

June 8, 1998

7:00 PM

Notice to Readers: City Council meeting packets are prepared several days prior to the meetings. Timely action and short discussion on agenda items does not reflect lack of thought or analysis on the City Council's part as issues have been discussed by Council previously. Council may defer final action on an item to a future meeting. Members of the audience are invited to speak at the Council meeting. Citizen Communication (item 5) and Citizen Presentations (item 12) are reserved for comments on items not contained on the printed agenda.

1. **Pledge of Allegiance**
2. **Roll Call**
3. **Consideration of Minutes of Preceding Meetings**
4. **Presentations**
 - A. Presentation of 25 Years of Service Award - Ron Hellbusch
5. **Citizen Communication (5 minutes or Less in Length)**
6. **Report of City Officials**
 - A. City Manager's Report
7. **City Council Comments**

The "**Consent Agenda**" is a group of routine matters to be acted on with a single motion and vote. The Mayor will ask if any citizen wishes to have an item discussed. Citizens then may request that the subject item be removed from the Consent Agenda for discussion separately.

8. **Consent Agenda**
 - A. Bids re Lease Purchase Financing of Fire Engine
 - B. Live-Scan Fingerprint System
 - C. Bids re Utility Powerall Unit
 - D. Storm Drainage Improvements at Northwest Area Rec Center Site
 - E. 1997 Comprehensive Annual Financial Report
 - F. CB No. 15 re Westmoor Tech Park/Golf Course Transfer (Allen-Dixion)
 - G. CB No. 16 re Approp for Cable Equipment (Smith-Dixion)
9. **Appointments and Resignations**
 - A. Resolution No. 31 re Environmental Advisory Board
10. **Public Hearings and Other New Business**
 - A. Public Meeting on 1999 City Budget
 - B. Councillor's Bill No. 17 re Paragon Systems Business Assistance
 - C. Councillor's Bill No. 18 re Match Logic Business Assistance Package
 - D. Public Hearing re Church Ranch Infill Annexation
 - E. Resolution No. 32 re Church Ranch Annexation Findings
 - F. Councillor's Bill No. 19 re Church Ranch Infill Annexation
 - G. Councillor's Bill No. 20 re Church Ranch Infill Zoning
 - H. 2nd Amended Preliminary Development Plan for Church Ranch Home Place
 - I. Resolution No. 33 re Ryan Property Annexation
 - J. Resolution No. 34 re Energy Communities Alliance Appropriation
 - K. Resolution No. 35 Mid Year Staffing Changes
 - L. Councillor's Bill No. 21 re Salary Supplemental Appropriation
 - M. Councillor's Bill No. 22 re Fiscal Year End Appropriations
 - N. Settlement Agreement with U.S. Home re Westcliff Subdivision
 - O. Westcliff Parkland Acquisition
11. **Old Business and Passage of Ordinances on Second Reading**

None
12. **Citizen Presentations (5 Minutes + in Length) & Miscellaneous Business**
 - A. City Council
 - B. Request for Executive Session
13. **Adjournment**

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE CITY COUNCIL MEETING
HELD ON MONDAY, JUNE 8, 1998 AT 7:00 P.M.

PLEDGE OF ALLEGIANCE:

Mayor Pro Tem Merkel led Council, Staff and the audience in the Pledge of Allegiance.

ROLL CALL:

Present at roll call were Mayor Pro Tem Merkel and Councillors Allen, Atchison, Dixon, Scott and Smith. Also present were William Christopher, City Manager; Martin McCullough, City Attorney; and Michele Kelley, City Clerk. Absent was Mayor Heil.

CONSIDERATION OF MINUTES:

A motion was made by Atchison and seconded by Allen to accept the minutes of the meeting of May 18, 1998 with no additions or corrections. The motion carried unanimously.

PRESENTATIONS:

Mayor Pro Tem Merkel presented a \$2,500 check to Ron Hellbusch, Director of Public Works and Utilities, in recognition of his 25 years of service to the City of Westminster.

The Mayor Pro Tem and Council presented a proclamation to City Manager Bill Christopher in recognition of his 30 years of service to the City and proclaiming July 21, 1998 as Bill Christopher Day in the City of Westminster.

CITIZEN COMMUNICATION:

Phillip Dybedal, 11503 W. 101st Avenue, addressed Council asking to have a tornado warning system installed in the City.

REPORT OF CITY OFFICIALS:

City Manager Bill Christopher stated that the next regular City Council meeting will be June 29, 1998 since most of the Council Members will be out of town the week of June 22.

CITY COUNCIL COMMENTS:

Mayor Pro Tem Merkel reported that the mask from Mayor Heil for the Hospice fund raising event was auctioned for \$250.00, New signs are going up in School Zone areas, the next Concert Under the Stars will be held on June 10 and a reminder that Flag Day is June 14.

Councillor Dixon commented on the several Rocky Flats meetings she attended and that the DARE Graduations are finished for the year.

Councillor Scott stated that the MIS for both U.S. 36 and I-25 are now underway and the hearing dates are listed on the WEB sites.

CONSENT AGENDA:

The following items were considered as part of the consent agenda: **Bids for Lease Purchase Financing of Fire Engine** - Authorize the Finance Director to execute a seven year lease purchase agreement with KeyCorp Leasing and KeyBank National Association in an amount not to exceed \$351,504, including interest, with the first quarterly payment due August 18, 1998; **Live-Scan Fingerprint System** - Authorize the purchase of the Tenprinter 1133S Live-Scan System by Digital Biometrics Inc. in the amount of \$57,990 because it is in the best interests of the City and charge the expense to the appropriate Capital Outlay Account in the 1998 Police Department budget; **Bids for Utility Powerall Unit** - Award the bid for the powerall truck to the low bidder, Transwest Trucks/Koise Brothers, in the amount of \$80,528, and charge the expense to the appropriate Utility Fund, Public Works and Utilities Department budget account; **Storm Drainage Improvements** - Authorize the expenditure of \$42,475 from the Northwest Area Recreation Center General Capital Improvement Fund for the installation of storm drainage improvements being built by Niebur Golf Construction and charge the expense to the appropriate General Capital Improvement Fund; **1997 Comprehensive Annual Financial Report** - Accept the 1997 Comprehensive Annual Financial Report of the City of Westminster as audited by Bondi & Company, Certified Public Accountants; **Councillor's Bill No. 15** re Westmoor Tech Park/Golf Course Fund Transfer; and **Councillor's Bill No. 16** re Appropriation for Cable Equipment.

The Mayor Pro Tem asked if there was any member of Council or anyone from the audience who would like to have any of the consent agenda items removed for discussion purposes or separate vote. There was no request.

A motion was made by Allen and seconded by Atchison to adopt the Consent Agenda items as presented. The motion carried unanimously.

APPOINTMENTS AND RESIGNATIONS:

A motion was made by Atchison and seconded by Allen to adopt Resolution No. 31 accepting the resignation of Greg Colores from the Environmental Advisory Board and appointing James Wood to fill the vacancy with the term of office to expire December 31, 1998. Upon roll call vote, the motion carried unanimously.

PUBLIC MEETING ON 1999 CITY BUDGET:

At 7:45 P.M. the meeting was opened to hold a public meeting on the 1999 City Budget. City Manager Bill Christopher addressed the focus areas to be pursued in 1999 per Council's direction. Kay May, 3764 W. 103rd Avenue requested \$300,000 funding for Crown Pointe Middle School grades 6-8. Crown Pointe Academy Director B. J. Bookman was present and supported the funding request. At 7:55 P.M. the public meeting on the 1999 City Budget was declared closed.

COUNCILLOR'S BILL NO. 17 - PARAGON SYSTEMS ASSISTANCE AGREEMENT:

A motion was made by Atchison and seconded by Smith to pass Councillor's Bill No. 17 on first reading which authorizes the execution and implementation of the Assistance Agreement with Paragon Systems Group, Inc. for the construction of the new office Building. Alan O'Yalla, representing John Dawson, the owner of Paragon Systems Group, was present to address Council. Upon roll call vote, the motion carried unanimously.

COUNCILLOR'S BILL NO. 18 - MATCH LOGIC ASSISTANCE AGREEMENT:

A motion was made by Allen and seconded by Scott to pass Councillor's Bill No. 18 on first reading authorizing the execution and implementation of the Assistance Agreement with Match Logic, Inc. for the remodeling and expansion of their new office building. John Bunister, representing Match Logic Inc. was present to address Council. Upon roll call vote, the motion carried unanimously.

PUBLIC HEARING RE CHURCH RANCH IN-FILL ANNEXATION/2ND AMENDED PDP:

At 7:55 P.M. the meeting was opened to a public hearing to consider the annexation of property generally located at the southwest corner of 103rd Avenue and Church Ranch Boulevard, and an amendment to the Church Ranch Preliminary Development Plan. City Planner Mark Geyer entered a copy of the Planning Commission Recommendation, Agenda Memorandum and other related items as Exhibits. Jean Fielding, representing Church Ranch, Charlie McKay, 10050 Wadsworth Boulevard, Jim Bassfinder and Greg Bradbury were present to address Council and spoke in favor of the annexation and amendment to the PDP. No one spoke in opposition.

At 8:40 P.M. the public hearing was continued until the June 29, 1998 City Council meeting at which time the second reading of Councillor's Bills No. 19 and 20 and the 2nd Amended Preliminary Development Plan will be considered.

CHURCH RANCH:

A motion was made by Atchison and seconded by Allen to adopt **Resolution No. 32** accepting the findings for annexations of the church Ranch In-Fill property; Pass **Councillor's Bill No. 19** on first reading annexing the Church Ranch In-Fill property; and Pass **Councillor's Bill No. 20** on first reading zoning the Church Ranch In-Fill property to City of Westminster PUD. Upon roll call vote, the motion carried unanimously.

2ND AMENDED PDP FOR CHURCH RANCH HOME PLACE:

A motion was made by Atchison and seconded by Allen to Table the Second Amended Preliminary Development Plan for the Church Ranch Home Place PUD until the June 29, 1998 City Council meeting. The motion carried unanimously.

RESOLUTION NO. 33 - RYAN PROPERTY ANNEXATION PETITION:

A motion was made by Allen and seconded by Smith to adopt Resolution No. 33 accepting the annexation petition submitted by Donald Ryan and make the findings required by State Statute on the sufficiency of the petition; and set the date of August 10, 1998 for the annexation hearing. Upon roll call vote, the motion carried unanimously.

RESOLUTION NO. 34 - ECA FALL CONFERENCE APPROPRIATION:

A motion was made by Smith and seconded by Dixon to adopt Resolution No. 34 authorizing the transfer of Utility Fund Contingency funds to a Finance Department hold account in the amount of \$15,000 to cover advance expenses for the Energy Communities Alliance Fall Conference with funds to be repaid through Conference fees collected by the City. Upon roll call vote, the motion carried unanimously.

EMPLOYEE STAFFING:

A motion was made by Allen and seconded by Atchison to adopt **Resolution No. 35** authorizing 7.2 FTE positions and the reclassification of 5 FTE in the City pay plan; and pass **Councillor's Bill No. 21** on first reading for a supplemental appropriation of \$143,870 to cover the additional salary and benefit costs for the additional 7.2 FTE and 5 FTE reclassifications. Upon roll call vote, the motion carried unanimously.

COUNCILLOR'S BILL NO. 22 - FISCAL YEAR END APPROPRIATIONS:

A motion was made by Atchison and seconded by Dixon to pass Councillor's Bill No. 22 on first reading appropriating carryover funds into the 1998 budgets of the General, Fleet, Sales & Use Tax, General Capital Improvement, and Utility Funds. Upon roll call vote, the motion carried unanimously.

BULK CHEMICAL BUILDING AND LIME SILO BUILDING REHABILITATION:

A motion was made by Atchison and seconded by Scott to authorize the City Manager to sign a Change Order with CH2M Hill Companies, Limited, for the design of the modifications to the ventilation system for the bulk chemical and lime silo buildings. The cost of the Change Order is \$100,404, plus \$10,000 contingency, for a total of \$110,404, and change the expense to the Semper Water Treatment Facility Rehabilitation Capital Improvement Project Account. The motion carried unanimously.

At 8:58 P.M. the Mayor Pro Tem requested Council adjourn to Executive Session to discuss the Westcliff/U.S. Home Settlement Agreement. Council reconvened at 9:15 P.M.

WESTCLIFF PARK/U.S. HOME:

A motion was made by Allen and seconded by Atchison to approve the **Settlement Agreement between the City of Westminster and U.S. Home Corporation** which provides legal protection for the City on any future legal actions involving U.S. Home on the subject two properties relating to the current Growth Management Plan and Comprehensive Land Use Plan, and authorize the City Manager and City Clerk to execute the Agreement; and authorize the City Manager to execute the necessary documents with Westcliff Limited Liability Partnership for the acquisition and other related expenses of a 16.07 acre parcel of land at a cost of \$1,012,500 in the Westcliff Subdivision; further authorize a five-year promissory note and deed of trust with Westcliff Limited Liability Partnership for this purchase with payments to be charged to the appropriate **Westcliff Park Project** account. The motion carried unanimously.

