

AGENDA

OF THE

COUNCIL OF THE CITY OF FORT COLLINS, COLORADO

November 4, 2003

Proclamations and Presentations

5:30 p.m.

- A. Proclamation Proclaiming November 15, 2003, as “America Recycles Day”.
- B. Proclamation Welcoming Members of the “2003 Monbusho Teacher Exchange Program” to 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)
- 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

6. CONSENT CALENDAR

The Consent Calendar consists of Item Numbers 7 through 14. 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 Agenda Item #20, Pulled Consent Items. The Consent Calendar consists of:

- 1) Ordinances on First Reading that are routine;
- 2) Ordinances on Second Reading that are routine;
- 3) Those of no perceived controversy;
- 4) Routine Administrative actions.

CONSENT CALENDAR

7. Consideration and adoption of the Council meeting minutes of September 16, October 7 and October 21, 2003.
8. Second Reading of Ordinance No. 141, 2003, Appropriating Revenue from the Colorado Department of Transportation in the Transportation Fund for the US 287/South College Avenue Bicycle Lane Project.

The City of Fort Collins Transportation Planning office received a grant from CDOT Enhancement Funds for FY 2003-05 to construct on-street bicycle lanes on South College Avenue/US 287 from Harmony Road/SH68 southward to Carpenter Road/CR32. Ordinance No. 141, 2003, was unanimously adopted on First Reading on October 21, 2003.

9. Second Reading of Ordinance No. 142, 2003, Authorizing the Issuance of City of Fort Collins, Colorado, Downtown Development Authority Taxable Subordinate Tax Increment Revenue Bonds, Series 2003, Dated Their Delivery Date, in the Aggregate Principal Amount of \$1,000,000 for the Purpose of Financing Certain Capital Improvements and Capital Projects; and Providing for the Pledge of Certain Incremental Ad Valorem Tax Revenues to Pay the Principal of, Interest on and Any Premium Due in Connection with the Redemption of the Bonds.

The City of Fort Collins created the Downtown Development Authority to make desired improvements in the downtown area. Through tax increment financing, the DDA has made significant contributions to the redevelopment and improvement of the downtown area. This Ordinance, which was unanimously adopted on First Reading on October 21, 2004, provides

funding from unreserved fund balance in the DDA Debt Service Fund to make additional improvements in the downtown area. This Ordinance also authorizes the issuance of \$1 million of short term bonds for the projects which will be paid from the tax increment revenue.

10. Second Reading of Ordinance No. 143, 2003, Authorizing the Conveyance of Approximately 4,561 Square Feet of City Land to the Hetzel Family in Exchange for Certain Easements for the LaPorte Trail Connection and Additional Compensation.

Through negotiations with the Hetzel family, the City will acquire needed easements for the La Porte Trail project in exchange for monetary considerations and land not needed for the trail. The Hetzel driveway is located on a portion of the land the City will be deeding to the Hetzels. This Ordinance was unanimously adopted on First Reading on October 21, 2003.

11. Items Relating to Various Code Changes.

- A. First Reading of Ordinance No. 144, 2003, Amending Sections 20-2 and 20-3 of the City Code Pertaining to the Abatement of Unsanitary or Dangerous Premises.
- B. First Reading of Ordinance No. 145, 2003, Amending Section 9-2 of the City Code Pertaining to the Uniform Fire Code.
- C. First Reading of Ordinance No. 146, 2003, Amending Section 2-671 of the City Code Pertaining to the Powers and Duties of the Director of the Office of Emergency Management.

Following the blizzard of March, 2003, City and Poudre Fire Authority staff reviewed the need for any City Code amendments that would be helpful in effectively dealing with future emergency situations. The three proposed Ordinances are intended to clarify the authority of the City and PFA to take emergency actions, provide for the publication of emergency rules and regulations adopted by the City Manager, and provide a penalty for a knowing violation of such emergency rules and regulations.

