, taxiways, ramp areas and access roads. The grant does require a local

match of \$46,000 and Fort Collins' portion (\$23,000) has been previously appropriated for this purpose.

**Item B**

Additional appropriations in the amount of \$160,889 are needed for Airport improvements. In order for the Cities to expend this amount, each City must appropriate its half, \$80,444.

The projects included on the Summary have been identified as high-priority and are supported by the FAA and State Division of Aeronautics. The notable additional project on the Summary is the purchase of a high-speed snow plow truck with blade and power sweeper. The Colorado Aeronautical Board and the Division of Aeronautics awarded the Fort Collins-Loveland Municipal Airport a grant in the amount of \$250,000 for aviation purposes. A portion of the aforementioned grant proceeds was previously appropriated for capital improvements in the 2005 Airport operating budget and the Airport Manager recommends that unappropriated grant proceeds, totaling \$160,889, be appropriated and used with other, previously appropriated, Airport funds to purchase snow removal equipment.

7. First Reading of Ordinance No. 129, 2005, Authorizing the Conveyance of a Sanitary Sewer Easement for a Spring Creek Ranch, LLC Development.

Spring Creek Ranch LLC, is developing an 11-acre parcel located at 1926 Hull Street into 88 condo units. The proposed easement will connect the project to the existing City sewer line under Spring Creek Trail located to the north of the subject property. The City Parks Department is in agreement to allow the connection under above-said trail. The irregular-shaped easement would contain 120 square feet to install an eight inch sewer line.

8. Items Pertaining to the Minatta Annexation and Zoning.

- A. Resolution 2005-114 Setting Forth Findings of Fact and Determinations Regarding the Minatta Annexation.
- B. Hearing and First Reading of Ordinance No. 130, 2005, Annexing Property Known as the Minatta Annexation.
- C. Hearing and First Reading of Ordinance No. 131, 2005, Amending the Zoning Map of the City of Fort Collins and Classifying for Zoning Purposes the Property Included in the Minatta Annexation.

This is a request to annex and zone 35.829 acres located on the west side of Overland Trail, at the southwest corner of the Overland Trail - West Elizabeth Street intersection. The property is partially developed, containing one existing single-family residence (with out-buildings) and a portion of the existing Fort Collins-Loveland Water District Pump Station. It is in the FA1 – Farming Zoning District in Larimer County. The requested zoning in the City of Fort Collins is RF - Residential Foothills (15.132 acres) and LMN – Low Density Mixed-Use Neighborhood (20.697 acres).

Staff is recommending that this property be included in the Residential Neighborhood Sign District. A map amendment will not be necessary to place this property on the Residential Neighborhood Sign District Map.

## END CONSENT

9. Consent Calendar Follow-up.

This is an opportunity for Councilmembers to comment on items adopted or approved on the Consent Calendar.

10. Pulled Consent Items.

11. Staff Reports.

12. Councilmember Reports.

## Budget Items

The method of debate for discussion of these items is as follows:

- Mayor introduces the item number, and subject; asks if formal presentation will be made by staff
- Staff presentation (optional)
- Mayor requests citizen comment on the item (five minute limit for each citizen)
- Council questions of staff on the item
- Council motion on the item
- Council discussion
- Final Council comments
- Council vote on the item

**Note:** Time limits for individual agenda items may be revised, at the discretion of the Mayor, to ensure all citizens have an opportunity to speak.

13. First Reading of Ordinance No. 132, 2005, Being the Annual Appropriation Ordinance Relating to the Annual Appropriations for the Fiscal Year 2006 and Adopting the Budget for the Fiscal Years Beginning January 1, 2006 and Ending December 31, 2007, and Fixing the Mill Levy for Fiscal Year 2006. (90 minutes – 10 minute staff presentation)

Preparation of the 2006-2007 biennial budget has been a tremendous challenge due to: a new approach to budgeting and service planning, an ongoing constraint on revenue growth, and rising costs. By utilizing the *Budgeting for Outcomes* (“BFO”) approach we are attempting to address the fundamental question: How can citizens get the most value for the taxes and fees they pay?

The purpose of utilizing the BFO approach is to:

- Identify what's important to this community and develop a sound financial and service plan to achieve those outcomes;
- Allocate dollars based on current priorities and results, not simply increase last year's spending;
- Effectively deal with revenue limitations; and
- Emphasize accountability, efficiency, innovation and partnerships.

Using this approach, City Council and staff worked in close collaboration to build a financial plan, based on revenue available, that will achieve service outcomes which matter most to our citizens and community.

The Net City Budget, which excludes internal transfers between funds is \$373,721,871 for 2006 and \$373,289,082 for 2007.

The total City budget for 2006 is \$476.7 million and for 2007 is \$463.9 million. The **Net Operating Budget** (the money necessary for operating day-to-day services, excluding transfers between funds, debt service and capital projects) for 2006 totals \$308.8 million and for 2007 totals \$322.6 million.