MISCELLANEOUS BUSINESS:

Mayor Pro Tem Merkel commented on the noteworthy primary jobs located in the City with the assistance of the Economic Development Staff. Councillor Dixon suggested that Channel 8 information and the location of the City's "One Stop" stations be included on the Web page.

ADJOURNMENT:

The meeting was adjourned at 9:20 P.M.

ATTEST:

Mayor

City Clerk

Date: June 8, 1998

Subject: Presentation of 25 Years of Service Award

Prepared by: Andy Mead, Assistant to the Director of Public Works and Utilities

Introduction

City Council action is requested to present a \$2500 check to Director of Public Works and Utilities Ronald A. Hellbusch in recognition of his 25 years of service to the City of Westminster. Funds have been specifically allocated in the 1998 Utility Fund Budget for this expense.

Summary

Ron Hellbusch began his career in Westminster on January 2, 1953, when he became employed as a Seasonal Laborer in the Public Works and Utilities Department. The purpose of this Agenda Memorandum is to recognize his 25 years of outstanding service to the City of Westminster.

Staff Recommendation

Mayor present a check in the amount of \$2500 to Ron Hellbusch, Director of Public Works and Utilities, for his 25 years of service to the City of Westminster.

Background Information

On January 2, 1953, Ron Hellbusch became employed as a Seasonal Laborer in the Public Works Department. We are very happy he survived this summer work because during an assignment to make a new tap on a waterline, he actually started to tap into a natural gas line. He was eventually hired as a full-time employee and on June 2, 1959, became the Administrative Assistant to the Public Works Director upon graduation from Hastings College in Nebraska. He held that position until January of 1960, when he was promoted to Assistant City Manager. Ron held that position until March of 1965, during which time he completed his Master of Public Administration Degree at Denver University. Ron served as Water Development Coordinator and as Assistant City Manager during the Standley Lake development period. He resigned his position to accept the City Manager's position at the City of Brighton. In January of 1984, Ron returned to his "roots" in Westminster as the Director of Public Works. This title was changed in a Department reorganization on February 3, 1986, to "Director of Public Works and Utilities" (adding the "Utilities" Division).

A significant professional event occurred in 1996, when Ron was selected for the national American Public Works Association "Top Ten Leader" Award.

In addition to his position at the City, Ron is involved in a variety of City and community activities and personal interests, including:

- * Active member of the American Public Works Association, National Water Environment Federation, American Water Works Association, and Colorado Water Congress;
- * Representative for the City on the Board of Directors for the Colorado Water Congress;
- * Past President of the American Public Works Association, Colorado Chapter;
- * Member of Ducks Unlimited;
- * Elder in the Westminster Presbyterian Church;
- * Representative for the City on the Board of Directors of the "Have a Heart" Program;
- * Active outdoor sportsman and enjoys sports;
- * **"Enthusiastic"** Nebraska Cornhusker supporter.

In 1986, City Council passed a resolution to award individuals who have given 25 years of service to the City with a \$2500 check. Under the program, employees receive \$100 for each year of service, in the aggregate, following the anniversary of their 25th year of employment.

The program recognizes the dedicated service of those individuals who have spent most, if not all, of their career with the City.

Respectfully submitted,

William M. Christopher
City Manager

WHEREAS, Bill Christopher has served the City of Westminster for an unprecedented 30 years serving as Assistant City Manager from May 1968 to June 1978 and serving for 20 years as City Manager from June 1978 to today; and

WHEREAS, Bill Christopher serves as the current Chair of Ethics and Recognition Committee of the Colorado City and County Management Association; as an active member of the International City/County Management Association; and as a member of the International City Management Association Data and Information Services Advisory Council; and

WHEREAS, Bill Christopher is also very active in the Westminster community by serving on the Board of Directors and as a Executive Committee Member of the Westminster Community Artist Series; on the Board of Directors of the Butterfly Pavilion and Insect Center; and on the Board of Directors of the Westminster Rotary Club; and

WHEREAS, Bill Christopher has been recognized as one of Colorado Business magazine's top manager's in the state of Colorado; and has been awarded the ICMA Program Excellence Award for Intergovernmental Cooperation; the Frank E. Johnson Memorial Award for Excellence in Government from the Denver Executive Board for Intergovernmental Cooperation; the Distinguished Local Government Award for Excellence in Government from the Denver Executive Board; the Westminster Rotary Club Vocational Service Award; the ICMA Award for Excellence in Honor of Mark E. Keane; and the Westminster Chamber of Commerce Outstanding Community Service Award; and

WHEREAS, Bill Christopher has served as City Manager through 14 City elections and has served under 18 different City Councillors and 4 different Mayors; and

WHEREAS, the population of Westminster during Bill Christopher's tenure as City Manager has grown by over 48,000 people; the City has grown to 28 square miles; and the City's water treatment plants' capacity increased from 26 MGD to 50 MGD; and

WHEREAS, the City of Westminster is immensely proud to call Bill Christopher the City Manager of the City of Westminster,

NOW, THEREFORE I, Ann Merkel, Mayor Pro Tem of the City of Westminster, on behalf of the entire Westminster City Council and staff, do hereby proclaim Tuesday, July 21, 1998 as

BILL CHRISTOPHER DAY

in the City of Westminster, in recognition of his awards, accomplishments, years of service, and dedication to the City of Westminster. The City would like to wish Bill Christopher continued success in the years to come as Westminster City Manager.

Ann Merkel, Mayor Pro Tem

Date: June 8, 1998
Subject: Bids re Lease Purchase Financing of Fire Engine
Prepared by: Jim Cloud, Fire Chief

Introduction

City Council action is requested to approve execution of a seven year lease purchase agreement with KeyCorp for the purchase of a replacement fire engine. Funds for the first two lease payments are contained in the 1998 Fire Department operating budget.

Summary

City Council previously approved the purchase of a fire engine with the cost to be financed through a lease purchase agreement.

Competitive bids for the lease purchase have been received from two financial institutions.

Interest rates ranged from 5.057% to 5.400% for a seven year lease purchase.

The low bid was from KeyCorp Leasing and KeyBank National Association (KeyCorp) for a total cost of \$351,504.

Staff Recommendation

Authorize the Finance Director to execute a seven year lease purchase agreement with KeyCorp Leasing and KeyBank National Association (KeyCorp) in an amount not to exceed \$351,504, including interest, with the first quarterly payment due August 18, 1998.

Background Information

City Council previously approved the purchase and award of a bid for the replacement of a 1979 Seagrave fire engine. A copy of the November 24, 1997, Agenda Memorandum addressing this matter is attached. As indicated in the November Agenda Memorandum, a down payment on the purchase price was available in the 1997 Fire Department budget with the remainder of the cost to be financed through a lease purchase agreement. A down payment of \$50,000 was made by the City in December, 1997.

It is necessary that this contract be approved and finalized by both parties prior to June 17, 1998. This is the date that the new aerial ladder truck will be completed and available for pickup by the City.

Formal bids were solicited in accordance with City Charter bidding requirements from four financial institutions for this lease purchase with KeyCorp and Banc One returning current lease purchase rates. The other two firms were Norwest Bank and US Bancorp Leasing and Financial. The lease purchase approach to financing the \$344,476 piece of equipment is in keeping with City Council financial policy.

Lease Purchase Financing of Fire Engine

Page 2

Comparative data for a lease purchase for \$294,476 over a seven year period is listed below:

| <u>Institution</u> | <u>Interest Rate</u> | <u>Quarterly Payment</u> | <u>Total Cost</u> |
|--------------------|----------------------|--------------------------|-------------------|
| KeyCorp | 5.057% | \$12,554 | \$351,504 |
| Banc One | 5.400% | \$12,700 | \$355,590 |

Respectfully submitted,

William M. Christopher
City Manager

Attachment

Date: June 8, 1998
Subject: Live-Scan Fingerprint System
Prepared by: Chris Pardo, Police Department Criminalist
Dan Montgomery, Chief of Police

Introduction

City Council action is requested to approve the purchase of a Live-Scan Fingerprint System for the Police Department in the amount of \$57,990. Funds are available and have been specifically allocated to the 1998 Police Department General Fund Budget for this purchase.

Summary

Ordinance No. 2568 which appropriated \$57,527 to the Police Department Investigations Division Capital Outlay Equipment Account, was adopted by Council on December 15, 1997. These funds are grant monies from the Department of Justice Federal Block Grant Agreement program to assist the City with the purchase of an Automated Fingerprint Information System (AFIS). The City is required to match the funding over the grant period in a cash match of \$6,392 and these funds are budgeted in the Investigations Division Capital Outlay Equipment Account. The match funds will be spent on supplies and software for the system. Funds are available for this purchase and have been specifically allocated in the 1998 Police Department Budget.

After conducting extensive research and negotiating bids with three of the leading live-scan system companies, the Tenprinter 1133S Live-Scan System manufactured by Digital Biometrics, Inc. (DBI) is recommended for purchase. The DBI bid package was the lowest submitted and is in use successfully in several metropolitan police departments.

| <u>Company</u> | <u>Hardware</u> | <u>Annual Maintenance</u> | <u>Metro Use</u> |
|--------------------|-----------------|---------------------------|--|
| Digital Biometrics | \$57,990 | \$6,384 | Jefferson and Adams County; Arvada, Denver, Ft Collins, and Thornton Police Depts. |
| Indentrix | \$56,475 | \$8,745 | N/A |
| NEC | (No Bid) | (No Bid) | N/A |

Alternatives

As is the case with any recommended course of action, there are several alternatives available. Considering the fact that this expensive piece of equipment is being funded by a grant, and considering the fact that this equipment will save approximately 300 to 400 staff hours per year in the prisoner processing function, the best alternative in Staff's opinion is to proceed with this purchase.

Staff Recommendation

Authorize the purchase of the Tenprinter 1133S Live-Scan System by Digital Biometrics, Inc. in the amount of \$57,990 because it is in the best interests of the City and charge the expense to the appropriate Capital Outlay Account in the 1998 Police Department budget.

Background Information

In May 1997, Council was informed that the Police Department was eligible and had applied for U.S. Department of Justice Block grant funding in the amount of \$57,527. The purpose of this grant request was to obtain funds to purchase the Automated Fingerprint Information System equipment. The grant period for the award is October 1, 1997 to September 30, 1999. Under the conditions of the grant, a maximum of \$57,527 is funded under the grant, and the City agreed to provide \$6,392 over the Grant period in a cash match. The City's funding of \$6,392 was approved in the Police Department's 1998 General Fund Budget.

The Live-Scan Fingerprint System electronically scans and captures the rolled fingerprints. The process requires no ink and uses advanced electronics to optically capture the rolled impression, simultaneously displaying the enlarged image on a monitor for viewing. Multiple copies can be generated from a single fingerprint capture, then electronically transmitted to the Automated Fingerprint Identification System at the Colorado Bureau of Investigations. It is estimated that the time saved in the booking process will be cut by 33% because the printer is able to generate multiple copies from one set of prints. The Live-Scan Fingerprint System will interface with the current TFP mugshot system which eliminates duplicate data entry. This system also allows the officer to ensure that the information we have for the person being booked is correct and that the subject is not a criminal impersonator.

The DBI Live-Scan Fingerprint System is currently in use at the Denver, Arvada, Thornton, and Fort Collins Police Departments, as well as the Adams County and Jefferson County Sheriff's Departments. The primary advantage to the system is the reduction in booking time and a higher quality fingerprint when compared with the ink process. Police Department Criminalist Chris Pardo and Police Chief Dan Montgomery will be available to answer any questions Council may have reference this purchase.

Respectfully submitted,

William M. Christopher
City Manager

Date: June 8, 1998

Subject: Bids re Utility Powerall Unit

Prepared by: Alex Iacovetta, Utilities Operations Manager
Jack Rudey, Utilities Field Operations Supervisor

Introduction

City Council action is requested to award a bid in the amount of \$80,528 to Transwest Trucks/Koise Brothers for the replacement of a 1990 Chevrolet van with a powerall truck. Funds were specifically allocated in the 1998 Public Works and Utilities Department Budget for this expense.

Summary

In accordance with the City Charter bidding requirements, formal bids were solicited for the purchase of a new powerall truck.