12. Resolution 2003-118 Adopting Amendments to the Financial Management Policies.

The budget process for the City of Fort Collins is driven by many financial management policies. To facilitate comprehensive review of the financial management policies, the management staff compiles the policies into a separate document. Each year, staff reviews and updates the policies. Staff presents the updated and revised policies to the Council for adoption by Resolution. The policies remain in effect until subsequently amended or repealed by Council action. Pursuant to Council direction, Section 3.4 of the policies pertaining to Human Resource Management and Productivity has not been changed, pending further review and discussion by the Council.

13. Resolution 2003-119 Authorizing the City Manager to Grant Revocable Permits to Xcel Energy and the U.S. Environmental Protection Agency on Certain City Property Under and Adjacent to the Poudre River for Environmental Investigation and Remediation Activities.

In order to facilitate environmental investigation and remediation work to proceed in and adjacent to the Poudre River between Gustav Swanson Natural Area and the Northside Aztlan Center property, the City will need to grant revocable permits, in the form of license agreements, to Xcel Energy and the U.S. Environmental Protection Agency. At this time the specific work plans for the work to be carried out are not completed. However, because there is an ongoing release of tarry material into the Poudre River, the work will need to proceed promptly once the details of the plans are completed. Consequently, staff is recommending that the City Council adopt this Resolution in order to authorize the City Manager to enter into the necessary license agreements, including such terms and conditions as may be necessary to protect the interests of the City and minimize impacts to the City's property.

14. Resolution 2003-120 Authorizing the City Manager to Execute an Agreement with Great Lakes Airlines to Provide Scheduled Bus Service at the Fort Collins-Loveland Municipal Airport.

Great Lakes Airlines desires to operate scheduled bus service from the Fort Collins/Loveland Municipal Airport to Denver International Airport (DIA). The bus service will operate initially with 4 round trips per day during the week and 3 round trips on Saturday and Sunday. The bus service is very unique because it allows ticketed airline passengers to go through security check-in here and be dropped off at Concourse "A" at DIA, thereby bypassing security screening, baggage check-in and more expensive pay parking at DIA. This is the first time such gate-to-gate service has been offered between two airports. The Transportation Security Administration (TSA) is processing final approval of the service and DIA has approved the service to operate from their airport.

*****END CONSENT*****

15. Consent Calendar Follow-up.
This is an opportunity for Councilmembers to comment on items adopted or approved on the Consent Calendar.
16. Staff Reports.
ClimateWise Report - Sarah Fox
Status Report on Council Requests.
17. Councilmember Reports.

ITEMS NEEDING INDIVIDUAL CONSIDERATION

18. Resolution 2003-121 Approving the Exercise of the City's Option from North Poudre Irrigation Company to Proceed with the Development of the Halligan Reservoir Enlargement Project and to Authorize Other Related Actions. (45 minutes)

This Resolution will authorize the City to exercise the option the City has with the North Poudre Irrigation Company (NPIC) to acquire from NPIC its property rights and the right to proceed with the permitting and development of the Halligan Reservoir Enlargement Project. Under the option agreement, the City will acquire all property and other rights necessary for the proposed enlargement and this will allow the City to pursue permitting, design and construction of the enlargement. This resolution also provides direction and authority to enter into agreements with permitting agencies, NPIC, potential participants in the project and other entities necessary to develop and ultimately to construct the project.

19. Resolution 2003-122 Accepting a Property Owner Petition Regarding the Initiation of a Special Improvement District, Stating the Need For, the Nature of, and the Location of the Improvements to Be Made, Describing the Area to Be Assessed for the Same, and Directing the Director of Community Planning and Environmental Services to Prepare and Present to the City Council the Necessary Information for the Formation of Said District. (30 minutes)

Traffic congestion at the Timberline/Prospect intersection is well below the City's Level of Service requirements, with almost all legs and turn movements failing during the AM and PM peak rush hours. In accordance with the Adequate Public Facilities Ordinance, any new development which impacts this intersection cannot proceed until these existing deficiencies are corrected. In the absence of any City Capital Improvement funding for this intersection, two impacted developers are electing to privately fund these improvements in order to proceed with their development projects. These developers are expected to constitute the majority of the property owners within the proposed District. They are proposing the initiation of the District to spread a portion of the costs to other undeveloped property in the area benefited by the improvements through assessments.