The **Capital Improvement** expenditures for 2006 total \$39.4 million and for 2007 total \$26.4 million.

**Debt Service** will be \$25.5 million in 2006 and \$24.3 million 2007. The debt service for both years is within the Council's policy debt target of 15% of the combined general debt service and Special District Funds' revenue.

14. Items Relating to 2006 Water, Wastewater, Stormwater Plant Investment Fees and Electric Development Charges. (30 minutes – 10 minute staff presentation)

- A. First Reading of Ordinance No. 133, 2005, Amending Chapter 26 of the City Code to Revise Water Plant Investment Fees and Raw Water Requirements.
- B. First Reading of Ordinance No. 134, 2005, Amending Chapter 26 of the City Code to Revise Sewer Plant Investment Fees. (Option A - Full Implementation in 2006)

**OR**

First Reading of Ordinance No. 134, 2005, Amending Chapter 26 of the City Code to Revise Sewer Plant Investment Fees. (Option B - Phase-In Implementation - 1/3 in 2006)

- C. First Reading of Ordinance No. 135, 2005, Amending Chapter 26 of the City Code to Revise Electric Development Fees and Charges.
- D. First Reading of Ordinance No. 136, 2005, Amending Chapter 26 of the City Code to Establish Stormwater Plant Investment Fees.

These Ordinances adopt the water, sewer and stormwater plant investment fees and electric development fees. These fees were presented and discussed at City Council's August 23, 2005 work session. The fees are one-time charges paid by developers or builders for the cost of the utility infrastructure needed to serve a new development.

Two options are presented for the implementation of the sewer plant investment fees. Option A is 100% of the proposed increases as presented at the August 23 work session. Those fees result increases from 111% to 174%. Because of the large increases in Option A, Councilmembers requested a phased-in approach to implement the increases over three years. Option B implements one-third of the increases proposed in Option A for 2006.

The fee adjustments fluctuate by the size and nature of the development. The proposed increases vary from 3% to 44% for water. Depending on the drainage basin, the proposed stormwater plant investment fees vary from a 56% decrease to a 41% increase. Proposed electric development fee increases vary from 1% to 33%.

Plant investment fees (PIFs) for water and wastewater have historically been adjusted about once every five years. These PIFs were last adopted in 1998. Stormwater fees have been adopted as individual basin master plans were approved. With the exception of 2005, electric development fees have been revised annually. In the future, all utility PIFs/development fees will be reviewed annually and presented for Council consideration at least biennially in order to mitigate the impact of the adjustments in any one year.

15. First Reading of Ordinance No 137, 2005, Amending Chapter 26, Article IV, Division 4 of the City Code Relating to Wastewater Rates and Charges. (10 minutes – 5 minute staff presentation)

This Ordinance increases the City's wastewater rates by 5% effective January 1, 2006. The increase is applied "across the board" for all customers. With the proposed rate, a typical single family residential customer's monthly bill will increase from \$17.87 to \$18.76 or 89 cents per month. This is based on a system average 5,200 gallons per month winter quarter water use. No rate changes are proposed for electric, water or stormwater for 2006.

16. First Reading of Ordinance No. 138, 2005, Amending the City Code to Increase the Capital Improvement Expansion Fee, Street Oversizing Fee and Neighborhood Parkland Fee to Reflect Inflation in Associated Costs of Services. (10 minutes – 5 minute staff presentation)

This Ordinance increases the fee schedules for the Capital Improvement Expansion Fees and Neighborhood Parkland Fee by the actual 2004 and estimated 2005 changes in the Denver-Boulder-Greeley Consumer Price Index ("CPI"). Given that the 2004 CPI was 0.20% and that fees are adjusted by whole dollars, a significant portion of the individual fees would not have changed during 2005. Therefore, the 2004 CPI of 0.20% and the 2005 CPI of 1.90% have been combined, resulting in a cumulative change of 2.10%.

Costs in the Capital Improvement Expansion Fees ("CIEF") Study and the fee schedule for the Neighborhood Parkland Fees were calculated using costs from 1995. The fees were last adjusted in 2003. This Ordinance increases the CIEF and the neighborhood parkland fees by the combined increase in the CPI of 2.10%, and the Street Oversizing fees by 1.61%, which reflects the projected increase reported in the Engineering News Record.

17. Resolution 2005-115 Ratifying and Adopting the Proposed Transportation Development Review Fees in Accordance with Section 2.2.3(D) of the Land Use Code. (20 minutes – 10 minute staff presentation)

Transportation Services currently recovers approximately 44% of its development related costs from fees collected for the Development Construction Permit for administration to issue the permit and for construction inspection. At present no fee is collected for development review. As part of the City's budgeting process for 2006 and 2007, the City Manager's proposed budget includes increasing development charges to recover 80% of the development related costs for the Transportation Service Area. The additional revenues required for this purpose in the proposed budget are \$488,621 for 2006 and \$513,557 for 2007. The activities supported by the Transportation Development Review Fee include Engineering Development Review; portions of Traffic Engineering and Transportation Planning; and some Engineering overhead expenses.