This vehicle will be used by Utilities Division crews for emergency repairs to water and sewer main lines, repair of water main breaks, water valves and fire hydrant maintenance, and by the Utilities Division In-House Construction Crew to replace old deteriorated water lines throughout the City. The utility powerall unit is equipped with an air jackhammer used to cut asphalt and concrete, a hydraulic system to operate the water pumps that de-water the excavation site, a generator to operate various power tools, and night lights.

Staff is recommending that the bid for this piece of equipment be awarded to the low bidder, Transwest Trucks/Koise Brothers, who submitted a quote in the amount of \$80,528.

Staff Recommendation

Award the bid for the powerall truck to the low bidder, Transwest Trucks/Koise Brothers, in the amount of \$80,528, and charge the expense to the appropriate Utility Fund, Public Works and Utilities Department budget account.

Background Information

City Council previously allocated funds in the 1998 Budget for the purchase of a replacement utility powerall truck. Through the 1998 budget process, the utility powerall truck was recommended by the Fleet Division for replacement. The new utility powerall unit will replace the 1990 Chevrolet utility van, which has over 60,000 miles and approximately 4,680 hours on it. Past history shows that this has been the normal replacement schedule for these types of utility vans. The utility van will be replaced with a new powerall unit, which is a heavier and more durable unit than the van currently being utilized by the City. The utility van is being utilized five days a week, as well as for emergency use after normal working hours, weekends, and holidays.

The new utility powerall truck will combine a new Freightliner diesel powered truck with a utility body mounted to it. The vehicle will also be equipped with a powerall hydraulically powered tool system integrated into the utility box for safer and more efficient operations by the crews. The hydraulically powered tools are needed to effect timely repairs and perform routine maintenance on the City's utility system, as well as use in construction work of new water lines and emergency repairs of water breaks.

One alternative to not purchasing this utility powerall unit is to continue to use the existing utility van. This will impact the Utilities Division's performance of routine maintenance on the utility system on a regular schedule, causing more emergency repairs to the utility system, due to expected downtime. Emergency repairs will take longer to complete after working hours, on weekends, and holidays, if the old utility van is out of service due to the need for repairs and age of the equipment.

Another alternative of not purchasing this utility powerall unit is to rebuild the existing utility van. This procedure is not recommended by the Fleet Division or Utilities Operations Division.

The recommendation is rejected by the Fleet Division, because the van is undersized for the equipment required to make the van operational. The current 1990 Chevrolet utility van is constantly out of service due to broken parts. The equipment on the van is either antiquated or obsolete for the new and increasing demands. The estimated cost to bring the old utility van up to specifications in order to meet the current needs is \$47,500, which includes total redesign of the van.

In accordance with the City Charter bidding requirements, formal bids were solicited from area suppliers of this type of vehicle with the following results:

| | |
|---|----------|
| Transwest Freightliner/Koise Brothers - | \$80,528 |
| Navastar International/Koise Brothers - | \$82,072 |
| Mobil Tool International - | \$98,315 |
| O.J. Watson - | no bid |
| Black Hawk Equipment - | no bid |

The low bid from Transwest Trucks/Koise Brothers meets all of the City's specifications and requirements for the purchase of this type of equipment. The cost for this equipment is within the amount previously allocated by City Council in the 1998 Public Works and Utilities Department budget.

Respectfully submitted,

William M. Christopher
City Manager

Date: June 8, 1998

Subject: Storm Drainage Improvements

Prepared by: Richard Dahl, Park Services Manager
Ken Watson, Recreation Facilities Manager

Introduction

City Council action is requested to authorize the expenditure of \$42,475 for storm drainage improvements to the new recreation center site at the Westmoor Business Park. These improvements will be installed by Niebur Golf Construction in conjunction with related storm drainage work at the Heritage Golf Course previously approved by Council on March 23. Funds are available in the Northwest Area Recreation Center construction account for this expenditure.

Summary

At the March 23 City Council meeting, Council approved the contract with Niebur Golf Construction to perform Phase 2 storm drainage work on the Heritage Golf Course and Westmoor Business Park in the amount of \$370,747. Included in the contract is \$42,475 worth of storm drainage work that relates to the new recreation center to be built on 108th Avenue adjacent to the Heritage Golf Course and the Westmoor Business Park. Performing the storm drainage work in conjunction with the golf course construction eliminates future impacts on the golf course and the adjacent open space once it is completed.

Staff Recommendation

Authorize the expenditure of \$42,475 from the Northwest Area Recreation Center General Capital Improvement Fund for the installation of storm drainage improvements being built by Niebur Golf Construction and charge the expense to the appropriate General Capital Improvement Fund.

Background Information

On March 23, Council approved a Phase 2 Storm Drainage Contract with Niebur Golf Construction in the amount of \$370,747. The timing of the golf course construction is very critical, with the specifications calling for the completion of seeding operations by September 18. Golf Course Staff has determined that date as the latest possible time for fall germination and beginning the one full year of grow-in to make the course ready for play in 1999. Both Staff and Niebur Golf believe the timely execution of Phase 2 storm drainage improvements, including the recreation center site, is critical to meet project schedule deadlines.

Respectfully submitted,

William M. Christopher
City Manager

Date: June 8, 1998
Subject: 1997 Comprehensive Annual Financial Report
Prepared by: Tammy Hitchens, Accounting Manager

Introduction

City Council has received copies of the Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 1997 as prepared by the Finance Department and as examined by Bondi & Company, Certified Public Accountants. At this time the CAFR is submitted to City Council for acceptance.

Summary

The 1997 CAFR is presented for acceptance by City Council. The 1997 CAFR received an unqualified opinion from Bondi & Company, the City's external auditors. An unqualified opinion indicates the financial data of the City is fairly presented according to generally accepted accounting principles.

Staff Recommendation

Accept the 1997 Comprehensive Annual Financial Report of the City of Westminster as audited by Bondi & Company, Certified Public Accountants.

Background Information

The City Charter requires that an independent audit be conducted at least annually by certified public accountants selected by the City. In addition, the City Manager is required to prepare an annual report of the City, including a financial report. The City's outside auditors, Bondi & Company, performed their examination and expressed an unqualified opinion on the financial statements for the year ended December 31, 1997. This opinion is included as part of the CAFR.

The CAFR is divided into four sections as follows:

1. Introductory Section. Pages 1 through 12 contain the letter of transmittal by the City Manager and Finance Director which describes significant events of the City which occurred during the year and gives a summary of activity for 1997.
2. Financial Section.
 - a) Pages 18 through 29 contain the General Purpose Financial Statements for the various fund types and account groups. These statements provide an overview and broad perspective of the financial position and results of operations for the City as a whole in a standardized, generically labeled format. In addition, they are designed to be "liftable" from the financial section for inclusion in official statements or for widespread distribution.

b) Pages 31 through 71 contain the notes to the financial statements, which are necessary for a fair presentation of the financial position and results of operations of the City in conformity with generally accepted accounting principles. The notes are an integral part of the financial statements and include a summary of the City's significant accounting policies.

c) Pages 72 and 73 contain supplementary information on the Volunteer Firefighter Pension Fund required by the Governmental Accounting Standards Board.

d) Pages 75 through 174 provide combining, individual fund and account group financial statements. They present more detailed information than is presented at the overview level such as individual fund budgetary comparisons, and prior year comparative data.

e) Pages 176 through 178 contain the Road & Bridge Report required by the State of Colorado.

3. Statistical Section. Pages 180 through 201 contain ten-year historical data and additional background on the City.
4. Single Audit Section. Pages 203 through 213 include reports and schedules related to federal financial assistance. This information is required by the U.S. government under the provisions of the Single Audit Act of 1984 as amended.
5. Bond Disclosure Section. This section contains information regarding municipal bond disclosure. This disclosure is required by the Securities and Exchange Commission, Rule 15c2-12(b)(5) and is meant to supplement and complement information found other places in the CAFR.

The 1997 CAFR reflects a stable financial position consistent with information supplied to Council on a monthly basis throughout the year. As noted in the auditor's opinion, the CAFR fairly presents 1997 financial activity of the City of Westminster. Consideration by City Council for acceptance of the 1997 CAFR is requested.

Respectfully submitted,

William M. Christopher
City Manager

Date: June 8, 1998
Subject: Resolution No. re Environmental Advisory Board
Prepared by: Michele Kelley, City Clerk

Introduction

City Council action is requested to accept the resignation of Greg Colores from the Environmental Advisory Board and make an appointment of a new member.

Summary

Greg Colores has contacted the Environmental Advisory Board Staff Liaison, Susan Nachtrieb and stated that he has moved out of the City and is resigning from the Environmental Advisory Board.

Greg was appointed to the Environmental Advisory Board on June 9, 1997.

Currently there are 20 individuals within the "pool". A copy of the matrix indicating each individuals preference for Boards and Commissions is attached.

Staff Recommendation

Adopt Resolution No. accepting the resignation of Greg Colores from the Environmental Advisory Board and appointing a new member to this Board.

Background Information

A Resolution has been prepared for Council to formally accept the resignation of Greg Colores from the Environmental Advisory Board and appoint a new member from the current "pool" of 20 applicants.

Respectfully submitted,

William M. Christopher
City Manager

Attachments

RESOLUTION

RESOLUTION NO.

INTRODUCED BY COUNCILLORS

SERIES OF 1998

CITY OF WESTMINSTER ENVIRONMENTAL ADVISORY BOARD APPOINTMENT

WHEREAS, A resignation has been received from Greg Colores from the Environmental Advisory Board; and

WHEREAS, Currently there is a vacancy on the Environmental Advisory Board; and

WHEREAS, It is important to have each City Board or Commission working with its full complement of authorized appointees to carry out the business of the City of Westminster.

NOW THEREFORE, be it resolved that the City Council of the City of Westminster does hereby hereby accept the resignation of Greg Colores from the Environmental Advisory Board and appoint the following individua to the City of Westminster Environmental Advisory Board as listed below with the term of office to expire as stated.

| <u>NAME</u> | <u>BOARD/COMMISSION</u> | <u>TERM EXPIRE</u> |
|------------------------------|------------------------------|--------------------|
| James Wood Regular Member | Environmental Advisory Board | 12-31-98 |

Passed and adopted this 8th day of June, 1998.

ATTEST:

Mayor Pro Tem

City Clerk

Date: June 8, 1998
Subject: Public Meeting on 1999 City Budget
Prepared by: Barbara Gadecki, Assistant to the City Manager

Introduction

City Council is scheduled to hold a public meeting to receive initial public input on the 1999 City Budget at Monday night's City Council meeting.

Summary

City Staff will be preparing budget information for both 1999 and 2000, but this initial meeting is intended to focus only on 1999 citizen requests, comments and suggestions. The public meeting is a more informal opportunity for the public to give input to the City Council on the City Budget.

Development and preparation of the City Budget will continue through the summer and will culminate in the distribution of the Proposed Budget to City Council in September. Public hearings are also scheduled for July 13 and September 14 so that citizens will have two more opportunities to comment and provide feedback on the 1999 City Budget. City Council must adopt the budget by the October 26 City Council meeting, in accordance with the City Charter.

Staff Recommendation

Hold a public meeting on the 1999 City Budget and receive citizen comments.

Background Information

In April, City Council identified focus areas to be pursued in 1999. The following is the list identified by the City Council:

- > diversify and protect the City's revenue base;
- > protect home rule prerogatives;
- > maintain a focus on the delivery of quality municipal services in a maturing community;
- > expand and enhance awareness of cultural diversity in Westminster;
- > explore, evaluate, and implement a new north metro area consortium to address regional issues;
- > assume a leadership role in developing partnerships among northern communities on issues of common concern; and
- > develop a strategy for local government structure to enhance local control, eliminate duplication of services, reduce costs, and build community cohesion.

The direction provided by City Council assists City Staff as they prepare and review the proposed 1999 City Budget. Other considerations that go into developing a comprehensive budget are department priorities that strive to maintain existing service levels and citizen or neighborhood input.

The development of the City Budget will occur throughout the summer, and a Proposed Budget will be submitted to City Council on September 4 for their review. After reviewing the Proposed Budget for several weeks, City Council is scheduled to meet in late September at the Budget Retreat to deliberate on final funding decisions on staffing levels, programs, services, and capital projects.

Two formal public hearings will be held on the 1999 Proposed City Budget to solicit citizen input. The first public hearing is scheduled for Monday, July 13, and the second hearing is scheduled for Monday, September 14.

Respectfully submitted,

William M. Christopher
City Manager

Date: June 8, 1998

Subject: Councillor's Bill No. re Paragon Systems Group Business Assistance Package

Prepared by: Susan Grafton, Economic Development Manager

Introduction

City Council action is requested on the attached Councillor's Bill to approve a business assistance package for Paragon Systems Group to build a new facility in Westminster.