This Resolution accepts the petition of one of the participating property owners and directs City staff to prepare the plans and cost estimates. The Resolution is the first step in creating the District. In subsequent actions, City Council will be asked to accept the completed plans, approve the assessment method, hold a public hearing, and then create the SID by Ordinance.

20. Pulled Consent Items.

ITEMS RELATING TO THE 2004 - 2005 BUDGET BUDGET CONSENT ITEMS

Items Numbers 21 through 25 are being presented together in the Consent Calendar format. These items have been reviewed and discussed at Budget Study Sessions and are being presented in this manner to expedite their adoption. Any item may be withdrawn for discussion by any member of the Council, staff or public and will be considered after the balance of the Budget Consent is adopted.

21. First Reading of Ordinance No. 147, 2003, Appropriating Prior Year Reserves in the Wastewater Fund for Prepayment of Debt Service.

Each year, the Finance Department reviews all of the City's debt instruments to determine if there are opportunities to lower interest payments. This year, staff evaluated an opportunity to save interest by prepaying debt service from reserves held in the Wastewater fund. In 1995, the City of Fort Collins issued \$13,800,000 of refunding bonds to lower annual costs of the Wastewater fund. The bonds mature in 2005. Under the conditions of the bond ordinance, the City may prepay the bonds that mature in 2004 and 2005 without any prepayment penalty. By prepaying the bonds, the City can avoid \$147,500 of interest costs on the bonds.

22. First Reading of Ordinance No. 148, 2003, Amending the Code of the City of Fort Collins to Increase the Capital Improvement Expansion Fee, Street Oversizing Fee and Neighborhood Parkland Fee to Reflect Inflation in Associated Costs of Services.

Ordinance No. 148, 2003, increases the fee schedules for the Capital Improvement Expansion Fees and Neighborhood Parkland Fee by the estimated change in the 2003 Denver-Boulder-Greeley Consumer Price Index. 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 City Code requires that increases keep up with annual inflation. The fees were last adjusted in late 2002. This Ordinance increases the CIEF and the neighborhood parkland fees by the projected increase in the CPI-U of 2.00%, and the Street Oversizing fees by 1.7%, which reflects the projected increase reported in the Engineering News Record.

23. Items Relating to the 2004 Downtown Development Authority Budget.

A. First Reading of Ordinance No. 149, 2003, Appropriating Operating Funds and Approving the Budget of the Downtown Development Authority for the Fiscal Year Beginning January 1, 2004, and Fixing the Mill Levy for the Downtown Development Authority for 2004.

The Downtown Development Authority (the “DDA”) adopted the proposed DDA budget for 2003, totaling \$2,307,470, and determined the mill levy necessary to provide for payment of administrative costs incurred by the District, at its regular meeting of October 2, 2003.

- B. First Reading of Ordinance No. 150, 2003, Appropriating Revenue in the Downtown Development Authority Debt Service Fund for Payment of Debt Service for the Year 2004.

This Ordinance appropriates funds for 2004 from the tax increment received by the City for the DDA for debt service payments. Debt service and annual lease payments include: the semi-annual payments of the 2001 DDA Refunding Revenue Bonds in the amount of \$1,382,038, the DDA share of the Parking Structure lease payment of \$281,224, the amount of \$35,112 for the annual interest payment on the subordinate revenue bonds issued in 2000, and \$1,000,000 for various projects identified by the DDA board from tax increment revenues.

24. Items Relating to Utility Rates and Charges for 2004.

- A. First Reading of Ordinance No. 151, 2003, Amending Chapter 26, Article XII, of the Code of the City Relating to Utility Connection Fees and Miscellaneous Charges.
- B. First Reading of Ordinance No. 152, 2003, Amending Chapter 26, Article III, Division 4 of the Code of the City Relating to User Fees and Charges for Water.
- C. First Reading of Ordinance No. 153, 2003, Amending Chapter 26, Article IV, Division 4 of the Code of the City Relating to Wastewater Fees.
- D. First Reading of Ordinance No. 154, 2003, Amending Chapter 26, Article VI, Division 4 of the Code of the City Relating to Electric Rates and Charges.
- E. First Reading of Ordinance No. 155, 2003, Amending Chapter 26, Article VII, Division 2 of the Code of the City Relating to Stormwater Fees.