Section 2.2.3(D)(1) of the Land Use Code establishes development review fees for the purpose of recovering the cost incurred by the City for processing, reviewing, and recording applications. Section 2.2.3(D)(2) of the Land Use Code states that the amount of the development review fees shall be established by the City Manager, or by the City Council if the City Manager so requests, and shall be based on the actual expenses incurred by the City.

By approval of this resolution the City Council ratifies and adopts the proposed Transportation Development Review Fee to recover about 80% of the City's cost for the Transportation Service Area to perform development related work. The Fee should be set to begin on January 3, 2006.

18. First Reading of Ordinance No. 139, 2005, Adopting the 2006 Classified Employees Pay and Classification Plan. (30 minutes – 10 minute staff presentation)

This Pay Plan continues in support of the practice of setting City pay range maximums at the market 70th percentile. Data from the public and private sectors, including reported published survey data and a special City of Fort Collins Compensation Survey, were used to determine the prevailing market rates for 100 benchmark jobs.

19. Resolution 2005-116 Adopting a Revenue Allocation Formula to Define the City of Fort Collins' Contribution to the Poudre Fire Authority Budget for the Year 2006 for Operations and Maintenance. (10 minutes – 5 minute staff presentation)

In December 1981, the Council entered into an agreement with the Poudre Valley Fire Protection District, creating the Poudre Fire Authority ("PFA").

According to the Intergovernmental Agreement between the City of Fort Collins and the Poudre Valley Fire Protection District, the City will contribute funding for maintenance and operating costs to PFA based on a Revenue Allocation Formula ("RAF"). The RAF is to be set annually based upon a percentage of sales and use tax revenues (excluding dedicated sales and use tax revenues that must be spent on specific projects) and a portion of the operating mill levy of the City's property tax. Article X, Section 20 of the State Constitution ("TABOR") limits the rate of growth to a combination of the Denver-Boulder-Greeley Consumer Price Index and additions to the local property tax base primarily due to construction and annexation. Although voters passed a ballot measure in November, 1997 allowing the City to retain excess revenues over the growth limits imposed by TABOR, the RAF is still reviewed annually and proportionately reduced, when necessary, if City revenues exceed the estimated annual percentage increase in revenues that the City would normally be permitted to retain under TABOR.

As in past years, the City initially calculated the RAF at a sum equal to .303 of one cent of the 2.25 cent sales and use tax applicable to all taxable sales and uses plus 67.09% of the property tax available for operations. That amount was reduced because the City's estimated revenues are expected to exceed the estimated annual percentage increase in revenues for 2006 that the City would normally be permitted to retain under TABOR. Based on these calculations, the City's 2006 contribution to the PFA for operations and maintenance is \$12,482,867.

In addition to the RAF contribution, the 2005-2006 Budget authorizes one mill of the City's property tax mill levy to fund the PFA's capital needs. This mill levy was approved by the Council in 1991 to provide additional funding necessary for anticipated capital improvements, including land acquisition, construction of additional stations, and acquisition of major fire fighting apparatus. The revenue from this dedicated mill is to be managed according to the property tax levy and revenue limitation provisions of TABOR. It is anticipated that the one mill tax levy will generate an estimated \$1,385,602.

20. Items Relating to the 2006 Downtown Development Authority Budget. (20 minutes - 5 minute staff presentation)

- A. First Reading of Ordinance No. 140, 2005, Appropriating Operating Funds and Approving the Budget of the Downtown Development Authority for the Fiscal Year Beginning January 1, 2006, and Fixing the Mill Levy for the Downtown Development Authority for 2006 at five mills.

The Board will adopt their proposed budget for 2006, totaling \$2,377,757, on November 3, 2005. The Board determined the mill levy necessary to provide for payment of administrative costs incurred by the DDA, at its regular meeting of October 6, 2005.

- B. First Reading of Ordinance No. 141, 2005, Appropriating Revenue in the Downtown Development Authority Debt Service Fund for Payment of Debt Service for the Year 2006.

This Ordinance appropriates funds for 2006 from the tax increment received by the City for the DDA for debt service payments.

21. Other Business.

22. Adjournment.

Every Council meeting will end no later than 10:30 p.m., except that: (1) any item of business commenced before 10:30 p.m. may be concluded before the meeting is adjourned and (2) the City Council may, by majority vote, extend a meeting until no later than 12:00 a.m. for the purpose of considering additional items of business. Any matter which has been commenced and is still pending at the conclusion of the Council meeting, and all matters scheduled for consideration at the meeting which have not yet been considered by the Council, will be continued to the next regular Council meeting and will be placed first on the discussion agenda for such meeting.