Summary

Paragon Systems Group has decided to build a new 28,500 square foot facility. The company has been located in unincorporated Adams County, but is now proposing to build a new building at the southwest corner of 124th Avenue and Huron Street in Park Centre. Constuction will begin this summer and move-in is expected by the end of 1998. The attached assistance package is designed to help defray some of the initial project development costs.

Staff Recommendation

Pass Councillor's Bill No. on first reading which authorizes the execution and implementation of the Assistance Agreement with Paragon Systems Group, Inc. for the construction of the new office building.

Background Information

Adams County Economic Development (ACED) Staff introduced Paragon Systems Group to City Staff in January. They are currently located in unincorporated Adams County, but are now under contract to purchase a parcel of land in Park Centre, at the southwest corner of 124th Avenue & Huron Street. Paragon is proposing to build a 28,500 square foot building for approximately \$2 million. They plan to only occupy 8,000 square feet of the facility and lease the remaining portion to other occupants. They are currently proceeding through the planning process.

Paragon Systems Group originally began in 1889 as C.F. Huckle and Company, a Denver based printing operation. In 1990, John Dawson, the current owner, purchased the company & subsequently changed the company name to Paragon Systems Group. The company specializes in printing of election ballots and forms, as well as numeric racing bibs. Additionally, they do commercial printing and office furniture sales. Paragon currently employs 15 people, with an average salary of \$34,000 per year, for an annual payroll of \$510,000.

It is anticipated that Paragon Systems Group will generate over \$57,200 of revenue directly to the City in the first five years of operation. This is based on the \$2 million in construction cost and average annual equipment purchases of \$50,000.

In addition to the direct tax revenue expected from Paragon, the City can also anticipate additional sales tax revenue as a result of the additional payroll in the local economy. The exact additional dollar impact to Westminster is difficult to estimate in a open metro-wide economy. A conservative estimate of additional sales tax for the City of Westminster resulting from additional purchases by Paragon's 15 new jobs would be approximately \$5,525 annually. That assumes that only one third of the \$510,000 annual payroll (\$170,000) will be spent in Westminster each year. At the 3.25% sales tax, that would generate approximately \$5,525 per year.

Over 5 years, as much as \$27,600 in new sales tax could be generated to the City as a result of Paragon locating in Westminster.

Based on the 5 year projection of direct and indirect sales tax and fee revenue, Staff recommends the following assistance package:

| <u>Assistance</u> | <u>Approx. Value</u> |
|--|----------------------|
| <u>Permit Fee Waiver</u> | \$ 5,613 |
| 40% of the building related permit fees will be waived at the time of permit issuance (excludes water and sewer tap fees). (Estimated Fees \$14,034 X 40% = \$ 5,613) | |
| <u>Construction Use Tax Rebate/Waiver</u> | \$ 9,600 |
| 40% of the Use Tax on construction materials for this project will be waived. (Estimated Use Tax \$24,000 X 40% = \$ 9,600) | |
| <u>Cash at Move-in For Landscaping</u> | \$ 4,000 |
| At the time the Certificate of Occupancy is issued for the facility, the City will provide \$4,000 to Paragon Systems Group to defray in landscaping costs at the new facility. | |
| <u>Annual Use Tax - 50% Rebate</u> | \$ 2,250 |
| 50% of the Use Tax paid to the City, up to a maximum of \$750 per year, on taxable purchases, will be rebated for the first 3 years of operations in the new Westminster facility. | |
| <u>Water Line Recovery Fee Reduction</u> | \$ 11,362 |
| The waterline recovery currently due for the 30 inch high pressure waterline will be reduced from \$33.09 to \$2.13 per linear foot on 367 linear feet of waterline. (\$33.09 - \$2.13 = \$30.96 X 367 = \$11,362) | |
| <u>TOTAL ASSISTANCE PACKAGE</u> | \$ 32,825 |

The reduction of the waterline recovery is suggested since Paragon will not actually be able to tap into the waterline. Other applicable recoveries are being paid by Paragon.

The assistance being offered is just 57% of the total direct City tax and fee revenue projected from the project in the first 5 years of operation. The City will be made whole on this investment by the end of the 3rd year of operations. It should also be noted that even though this company is small and is not a big revenue generator for the City, it will be providing an additional 20,000 square feet of light manufacturing/research and development type space available for lease to other businesses. With the limited amount of space available in the Park Centre area, this company is assisting the City in meeting its economic development goals.

Respectfully submitted,

William M. Christopher
City Manager

Attachments

ASSISTANCE AGREEMENT
FOR THE CONSTRUCTION OF PARAGON SYSTEMS GROUP'S NEW
OFFICE BUILDING IN THE CITY OF WESTMINSTER

THIS AGREEMENT is made and entered into this _____ day of _____, 1997, between the CITY OF WESTMINSTER (the "City"), and Paragon Systems Group (Paragon).

WHEREAS, the City wishes to provide certain assistance to Paragon Systems Group to aid in the construction of their new office building within the City on property on 124th Avenue in Park Centre; and

WHEREAS, the proposed facility will initially employ approximately 15 employees with an annual payroll of over \$510,000; and

WHEREAS, City Council finds the execution of this Agreement will serve to provide benefit and advance the public interest and welfare of the City and its citizens by securing the location of this economic development project within the City.

In consideration of the mutual promises set forth below, the City and Paragon Systems Group agree as follows:

1. The City shall waive the payment of 40% of the building and related permit fees, not including tap fees, required under W.M.C. Section 11-10-3(E), which will result from the construction of a 28,500 square foot building to be completed no later than June 30, 1999. The value of the permit fee waiver is estimated to be \$5,613.

2. The City shall waive the payment of 40% of the building Use Taxes on the construction materials, which are to be used in the construction of the 28,500 square foot building, required under W.M.C. sections 4-2-9 and 4-2-3. The value of the waiver is estimated to be \$9,600.

3. The City shall reduce Paragon Systems Group's Use Tax obligation to the City via a use tax rebate by 50%, but not to exceed \$750 per year or a total of \$2,250, on taxable items purchased for move-in and during the first 3 years of operations following the issuance of a Certificate Occupancy. The rebate shall be paid annually within 60 days following the close of each calendar year.

4. Following the issuance of the Certificate of Occupancy for the new Westminster facility, the City will provide to Paragon \$4,000 to help defray the cost of landscaping for the new facility. Payment shall be made within 30 days following the issuance of the final certificate of occupancy.

5. The City shall reduce for Paragon the Waterline Recovery due on the 30 inch high pressure water line in Huron Street from \$33.09 to \$2.13 per linear foot.

6. This Assistance Agreement shall terminate and become void and of no force or effect upon the City if Paragon Systems Group has not completed construction or moved into its new building by June 30, 1999.

7. In the event Paragon Systems Group ceases business operations within the City within three (3) years after the new operations commence, then in such event Paragon Systems Group shall pay to the City the total amount of fees and taxes which were due and payable by Paragon Systems Group to the City but were waived by the City, as well as reimburse the City for all funds provided to Paragon Systems Group pursuant to this Agreement.

8. This instrument shall constitute the entire agreement between the City and Paragon Systems Group, and supersedes any prior agreements between the parties and their agents or representatives, all of which are merged into and revoked by this Agreement with respect to its subject matter.

9. Subordination. The City's obligations pursuant to this Agreement are subordinate to the City's obligations for the repayment of any current or future bonded indebtedness and are contingent upon the existence of a surplus in sales and use tax revenues in excess of the sales and use tax revenues necessary to meet such existing or future bond indebtedness. The City shall meet its obligations under this Agreement only after the City has satisfied all other obligations with respect to the use of sales tax revenues for bond repayment purposes. For the purposes of this Agreement, the terms "bonded indebtedness," "bonds," and similar terms describing the possible forms of indebtedness include all forms of indebtedness that may be incurred by the City, including, but not limited to, general obligation bonds, revenue bonds, revenue anticipation notes, tax increment notes, tax increment bonds, and all other forms of contractual indebtedness of whatsoever nature that is in any way secured or collateralized by sales and use tax revenues of the City.

8. Nothing in this Agreement shall be deemed or construed as creating a multiple fiscal year obligation on the part of the City within the meaning of Colorado Construction Article X, Section 20, and the City's obligations hereunder are expressly conditional upon annual appropriation by the City Council.

9. This Agreement shall be governed and construed in accordance with the laws of the State of Colorado. This Agreement shall be subject to, and construed in strict accordance with, the Westminster City Charter and the Westminster Municipal Code.

Paragon Systems Group CITY OF WESTMINSTER

By _____

President

Bill Christopher
City Manager

ATTEST:

ATTEST:

Title

Michele Kelley
City Clerk

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO.

SERIES OF 1998

INTRODUCED BY COUNCILLORS

A BILL
FOR AN ORDINANCE AUTHORIZING AN ASSISTANCE AGREEMENT
WITH PARAGON SYSTEMS GROUP

WHEREAS, the successful attraction of high quality development to the City of Westminster provides employment opportunities and increased revenue for citizen services and is therefore an important public purpose; and

WHEREAS, it is important for the City of Westminster to remain competitive with other local governments in creating incentives for high quality development to locate in the City; and

WHEREAS, Paragon Systems Group has indicated an interest in building a new 28,500 square foot building in the City of Westminster on 124th Avenue in Park Centre; and

WHEREAS, Paragon Systems Group, will employ approximately 25 at this new facility with an annual payroll of over \$510,000; and

WHEREAS, a proposed Assistance Agreement between the City and Paragon Systems Group is attached hereto as Exhibit "A" and incorporated herein by this reference.

NOW, THEREFORE, pursuant to the terms of the Constitution of the State of Colorado, the Charter and ordinances of the City of Westminster, and Resolution No. 53, Series of 1988, the members of the City Council of the City of Westminster direct and authorize the following actions by the City Staff:

Section 1. The City Manager of the City of Westminster is hereby authorized to enter into an Assistance Agreement with Paragon Systems Group, in substantially the same form as the one attached as Exhibit "A", and upon execution of the Agreement to fund and implement said Agreement.

Section 2. This ordinance shall take effect upon its passage after second reading.

Section 3. This ordinance shall be published in full within ten days after its enactment.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 8th day of June, 1998.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 29th day of June, 1998.

ATTEST:

Mayor

City Clerk

Date: June 8, 1998

Subject: Councillor's Bill No. re Match Logic Business Assistance Package

Prepared by: Susan Grafton, Economic Development Manager

Introduction

City Council action is requested on the attached Councillor's Bill to approve a business assistance package for Match Logic, Inc.'s new office facility in Westminster.

Summary

Match Logic has purchased the former Nakamura Tome building in Church Ranch Corporate Center for its new office building. Interior remodeling will begin soon and will include an expansion of the building. Move-in is expected to begin by the end of June. The attached assistance package is designed to help defray some of the initial costs of the project.

Staff Recommendation

Pass Councillor's Bill No. on first reading authorizing the execution and implementation of the Assistance Agreement with Match Logic, Inc. for the remodeling and expansion of their new office building.

Background Information

City Staff has been meeting and communicating regularly with representatives from Match Logic of Louisville, Colorado since January 1998. They have now purchased the former Nakamura Tome facility in Church Ranch Corporate Center, and are currently working on tenant finish and site planning issues. As planned, they will do \$3.6 million in remodeling to the Nakamura Tome building to change it from a manufacturing facility to a high tech office building.

Match Logic is a high tech firm wholly owned by a company named Excite, Inc. They provide market research and services to advertisers on the Internet. The average wage is anticipated to be \$70,000 per year for approximately 200 employees, for a total annual payroll of \$14.0 million. They are planning to move into their new facility this June.

It is anticipated that Match Logic will generate over \$298,000 of revenue directly to the City in the first five years of operation. This is based on the \$3.6 million in remodeling cost and average annual equipment purchases of \$1 million.

In addition to direct tax revenue expected from Match Logic, the City can also anticipate additional Sales Tax revenue as a result of the additional payroll in the local economy. The exact additional dollar impact to Westminster is difficult to estimate in an open metro-wide economy. A conservative estimate of additional sales tax for the City of Westminster resulting from additional purchases by Match Logic's 200 new jobs would be approximately \$152,000 annually.

That assumes that only 1/3 of the \$14 million payroll (\$4.6 million) will be spent in Westminster each year. At the 3.25% sales tax, that would generate approximately \$152,000 per year. Over five years, as much as \$760,000 in new Sales Tax could be generated to the City as a result of Match Logic locating in Westminster.