This item consists of five ordinances establishing the Utilities rates and various charges for 2004.

25. Resolution 2003-123 Adopting a Revenue Allocation Formula to Define the City of Fort Collins’ Contribution to the Poudre Fire Authority Budget for the Year 2004 for Operations and Maintenance.

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

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 the Authority 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, if necessary, if City revenues exceed the estimated annual percentage increase in revenues that the City would be permitted to retain under TABOR.

*****END BUDGET CONSENT*****

26. Pulled Budget Consent Items.

ITEMS NEEDING INDIVIDUAL CONSIDERATION

27. First Reading of Ordinance No. 156, 2003, Being the Annual Appropriation Ordinance Relating to the Annual Appropriations for the Fiscal Year 2004; Adopting the Budget for the Fiscal Years Beginning January 1, 2004, and Ending December 31, 2005; and Fixing the Mill Levy for Fiscal Year 2004. (1 hour)

There have been four study sessions involving discussion of the 2004-2005 budget for the City of Fort Collins. In addition, two public hearings were held. With City Council direction, the City of Fort Collins 2004-2005 Biennial Budget was developed and is now presented to City Council for consideration and adoption and to appropriate the necessary monies to fund the budget for fiscal year 2004. The Second Reading of this ordinance is scheduled for November 18, 2003.

28. Other Business.
29. Adjournment.

**MEETING OF THE BOARD OF DIRECTORS OF
GENERAL IMPROVEMENT DISTRICT NO. 1**

1. Call Meeting to Order.
2. Roll Call.
3. First Reading of Ordinance No. 048, Being the Annual Appropriation Ordinance Relating to the Annual Appropriations for the Fiscal Year 2004 and Approving the Biennial Budget of the General Improvement District #1 for the Fiscal Years Beginning January 1, 2004, and January 1, 2005; Determining and Fixing the Mill Levy for the General Improvement District #1 for the Fiscal Year 2004; and Directing the Secretary of the District to Certify Such Levy to the Board of County Commissioners of Larimer County.

Included in the recommended appropriations of the 2004 General Improvement District No. 1 budget is an appropriation of \$150,880 for lease payments in connection with the Lease Certificates of Participation for Street Improvements. An appropriation of \$87,737 is to be used for improvements to the Downtown District. The remaining appropriations requested for 2004, totaling \$28,039, will be used for the residential rebate program, electricity costs for downtown lighting and for routine maintenance costs within the District.

4. Other Business.
5. Adjournment.

**MEETING OF THE BOARD OF DIRECTORS OF
WATER UTILITY ENTERPRISE BOARD**

1. Call Meeting to Order.
2. Roll Call.
3. First Reading of Ordinance No. 5, Authorizing the Issuance of City of Fort Collins, Colorado, Water Utility Enterprise, Subordinate Water Revenue Bond, Series 2003, Dated December 1, 2003, in the Principal Amount of \$4,150,781.22.

Ordinance No. 5, authorizes the City's Water Utility Enterprise to issue a bond, a formal document requiring payment to the North Poudre Irrigation Company. The funding would allow the City to acquire from the Irrigation Company all of the property and other rights it owns that will be necessary to proceed with the permitting and development of the Halligan Reservoir Enlargement Project. Halligan Reservoir is located on the North Fork of the Poudre River and has a current capacity of 6,408 acre-feet of water. The reservoir could be enlarged to hold approximately 40,000 acre-feet of water. City staff recommends the project as the Water Utility needs additional storage capacity to effectively manage the City's water rights portfolio. Over the next 27 years, the Water Utility will pay the debt of \$4,150,781.22, primarily from development fees paid to the City.

4. Other Business.
5. Adjournment.