Based on the five year projection of direct and indirect City tax and fee revenue, Staff recommends the following assistance package:

| <u>Assistance</u> | <u>Approximate Value</u> |
|---|--------------------------|
| <u>Permit Fee Waiver</u> | \$11,115 |
| <p>60% of the building related permit fees will be waived at the time of permit issuance (excludes water and sewer tap fees). (Estimated Fees \$18,526 X 60% = \$11,115)</p> | |
| <u>Construction Use Tax Rebate/Waiver</u> | \$32,400 |
| <p>60% of the Use Tax on construction materials for this project will be waived or rebated. (Estimated Use Tax \$54,000 X 60% = \$32,400)</p> | |
| <u>Use Tax on Furnishings and Equipment</u> | |
| <u>At Move In - 30% Rebate</u> | \$18,000 |
| <p>For the period three months prior to and the three months after Match Logic obtains the Certificate of Occupancy for the new Westminster facility, the City will rebate 30% of the General Use Tax paid to the City, up to a maximum of \$18,000 on the taxable purchases to furnish the new facility. (\$2,000,000 new equipment X 3% General Use Tax X 30% = \$18,000)</p> | |
| <u>Annual - 50% Rebate</u> | \$36,000 |
| <p>Following the first three months of occupancy, 50% of the General Use Tax collected by the City, up to a maximum of \$12,000 per year, on taxable purchases, will be rebated for the first three years of operations in the new Westminster facility.</p> | |
| <u>TOTAL ASSISTANCE PACKAGE</u> | \$97,515 |

The assistance being offered is just 41% of the total direct sales tax and fee revenue projected from the project in the first five years of operation. The City will be made whole on this investment by the end of the second year.

Conclusion

Staff believes this is exactly the type of company the City is desirous of attracting. It is a high-tech company in a growing industry, which will provide high salaried primary jobs. Primary jobs create wealth for the City, which in turn results in increased sales tax, and additional jobs in the service sector of our economy.

Respectfully submitted,

William M. Christopher
City Manager

Attachments

ASSISTANCE AGREEMENT
FOR THE CONSTRUCTION OF MATCH LOGIC, INC.'S NEW
OFFICE BUILDING IN THE CITY OF WESTMINSTER

THIS AGREEMENT is made and entered into this _____ day of _____, 1998, between the CITY OF WESTMINSTER (the "City"), and MATCH LOGIC, INC.

WHEREAS, the City wishes to provide certain assistance to Match Logic, Inc. to aid in the remodeling and expansion of their new office building within the City in Church Ranch Corporate Center; and

WHEREAS, the proposed facility will employ approximately 200 employees with an annual payroll of over \$4 million; and

WHEREAS, City Council finds the execution of this Agreement will serve to provide benefit and advance the public interest and welfare of the City and its citizens by securing the location of this economic development project within the City.

In consideration of the mutual promises set forth below, the City and Match Logic, Inc. agree as follows:

1. The City shall rebate the payment of 60% of the building and related permit fees, not including tap fees, required under W.M.C. Section 11-10-3(E), which will result from the remodeling of a 40,000 square foot building to be completed no later than December 31, 1998. The value of the permit fee rebate is estimated to be \$11,115.

2. The City shall rebate the payment of 60% of the building Use Taxes on the construction materials, which are used in the remodeling of the 40,000 square foot building to be completed no later than December 31, 1998, required under W.M.C. sections 4-2-9 and 4-2-3. The value of the rebate is estimated to be \$32,400.

3. The City shall reduce Match Logic, Inc.'s Use Tax obligation to the City via a use tax rebate as follows:

- a) For the period three months prior and the three months after Match Logic obtains the Certificate of Occupancy for the Westminster facility, the City will rebate 30% of the General Use Tax paid to the City on taxable purchases up to a maximum of \$18,000. The rebate shall be paid quarterly within 20 days following the close of each calendar quarter.
- b) Following the first three months of occupancy, 50% of the Use Tax paid to the City, but not to exceed \$12,000 per year, by the City on taxable purchases will be rebated during the first three years of operations. The rebate shall be paid quarterly within 20 days following the close of each calendar quarter.

4. This Assistance Agreement shall terminate and become void and of no force or effect upon the City if Match Logic, Inc. has not completed construction or moved into its new building by December 31, 1998.

5. In the event Match Logic, Inc. ceases business operations within the City within three (3) years after the new operations commence, then in such event Match Logic, Inc. shall pay to the City the total amount of fees and taxes which were due and payable by Match Logic, Inc. to the City but were rebated by the City, as well as reimburse the City for all funds provided to Match Logic, Inc. pursuant to this Agreement.

6. This instrument shall constitute the entire agreement between the City and Match Logic, Inc., and supersedes any prior agreements between the parties and their agents or representatives, all of which are merged into and revoked by this Agreement with respect to its subject matter.

7. Subordination. The City's obligations pursuant to this Agreement are subordinate to the City's obligations for the repayment of any current or future bonded indebtedness and are contingent upon the existence of a surplus in sales and use tax revenues in excess of the sales and use tax revenues necessary to meet such existing or future bond indebtedness. The City shall meet its obligations under this Agreement only after the City has satisfied all other obligations with respect to the use of sales tax revenues for bond repayment purposes. For the purposes of this Agreement, the terms "bonded indebtedness," "bonds," and similar terms describing the possible forms of indebtedness include all forms of indebtedness that may be incurred by the City, including, but not limited to, general obligation bonds, revenue bonds, revenue anticipation notes, tax increment notes, tax increment bonds, and all other forms of contractual indebtedness of whatsoever nature that is in any way secured or collateralized by sales and use tax revenues of the City.

8. Nothing in this Agreement shall be deemed or construed as creating a multiple fiscal year obligation on the part of the City within the meaning of Colorado Construction Article X, Section 20, and the City's obligations hereunder are expressly conditional upon annual appropriation by the City Council.

9. This Agreement shall be governed and construed in accordance with the laws of the State of Colorado. This Agreement shall be subject to, and construed in strict accordance with, the Westminster City Charter and the Westminster Municipal Code.

MATCH LOGIC, INC. CITY OF WESTMINSTER

By _____
Scott Schafer
Chief Operating Officer

Bill Christopher
City Manager

ATTEST:

ATTEST:

Title

Michele Kelley
City Clerk

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO.

SERIES OF 1999

INTRODUCED BY COUNCILLORS

A BILL
FOR AN ORDINANCE AUTHORIZING AN ASSISTANCE AGREEMENT
WITH MATCH LOGIC, INC.

WHEREAS, the successful attraction of high quality development to the City of Westminster provides employment opportunities and increased revenue for citizen services and is therefore an important public purpose; and

WHEREAS, it is important for the City of Westminster to remain competitive with other local governments in creating incentives for high quality development to locate in the City; and

WHEREAS, Match Logic, Inc. has indicated an interest in remodeling and expanding a 40,000 square foot building in the City of Westminster in Church Ranch Corporate Center; and

WHEREAS, Match Logic, Inc. will employ approximately 200 at this new facility with an annual payroll of over \$4 million; and

WHEREAS, a proposed Assistance Agreement between the City and Match Logic, Inc. is attached hereto as Exhibit "A" and incorporated herein by this reference.

NOW, THEREFORE, pursuant to the terms of the Constitution of the State of Colorado, the Charter and ordinances of the City of Westminster, and Resolution No. 53, Series of 1988, the members of the City Council of the City of Westminster direct and authorize the following actions by the City Staff:

Section 1. The City Manager of the City of Westminster is hereby authorized to enter into an Assistance Agreement with Match Logic, Inc. in substantially the same form as the one attached as Exhibit "A", and upon execution of the Agreement to fund and implement said Agreement.

Section 2. This ordinance shall take effect upon its passage after second reading.

Section 3. This ordinance shall be published in full within ten days after its enactment.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 8th day of June, 1998.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 29th day of June, 1998.

ATTEST:

Mayor

City Clerk

Date: June 8, 1998

Subject: Church Ranch In-Fill Annexation/2nd Amended PDP

Prepared by: Mark E. Geyer, Planner

Introduction

City Council is requested to conduct a public hearing to consider the annexation of property and an amendment to the Church Ranch Preliminary Development Plan (PDP). The request involves the annexation and zoning of 6.04 acres of land adjacent to existing Parcels 5 & 6 (see attached vicinity map and site plans), at the southwest corner of 103rd Avenue and Church Ranch Boulevard.

Summary

The applicant, Church Ranch Corporate Center, has purchased an additional 6.04 acres of land adjacent to the existing boundaries of the Church Ranch Preliminary Development Plan. This parcel is referred to as the Church Ranch In-fill property. The applicant wishes to incorporate this new acreage into the existing PDP and to develop it as part of the remaining portions of Parcels 5 and 6. The development plan is similar to the Church Ranch Business Center on the northside of West 103rd Avenue, west of Church Ranch Boulevard, as single-story office/research and development/light warehousing. The applicant is proposing to build the project in one construction phase beginning in 1998.

The Church Ranch In-Fill property requires annexation and zoning. The zoning proposed is a continuation of uses already approved for Parcels 5 and 6. A slight modification of these uses is required to conform with the City's Comprehensive Land Use Plan and the Northeast Comprehensive Development Plan. This limitation involves restricting the amount and intensity of retail uses within business parks.

Applicant/Property Owner Church Ranch Home Place, 10050 Wadsworth Boulevard, Westminster, CO 80021. Contact Person: Charles McKay

Location Southwest corner of 103rd Avenue and Church Ranch Boulevard

Size of site Church Ranch In-Fill Area - 6.04 acres

Total of In-Fill area and Parcels 5 & 6 - 24.86 acres

Total for All of the Church Ranch Corporate Center - 103 acres.

Description of Proposed Use The applicant proposes to continue the existing uses of commercial/office/research and development that are currently on surrounding parcels. The commercial use would be modified on the Church Ranch In-Fill property to account for the Comprehensive Land Use Plan's limitations.

Major Issues -

Major issues include Official Development Plan (ODP) design and allowed uses. A discussion of each is detailed below.

Planning Commission Recommendation

Recommend to the City Council approval of the annexation of the 6.04 acre "Church Ranch In-Fill" property.

Recommend to the City Council approval of the proposed Second Amended Preliminary Development Plan for the Church Ranch Home Place Planned Unit Development to include the new Church Ranch In-Fill property, conditioned upon annexation of the Church Ranch In-Fill property.

This recommendation was approved with a 5-1 vote. The one vote in opposition was made by commission member Greg Mann. He stated that the Church Ranch development should be held to a higher standard in design and density given its proximity to the US 36 corridor and to the Promenade project. He would have preferred to require a multi-storied project to take advantage of this location.

Staff Recommendation

1. Hold a Public Hearing.
2. Adopt Resolution No. accepting the findings for annexations of the Church Ranch In-Fill property.
3. Pass Councillor's Bill No. on first reading annexing the Church Ranch In-Fill property.
4. Pass Councillor's Bill No. on first reading zoning the Church Ranch In-Fill property.
5. Approve the Second Amended Preliminary Development Plan for the Church Ranch Home Place Planned Unit Development to include the new Church Ranch In-Fill property, conditioned upon annexation of the Church Ranch In-Fill property, and the revision of the Right-of-way dedication note on sheet three to read, "R.O.W. to be dedicated by the Official Development Plan and Plat."

Background Information

Church Ranch Corporate Center was first established as a Planned Unit Development in 1988. Taking advantage of the location at the interchange of U.S. 36 and 104th Avenue, the vision was to create a high-end business park which encouraged, office, research and development, light manufacturing, high density housing, and hotels.

To date, the center has developed a high density residential community (Eagle's Landing), a three-story hotel (Country Inn), a business center, a manufacturing operation (soon to be converted into a high-tech office facility), a bank (Citizen's Bank), a child care facility (Kinder Care), and an assisted living facility (The Retreat). The addition of the Church Ranch In-Fill property expands on the previously approved concept plan and, if approved, will allow four, single-story office buildings.

Discussion of Major Issues

Official Development Plan Design: The applicant has proposed a complex of four, single-story buildings to be used primarily as office and research and development space. Staff had stressed the desire to have a multi-storied building located in this development. This desire came from the existing plan to develop this park in a "high-tech, high image" style as originally envisioned from the park's conception in 1988.

The applicant does not wish to add any multi-story buildings in this particular project. He believes that the market is not here for this kind of product, and that the eastern side of Church Ranch Boulevard is already reserved for these multi-storied buildings.

Staff and the applicant have reached a compromise in that the applicant will construct the two buildings fronting Church Ranch Boulevard (proposed buildings 2 and 4) with 22 foot high walls which will include higher roof/tower elements at the corners of these buildings. The applicant would also include a smaller version of this tower element on the corner of building 3 at the Westcliff Parkway entrance. These tower elements will include spandrel glass features to give the impression of a two-story building. The applicant has included language on the amendment document referencing a future raised building and corner element that must be agreed upon by the City. The details of the design will be finalized in the ODP.

Allowed Uses: The existing PDP allows for commercial uses on Parcels 5 and 6. The Comprehensive Land Use Plan identifies this area as Business Park and restricts the type and total size of commercial uses. That applicant has included language in the amendment to account for the Comprehensive Land Use Plan's limitations for the Church Ranch In-Fill area. These restrictions limit the amount of retail uses to between 10 and 25% of the total square footage of the buildings and allow no more than 50% of the ground floor to be used for retail uses. While it is not the intent of the owner to develop the property with retail or commercial uses, the Business Park category of the Comprehensive Land Use Plan does allow for these uses. At the time of ODP review, Staff may recommend restricting the allowed uses in order to tailor them to the specific development proposed.

Mini-storage warehousing is prohibited.

Right-of-Way Dedication (This item was not discussed at the Planning Commission.) An additional 27.5 feet of right-of-way is needed along the west side of Church Ranch Boulevard, just south of 103rd Avenue. The applicant has placed a note on the P.D.P. amendment that indicates this dedication will be by separate agreement. In the original P.D.P., the applicant agreed to a 100' wide R.O.W. for Church Ranch Boulevard. Since that time, the City's street standards have changed and a total of 155' is needed for Church Ranch Boulevard, thus requiring an additional 27.5' on both sides of the street alignment.

Prior to this annexation, the City acquired necessary additional R.O.W. through either purchase or credit given to the owner based on value owed to the City. This was done due to the annexation agreement which limited the right-of-way donation to 100 feet and guaranteed a minimum of 100 developable acres to the applicant. Now that annexation of new property is involved, Staff believes that this additional R.O.W. should be dedicated as part of the Official Development Plan and Plat for this development.

Staff recommends that the note on sheet three of the P.D.P. amendment be changed to state "R.O.W. to be dedicated by the Official Development Plan and Plat."

Public Land Dedication, Parks/Trails Public lands were dedicated by the applicant as part of the original PDP. The proposed commercial uses for the Church Ranch In-Fill property do not generate the requirement for additional dedication.

Access and Circulation The site will be accessed from 103rd Avenue, directly across the street from the existing business center, from Church Ranch Boulevard at the Westcliff Parkway intersection, and from a right-in/right-out driveway at the mid-point between Westcliff Parkway and 103rd Avenue.

Site Design Site design will be presented at the City Council in order to give an accurate representation of the project. However, the site plan is not under consideration by City Council at this time.

Service Commitment Category Service Commitments would come from the Category "C" pool.

Referral Agency Responses Jefferson County responded to our referral with no adverse comments.

Public Comments None to date.

Surrounding Zoning North, south, and east - PUD (Church Ranch Corporate Center including commercial, multi-family residential, office, hotel, and research and development); West - Jefferson County A-1 (current use as a commercial nursery, and a single family detached home).

Respectfully submitted,

William M. Christopher
City Manager

Attachments

RESOLUTION

RESOLUTION NO

INTRODUCED BY COUNCILLORS

SERIES OF 1998

A RESOLUTION PURSUANT TO SECTION 31-12-110, C.R.S., SETTING FORTH THE FINDINGS OF FACT AND CONCLUSION OF CITY COUNCIL WITH REGARD TO THE PROPOSED ANNEXATION OF CONTIGUOUS INCORPORATED TERRITORY TRACT 57E OF MANDALAY GARDENS AS RECORDED BY RECEPTION NO. 194693, EXCEPT ANY PORTION OF SAID TRACT 57E LYING WITHIN THE PARCEL OF LAND DESCRIBED IN DEED RECORDED JUNE 1, 1976 IN BOOK 2858 AT PAGE 37 LOCATED WITHIN NORTHEAST ONE QUARTER OS SECTION 14, TOWNSHIP 2 SOUTH, RANGE 69 WEST OF THE 6TH P.M., COUNTY OF JEFFERSON, STATE OF COLORADO

WHEREAS, pursuant to the laws of the State of Colorado, there has been filed with the City Clerk a petition (the "Petition") for Martin property described in said Petition; and

WHEREAS, City Council has previously adopted Resolution No. 22 finding the Petition to be in substantial compliance with the provisions of section 31-12-107(1), C.R.S., and;

WHEREAS, City Council has held a hearing concerning the proposed annexation as required by sections 31-12-108 and -109, C.R.S.; and

WHEREAS, having completed the required hearing, the City Council wishes to set forth its findings of fact and conclusion regarding the proposed annexation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WESTMINSTER THAT:

1. The City Council finds:

a. Not less than 1/6 of the perimeter of the area proposed to be annexed is contiguous with the City of Westminster;

b. A community of interest exists between the area proposed to be annexed and the City;

c. The area is urban or will be urbanized in the near future; and

d. The area is integrated with or is capable of being integrated with the City.

2. The City Council further finds:

a. With respect to the boundaries of the territory proposed to be annexed, no land held in identical ownership, whether consisting of one tract or parcel of real estate or two or more contiguous tracts or parcels of real estate, has been divided into separate parts or parcels without the written consent of the landowners thereof, except to the extent such tracts or parcels are separated by dedicated street, road, or other public way; and

b. With regard to the boundaries of the area proposed to be annexed, no land held in identical ownership, whether consisting of one tract or parcel of real estate or two or more contiguous tracts or parcels of real estate, comprising twenty (20) acres or more (which, together with the buildings and improvements situated thereon has a valuation for assessment in excess of \$200 for ad valorem tax purposes for the previous year), has been included in the area being proposed for annexation without the written consent of the owners thereof, except to the extent such tract of land is situated entirely within the outer boundaries of the City immediately prior to the annexation of said property.

3. The City Council further finds:

- a. That no annexation proceedings concerning the property proposed to be annexed by the City has been commenced by another municipality;
- b. That the annexation will not result in the attachment of area from a school district;
- c. That the annexation will not result in the extension of the City's boundary more than three (3) miles in any direction;
- d. That the City of Westminster has in place a plan for the area proposed to be annexed; and
- e. That in establishing the boundaries of the area to be annexed, the entire width of any street or alley is included within the area annexed.

4. The City Council further finds that an election is not required and no additional terms or conditions are to be imposed upon the area to be annexed.

5. The City Council concludes that the City may proceed to annex the area proposed to be annexed by ordinance pursuant to section 31-12-111, C.R.S.

PASSED AND ADOPTED this 8th day of June, 1998.

ATTEST:

Mayor

City Clerk

Church Ranch Infill

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO.

SERIES OF 1998

INTRODUCED BY COUNCILLORS

A BILL

FOR AN ORDINANCE APPROVING AND ACCOMPLISHING THE ANNEXATION OF CONTIGUOUS UNINCORPORATED TERRITORY IN TRACT 57E OF MANDALAY GARDENS AS RECORDED BY RECEPTION NO. 194693, EXCEPT ANY PORTION OF SAID TRACT 57E LYING WITHIN THE PARCEL OF LAND DESCRIBED IN DEED RECORDED JUNE 1, 1976 IN BOOK 2858 AT PAGE 37 LOCATED WITHIN NORTHEAST ONE QUARTER OF SECTION 14, TOWNSHIP 2 SOUTH, RANGE 69 WEST OF THE 6TH P.M., COUNTY OF JEFFERSON, STATE OF COLORADO

WHEREAS, pursuant to the laws of the State of Colorado, there was presented to and filed with the Council of the City of Westminster a written petition for annexation to and by the City of Westminster of the hereinafter-described contiguous, unincorporated territory situate, lying and being in the County of Jefferson, State of Colorado; and

WHEREAS, City Council has been advised by the City Attorney and the City Manager that the petition and accompanying maps are in substantial compliance with Sections 31-12-101, et. seq., Colorado Revised Statutes, as amended; and

WHEREAS, City Council has held the required annexation hearing in conformance with all statutory requirements; and

WHEREAS, City Council has heretofore adopted Resolution No. 61 making certain findings of fact and conclusions regarding the proposed annexation as required by Section 31-12-110, C.R.S., and now finds that the property proposed for annexation under the Annexation Petition may be annexed by ordinance at this time; and

WHEREAS, the Council of the City of Westminster has satisfied itself concerning the conformance of the proposed annexation to the annexation policy of the City of Westminster.

NOW, THEREFORE, the City of Westminster ordains:

Section 1. That the annexation is hereby accomplished by and to the City of Westminster, State of Colorado, of the following described contiguous unincorporated territory situate, lying and being in the County of Jefferson, State of Colorado, to wit:

Tract 57E of Mandalay Gardens as recorded by Reception No. 194693, except any portion of said Tract 57E lying within the parcel of land described in deed recorded June 1, 1976 in Book 2858 at Page 37 located within Northeast one quarter of Section 14, Township 2 South, Range 69 West of the 6th P.M., County of Jefferson, State of Colorado, being more particularly described as follows:

Beginning at the Northeast corner of said Tract 57E, also being on the south right-of-way line of Lea Drive of said Mandalay Gardens from whence the northeast corner of the northeast one-quarter of said Section 14, bears N60°57'00"E, a distance of 1,559.82 feet to the True Point of Beginning; Thence departing said south right-of-way line along the east line of said Tract 57E

S00°11'17"W, a distance of 603.95 feet to the southeast corner of said Tract 57E; Thence along the south line of said Tract 57E N89°57'08"W, a distance of 538.30 feet to the southwest corner of said Tract 57E, also being the southeast corner of Tract 57D of said Mandalay Gardens; Thence along the west line of said Tract 57E and the east line of said Tract 57D, N00°15'05"W, a distance of 289.98 feet to a point on the south line of that parcel as described in deed recorded in Book 2858 at Page 37; Thence along the south line of said parcel S89°57'01"E, a distance of 199.50 feet to the southeast corner of said parcel in Book 2858 at Page 37; Thence along the east line of said parcel in Book 2858 at Page 37 and the west line of said Tract 57E, N00°24'48"E, a distance of 314.00 feet to the northwest corner of said Tract 57E, and the south right-of-way line of said Lea Drive; Thence along the north line of said Tract 57E and the south right-of-way line of said Lea Drive S89°57'01"E, a distance of 339.79 feet to the True Point of Beginning. Said Parcel contains 6.04 acres, more or less.

With the following conditions:

- a. Based on the traffic study performed by Fellsburg, Holt, and Ullevig, Council finds that the previously recommended acceleration lanes are not warranted and may be deleted. Deceleration lanes will, however, be installed by the Developer at three locations between 103rd Avenue and Wadsworth Boulevard;
- b. The additional 27.5 feet of right-of-way needed along the west side of Church Ranch Boulevard, just south of 103rd Avenue, will be purchased by the City at \$4.87 per square foot, for a total payment for this 16,730 square-foot right-of-way of \$79,765;
- c. The Developer shall construct a second story element on Building Number 2, spanning four bays of the Building. This language will be added to the Developer's PDP, and shall be considered a fixed development requirement as part of the ODP approval process;
- d. A Business Assistance Package in the amount of \$65,000 will be provided by the City for this office/office showroom development by separate agreement;
- e. The Developer and the City specifically agree that none of the conditions set forth above shall be considered to be a precedent with respect to further development within the Church Ranch Planned Unit Development, future annexations, or a waiver or modification of any previous interpretations or positions regarding any prior agreements between the City and the Developer. The Developer and the City agree that the above conditions are intended solely to address the unique and special site improvement and architectural standards and costs for this Project, and the mutual benefits to both parties of having this Property be annexed to and developed within the City of Westminster.

Section 2. This ordinance shall take effect upon its passage after second reading.

Section 3. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 8th day of June, 1998.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 6th day of July, 1998.

ATTEST:

Mayor

City Clerk

Church Ranch Infill

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO.

SERIES OF 1998

INTRODUCED BY COUNCILLORS

A BILL

FOR AN ORDINANCE AMENDING THE ZONING LAW AND ESTABLISHING THE ZONING CLASSIFICATION OF CERTAIN DESCRIBED PROPERTY IN THAT PART OF TRACT 57E OF MANDALAY GARDENS AS RECORDED BY RECEPTION NO. 194693, EXCEPT ANY PORTION OF SAID TRACT 57E LYING WITHIN THE PARCEL OF LAND DESCRIBED IN DEED RECORDED JUNE 1, 1976 IN BOOK 2858 AT PAGE 37 LOCATED WITHIN NORTHEAST ONE QUARTER OF SECTION 14, TOWNSHIP 2 SOUTH, RANGE 69 WEST OF THE 6TH P.M., COUNTY OF JEFFERSON, STATE OF COLORADO

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The City Council finds:

a. That an application for the zoning of the property described below from Jefferson County A-2 to City of Westminster PUD - Planned Unit Development zoning has been submitted to the City for its approval pursuant to Westminster Municipal Code section 11-2-1.

b. That Council has completed a public hearing on the requested zoning pursuant to the provisions of Chapter 2 of Title XI of the Westminster Municipal Code.

c. That based on the evidence produced at the public hearing, the City Council finds that the proposed zoning complies with all requirements of City Code, including, but not limited to, the provisions of Westminster Municipal Code sections 11-5-1.

d. That the proposed zoning is compatible with existing zoning and land uses of adjacent properties in the general vicinity of the property proposed for zoning.

e. That the proposed zoning is consistent with all applicable general plans and policies concerning land use and development relative to the property proposed for zoning.

Section 2. The Zoning District Map of the City is hereby amended by reclassification of the property described herein hereto from Jefferson County A-2 to City of Westminster PUD--Planned Unit Development.

Tract 57E of Mandalay Gardens as recorded by Reception No. 194693, except any portion of said Tract 57E lying within the parcel of land described in deed recorded June 1, 1976 in Book 2858 at Page 37 located within Northeast one quarter of Section 14, Township 2 South, Range 69 West of the 6th P.M., County of Jefferson, State of Colorado, being more particularly described as follows:

Beginning at the Northeast corner of said Tract 57E, also being on the south right-of-way line of Lea Drive of said Mandalay Gardens from whence the northeast corner of the northeast one-quarter of said Section 14, bears N60°57'00"E, a distance of 1,559.82 feet to the True Point of Beginning; Thence departing said south right-of-way line along the east line of said Tract 57E S00°11'17"W, a distance of 603.95 feet to the southeast corner of said Tract 57E; Thence along the south line of said Tract 57E N89°57'08"W, a distance of 538.30 feet to the southwest corner of said Tract 57E, also being the southeast corner of Tract 57D of said Mandalay Gardens;

Thence along the west line of said Tract 57E and the east line of said Tract 57D, N00°15'05"W, a distance of 289.98 feet to a point on the south line of that parcel as described in deed recorded in Book 2858 at Page 37; Thence along the south line of said parcel S89°57'01"E, a distance of 199.50 feet to the southeast corner of said parcel in Book 2858 at Page 37; Thence along the east line of said parcel in Book 2858 at Page 37 and the west line of said Tract 57E, N00°24'48"E, a distance of 314.00 feet to the northwest corner of said Tract 57E, and the south right-of-way line of said Lea Drive; Thence along the north line of said Tract 57E and the south right-of-way line of said Lea Drive S89°57'01"E, a distance of 339.79 feet to the True Point of Beginning. Said Parcel contains 6.04 acres, more or less.

Section 3. This ordinance shall take effect upon its passage after second reading.

Section 4. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

-
INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 8th day of June, 1998.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 6th day of July, 1998.

ATTEST:

Mayor

City Clerk

Church Ranch Infill

Date: June 8, 1998
Subject: Resolution No. re Ryan Property Annexation
Prepared By David Falconieri, Planner III

Introduction:

City Council action is requested on the attached resolution concerning a finding of compliance for the petition requesting annexation of the Ryan Property, with statutory requirements and establishing a hearing date (see attached vicinity map). The proposed annexation consists of 11.3 acres located between Westminster Boulevard and U.S. 36. at the 108th Avenue alignment.

Summary:

On July 28, 1997, the City Council approved a Real Estate Exchange Agreement and an Annexation Agreement with Donald Ryan regarding the above described property. The Annexation Agreement specified that Mr. Ryan would submit a petition for annexation with an accompanying Preliminary Development Plan which showed Business Park type uses as defined in the City's Comprehensive Land Use Plan.

The Real Estate Exchange Agreement granted the southernmost 3.85 acres of this property to the City for a parking area for the Promenade Development, while Mr. Ryan was given, in exchange, an 8+ acre parcel to the north which was owned by the City. The newly constituted parcel now owned by Mr. Ryan will be subject to a Preliminary Development Plan which will be reviewed in conjunction with the annexation and will be subject to the provisions of the annexation agreement.

Staff Recommendation:

Adopt Resolution No. accepting the annexation petition submitted by Donald Ryan and make the findings required by State Statute on the sufficiency of the petition. This resolution also sets the date of August 10, 1998, for the annexation hearing.

Background Information:

Upon receiving a petition for annexation, the City Council is required by State Statute to make a finding of whether or not said petition is in compliance with Section 31-12-107 (1) of the C.R.S. In order for the petition to be found in compliance, Council must find that the petition contains the following information:

1. An allegation that the annexation is desirable and necessary.
2. An allegation that the requirements of Section 31-12-104 and 31-12-105 of the C.R.S. have been met. (These Sections are to be reviewed by the Council at a formal public hearing).

3. Signatures and mailing addresses of at least 50% of the landowners of the land to be annexed. (In this case, The Ryan Family Trust and Donald Ryan, signers of the petition, own more than 50% of the property).
4. The legal description of the land to be annexed.
5. The date of each signature.
6. An attached map showing the boundaries of the area.

Planning Staff has reviewed the petition and have found to Staff's satisfaction that the petition complies to the above requirements.

If the City Council finds that the petition is in substantial compliance with these requirements, a resolution must be approved that establishes a hearing date at which time Council will review the merits of the proposed annexation.

Respectfully Submitted,

William M. Christopher
City Manager

Attachments

RESOLUTION

RESOLUTION NO.

INTRODUCED BY COUNCILLORS

SERIES OF 1998

WHEREAS, there has been filed with the City Clerk of the City of Westminster, a petition, a copy of which is attached hereto and incorporated herein by reference, for the annexation of certain territory therein-described to the City; and

WHEREAS, City Council has been advised by the City Attorney and the City Manager that the petition and accompanying map are in substantial compliance with Sections 31-12-101, et.seq., Colorado Revised Statutes, as amended.

NOW, THEREFORE, be it resolved that by City Council of the City of Westminster that:

1. City Council finds the said petition and annexation map to be in substantial compliance with all state statutory requirements, including C.R.S. Section 31-12-107(1).

2. City Council hereby establishes August 10, 1998, 7:00 p.m., at the Westminster City Council Chambers, 4800 West 92nd Avenue, for the annexation hearing required by C.R.S. Section 31-12-108(1).

2. City Council hereby orders the City Clerk to give notice of the annexation hearing in accordance with C.R.S. Section 31-12-108(2).

Passed and adopted this 8th day of June, 1998.

ATTEST:

Mayor

City Clerk

Date: June 8, 1998

Subject: Resolution No. re ECA Fall Conference Appropriation

Prepared by: Ron Hellbusch, Director of Public Works and Utilities

Introduction

City Council action is requested on the attached Resolution approving a transfer from the Utility Fund Contingency Account in the amount of \$15,000 to be used for funding advance expenses related to the Energy Communities Alliance Fall Conference being held in Westminster, September 30 through October 2.

Summary

Public Works and Utilities Staff, on behalf of the City, is coordinating the Energy Communities Alliance (ECA) Fall Conference for this fall, September 30 to October 2. City Staff, in conjunction with City Councillor Sam Dixion, has already initiated the planning of this Fall Conference and has assigned specific areas of responsibility to those involved in this process. This is an important undertaking by the Department to ensure a successful Conference experience for participants from across the Nation.

In order to handle the financial aspects of the variety of tasks required, a special account/fund has been established through the Finance Department for depositing and withdrawing funds as needed. The concern that Staff has is that no "up-front" funding is available for advance arrangements related to the Conference. These would include such expenses as: transportation, printing, entertainment, food, and equipment rental. If City Council approves the use of funds for these advance expenses, those funds would be reimbursed as sponsorship and registration fees are received from Conference attendees.

Staff Recommendation

Adopt Resolution No. authorizing the transfer of Utility Fund Contingency funds to a Finance Department hold account in the amount of \$15,000 to cover advance expenses for the Energy Communities Alliance Fall Conference with funds to be repaid through Conference fees collected by the City.

Background Information

Earlier this year, Westminster was selected to host the Energy Communities Alliance (ECA) Fall Conference to be held September 30 through October 2. City Staff has initiated the planning process for this Conference and has established that some of the needed expenses to host the Conference must be paid in advance of receiving any registration fees and sponsorship contributions. In order to proceed with some of the required advance planning for the Conference, funds are needed to pay for these expenses now and reimburse the established account when registration and sponsorship funds are sent in prior to the Conference dates. Approximately 150 people have attended the ECA Conference in the past.

The ECA Fall Conference Planning Committee is requesting the use of funds from the City to pay for the needed expenses now, and then reimburse the account as we receive funds from Conference attendees.

The current Utility Fund Contingency account balance is \$700,000.

Respectfully submitted,

William M. Christopher
City Manager

Attachment

RESOLUTION

RESOLUTION NO.

INTRODUCED BY COUNCILLORS

SERIES OF 1998

WHEREAS, the need for advance funding related to the Energy Communities Alliance Fall Conference has been identified by the City Council, City Manager, Department Heads, and Public Works and Utilities Staff; and

WHEREAS, the total amount requested is \$15,000; and

WHEREAS, Staff recommends using Utility Fund Contingency funds from the budget for the purpose of paying expenses.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WESTMINSTER, IN THE COUNTIES OF ADAMS AND JEFFERSON, STATE OF COLORADO:

1. City Council hereby authorized the transfer of \$15,000 from the Utility Fund Contingency account to the appropriate holding account in the Finance Department for the use of the Energy Communities Alliance Fall Conference Committee in paying expenses for the Fall Conference.

PASSED AND ADOPTED this 8th day of June 1998.

ATTEST:

Mayor

City Clerk

Date: June 8, 1998
Subject: Midyear Staffing and Reclassification Changes
Prepared by: Debbie Mitchell, Human Resources Manager

Introduction

City Council action is requested to authorize 7.2 new regular positions and 5 classification changes to existing positions within the City.

Summary

Staff requests that City Council consider several mid-year changes to the 1998 pay plan and Staffing allocation. Staff is recommending that 7.2 new full-time equivalent (FTE) positions be added to the authorized positions for the City organization. Additionally, Staff requests five reclassifications of existing FTE positions.

The recommended additional positions are: a 1.0 FTE Financial Analyst in the Finance Department; 3.0 FTE Police Officers in the Patrol Division and Community Services Division of the Police Department; a 1.0 FTE Records Management Technician in the Engineering Division of the Community Development Department; a .7 FTE Recreation Aide II in the Recreation Programs Division in the Parks, Recreation and Libraries Department; a .5 FTE Messenger in the City Manager's Office; and a 1.0 FTE Human Resources Analyst in the General Services Department. These positions would be funded from a Sales Tax Revenue supplemental appropriation. Revenue from the Sales and Use Taxes are running approximately 9% ahead of last year while budget projections are at a 4.3% increase.

The recommended reclassifications are: upgrading the Building Permit Technician to an Assistant Building Plans Analyst (Grade 45 to Grade 52); upgrading the Messenger position from Grade 33 to Grade 36; upgrading the Rocky Flats Coordinator position from Grade 50 to Grade 55; and upgrading the Treasury Manager position range to \$58,000 - \$65,000 (same as Accounting Manager). Other recommended pay plan changes are: eliminating one Utility Technician position and adding a new classification of Capital Projects Coordinator (unclassified) with a pay range of \$52,000-\$59,000 to the City pay plan. The total estimated cost for 1998 to add these proposed new positions is \$143,870.

Staff Recommendation

1. Adopt Resolution No. _____ authorizing 7.2 FTE positions and the reclassification of 5 FTE in the City pay plan.
2. Pass Councillor's Bill No. _____ on first reading for a supplemental appropriation of \$143,870 to cover the additional salary and benefit costs for the additional of 7.2 FTE and 5 FTE reclassifications.

Background Information

The City has experienced a steady increase in service demands in several areas of the organization this year. To address the service needs in these areas, Staff recommends the addition of 7.2 FTE and the reclassification of 5.0 FTE. This mid-year staffing adjustment would provide much needed human resources to better address essential service demands and accomplish the 1998 objectives established in the City workplan.

Finance Department

Finance Department Staff recommend advancing the proposed 1999 hiring of a Financial Analyst to mid-year 1998. This would allow the Department to meet a host of important objectives for 1998 as well as restructure the Department to include a Treasury Division. The restructuring of Treasury would include an increase in the Treasury Manager pay classification. An experienced Treasury Manager is needed to assist the Finance Director with a number of key projects and objectives. These key issues include:

- *Focusing attention to debt management is critical due to recent and continuing bond issuance, as well as the accompanying need to formalize an active debt management portfolio (monitoring bond compliance, overseeing arbitrage calculations and rebate set-asides, and coupon destruction).

- *The banking services contract needs to be re-written and re-bid. Related duties would include implementing formalized procedures of monitoring bank account analysis statements, streamlining a credit card terminal system throughout the City, and reducing overall costs.

- *Implementation of improved revenue collection methods, such as automated cash receipting, implementation of lock-box collection of City utility bills, and implementation of monthly reconciliations of receivables to billings in utility billing would improve efficiency and tracking of revenues.

The current Treasury Manager wishes to move into the Financial Analyst position, allowing him to train with an experienced Treasury Manager and gain expertise in the treasury field. An upgrade of the vacated Treasury Manager position, to the same level as Accounting and Sales Tax Manager, would allow the City to recruit competitively for a person with 2 to 5 years experience in treasury management. The division manager responsibilities would be broadened to include all revenue management, including revenue collection from utility billing and cashiering. The reorganization of responsibilities would provide for an organizational structure that recognizes the City's size and budget of over \$100 million. Treasury, as a separate function and division, would allow the City to maintain proper internal controls between Treasury and Accounting. The total 1998 cost for the Finance Department adjustments would be \$33,300.

Police Department

Three additional Police Officers are being requested for mid-year 1998 to meet needs in the DARE program (1.0 FTE) and Patrol Division (2.0 FTE). The salary and benefit cost for 1998 would be \$55,200. Demands of the two existing employees covering the elementary school portion of the DARE Program (15 schools in all) has become unmanageable. The national norm for DARE officers is one officer for every five elementary schools. The additional FTE would enable the department to effectively service all elementary schools in the City.

The two additional Police Officer FTEs would be added to the Patrol Services Division. These positions would be utilized to address increasing demands of expanded patrol services and response capability in the street. Patrol continues to experience additional police service events and demands due to population increases and the effects of the "magnetic draws" of businesses like the new AMC 24 Theatre Complex. Two new patrol officers would add an estimated 3600 hours per year of patrol coverage throughout the City.

Community Development

The addition of one FTE in Community Development is requested to address the expanding need for a records management and retrieval system of plans and documents in the Community Development Department. The requested creation of a new position of Records Management Technician (Grade 44) would help to establish and maintain a records management system for all information received including studies, plans, and maps. Additionally, the employee would research and develop a computerized system of records management on optical disk, interpret and plot legal descriptions for property parcels, review and approve address plats, assist customers with address designations for new properties, and prepare graphic illustrations, maps and charts.

A reclassification of the Building Permit Technician (Grade 45) to a new classification of Assistant Building Plans Analyst (Grade 52) would address an inequity that has evolved over the past year in this position. The responsibilities of the position have changed from technician to higher level analyst work. Demands in the operation, as well as the ability of the incumbent employee to take on the necessary responsibilities have created this classification issue. Specifically, an increase in the number of construction plan review requests and the need to expedite completion of the reviews have increased the complexity of this indexed position.

A new job description was developed, reflecting the change in expectations. Human Resources staff has conducted a survey of the position and recommends the new position title and grade. In addition to construction plan review, this position is crucial to the Department's ability to provide quality customer service for initial contacts with homeowners undertaking construction projects.

The cost of the additional FTE Records Management Technician and the upgrade for the Building Division position would be \$23,500 in 1998.

Parks, Recreation and Libraries

The Recreation Division is requesting that a part-time temporary position responsible for the maintenance and preparation of playing fields for youth and adult sports programs be transferred to part-time benefitted status. This Temporary Recreation Aide II position (Grade 22) is being requested at a .7 FTE benefitted capacity. The benefit cost in 1998 would be \$1,600.

In 1994, this position was part time benefitted at .5 FTE, but was transferred to temporary status during a Division reorganization. Unfortunately, the temporary status of the position has resulted in an inability to keep a reliable, responsible employee in the position. High turnover, inconsistency in work product, and low reliability of employees filling the position have put an unrealistic burden on the Recreation Specialist who supervises the position. The Recreation Specialist handles the position responsibilities when the position is vacant or the employee is absent.

This requires the Specialist to work an additional 20-30 hours per week to complete the tasks. Prior to 1994, employees generally stayed at least four years in the position. Staff believes that the change of status to an authorized benefitted position would result in the City's ability to hire and retain a quality employee in this position.

City Manager's Office

The current .5 FTE Messenger position in the City Manager's Office is requested to be increased to a 1.0 FTE position at an upgrade of 7.5% to Grade 36. The volume of work and the complexity of duties has increased significantly over the past few years, particularly given all the added outlying facilities such as Legacy Ridge Golf Course and College Hill Library. In addition, there is more involved in working with the City Attorney's Office and other departments moving documents around the City to be signed or otherwise handled with other agencies. The addition of this .5 FTE would increase the salary and benefit expense by \$8,800 in 1998.

General Services

The Human Resources Division has experienced a significant increase in recruitment activity in the past 12 months. Factors contributing to this increased activity are: increased turnover, a competitive job market, low unemployment rate and a large number of new FTE positions. Additionally, a need for more in-depth pre-employment screening requiring background checks, reference checks and drug screening has increased the workload. These factors have lengthened the hiring cycle to the point that it is adversely impacting other City operations. Staff recommends the addition of a Human Resources Analyst to address the unusually large recruitment demands of the City. The additional salary and benefit costs would be \$21,400 in 1998.

Several factors have impacted the amount of position openings over the past year. City growth has precipitated a need for additional staffing to maintain service levels and is expected to continue at a rate of 10-15 new FTE's each year over the next five years. Early in 1998, over 25 employees were recruited, tested and hired for the new Library alone. The total number of FTEs added only partially reflects the actual workload for recruitment. Many FTEs are filled in multiple part time positions (e.g. .5 FTE). In addition many positions are filled with internal candidates causing a ripple effect in position openings.

Another factor of increased recruitment is the high turnover rate of existing employees. With a lucrative job market for employees, less than 3% unemployment in Colorado, employees or their spouses have accepted positions outside the organization resulting in a 14% turnover rate for benefitted employees in 1997. This compares to a 4% turnover rate in 1996.

Public Works and Utilities

A reorganization in the Public Works and Utilities Department has resulted in the need to add a new classification to the pay plan. A Utilities Technician position is being eliminated and it is recommended that City Council add a new classification of Capital Projects Coordinator (unclassified - \$52,000 - \$59,000). The change in status would provide the Public Works and Utilities Director the engineering assistance needed to monitor the many capital projects in Public Works and Utilities. The change in positions would not result in any additional costs to the City because of the downgrading of the Assistant to the Director of Public Works and Utilities position to Management Assistant.

An upgrade to the Rocky Flats Coordinator position is also recommended for mid-year 1998. This position, classified at the same grade as Lab Analyst, has grown in responsibility and scope of work over the past two years. Other cities, Arvada and Broomfield, have recently taken steps to hire coordinators for the Rocky Flats project. To remain competitive with these other positions in the market an adjustment is recommended in the City Rocky Flats Coordinator pay grade. The recommended upgrade is from Grade 50 to Grade 55, a 12.5% increase.

The City Administration has reviewed all of these recommended staffing changes and fully supports them. As Council knows, the Administration is reluctant to seek mid-year staffing increases. However, given the demands for service, growth in the City, morale and productivity/response time factors, the outlined positions are deemed to be essential at this time. Funds are available to provide for these recommendations. The attached Resolution will incorporate the changes described above into the 1998 City Pay Plan and the City Staffing Plan. The proposed Councillor's Bill will provide authorization for a supplemental appropriation from various General Fund accounts in the amount of \$143,870.

Respectfully submitted,

William M. Christopher
City Manager

Attachments

RESOLUTION

RESOLUTION NO.

INTRODUCED BY COUNCILLORS

SERIES OF 1998

AUTHORIZING SEVEN AND TWO TENTHS NEW FULL TIME BENEFITTED POSITIONS.

Whereas, the workload of the several departments currently exceeds the ability of existing Staff to provide high quality work, and

Whereas, the volume of work has increased in the various departments and several position responsibilities have changed significantly,

NOW, THEREFORE, be it resolved that the Westminster City Council resolves that 7.2 full time benefitted positions be authorized and that five positions be upgraded or reclassified. The additions positions are described as follows:

1. Add one full time benefitted Financial Analyst. This will be a classified position at Grade 55 with an estimated 1998 cost of \$26,325 including benefits.
2. Add three full time benefitted Police Officers. One position will be added to the Community Services Division and two will be added to the Patrol Division. The total 1998 cost of the three positions, including benefits, is \$55,250.
3. Add one part time 0.7 FTE benefitted Recreation Aide II. This classified position will be added to the Recreation Programs Division at a cost of \$1,600 in benefits for 1998.
4. Add one part time 0.5 FTE Messenger position to the City Manager's Office staffing. The estimated 1998 cost for the additional FTE and an upgrade of the position to Grade 36 is \$8,800.
5. Add one full time Records Management Technician position to the Community Development Department's Administration Division. The cost of the position in 1998, including benefits, is estimated at \$20,300.
6. Add one full time benefitted unclassified Human Resources Analyst to the Human Resources Division of General Services. The cost of the position in 1998, including benefits, is estimated at \$21,400.
7. Reclassify a Utility Technician position in Utility Operations to an unclassified Capital Projects Coordinator position (\$52,000 - \$59,000) in Public Works and Utilities Administration. Additionally, upgrade the Rocky Flats Coordinator position from Grade 50 to Grade 55. No additional expense is anticipated for the reclassifications because of a cost savings realized from a reclassification of the Assistant to the Public Works and Utilities Director to a Management Assistant position.
8. Reclassify the Building Permit Technician position to a new position title of Assistant Building Plans Analyst, Grade 52. The estimated cost of the reclassification for 1998 is \$3,200.
9. Upgrade the Treasury Manager position 14.8% to \$58,000 - \$65,000. The estimated cost of the upgrade for 1998 is \$7,000.

Passed and adopted this 8th day of June, 1998.

ATTEST:

Mayor

City Clerk

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. _____

SERIES OF 1998

INTRODUCED BY COUNCILLORS

A BILL

FOR AN ORDINANCE INCREASING THE 1998 BUDGET OF THE GENERAL FUND AND SALES TAX FUND AND AUTHORIZING A SUPPLEMENTAL APPROPRIATION FROM THE 1998 ESTIMATED REVENUES IN THE FUNDS

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The 1998 appropriation for the General Fund initially appropriated by Ordinance No. 2566 in the amount of \$49,228,260 is hereby increased by \$143,870 which, when added to the fund balance as of the City Council action on June 8, 1998 will equal \$49,503,141. The actual amount in the General Fund the date this ordinance becomes effective may vary from the amount set forth in this section due to intervening City Council actions. This increase is due to the appropriation of increased sales tax revenue for mid-year staff upgrades and additions.

Section 2. The \$143,870 increase in the General Fund shall be allocated to City Revenue and Expense accounts which shall be amended as follows:

| <u>Description</u> <u>Final Budget</u> | <u>Current Budget</u> | <u>\$ Increase</u> | |
|---|-----------------------|--------------------|-------------|
| <u>REVENUES</u> | | | |
| Transfer from Sales Tax Fund | | | |
| 10-9999-530 | \$33,944,922 | <u>\$143,870</u> | |
| \$34,088,792 | | | |
| <u>EXPENSES</u> | | | |
| Central Charges-Salaries | | | |
| 10-10-90-100-000 | \$9,740 | \$8,500 | \$18,240 |
| General Svs-Salaries | | | |
| 10-12-06-100-000 | \$255,144 | \$18,300 | \$273,444 |
| Finance-Salaries | | | |
| 10-15-05-100-000 | \$176,380 | \$29,500 | \$205,880 |
| Police-Salaries | | | |
| 10-20-27-100-000 | \$965,940 | \$15,740 | \$981,680 |
| Police-Salaries | | | |
| 10-20-50-100-000 | \$4,370,710 | \$31,480 | \$4,402,190 |
| Public Works-Salaries | | | |
| 10-30-05-100-000 | \$155,887 | \$17,350 | \$173,237 |
| Public Works-Salaries | | | |
| 10-30-37-100-000 | \$564,370 | \$3,200 | \$567,570 |
| Central Charges-Med Ins/ER | | | |
| 10-10-90-123-594 | \$1,382,996 | \$17,000 | \$1,399,996 |

| | | | |
|--|----------|------------------|----------|
| Central Charges-Med Ins/EE 10-12-06-132-000 | \$23,800 | <u>\$2,800</u> | \$26,600 |
| Total Expenses | | <u>\$143,870</u> | |

Section 3. The 1998 appropriation for the Sales Tax Fund initially appropriated by Ordinance No. 2566 in the amount of \$41,355,000 is hereby increased by \$143,870 which, when added to the fund balance as of the City Council action on June 8, 1998 will equal \$41,498,870.

The actual amount in the Sales Tax Fund the date this ordinance becomes effective may vary from the amount set forth in this section due to intervening City Council actions. This increase is due to the appropriation of increased sales tax revenue for mid-year staff upgrades and additions.

Section 4. The \$143,870 increase in the Sales Tax Fund shall be allocated to City Revenue and Expense accounts which shall be amended as follows:

| <u>Description</u> <u>Final Budget</u> | <u>Current Budget</u> | <u>\$ Increase</u> |
|---|-----------------------|--------------------|
| <u>REVENUES</u> | | |
| Sales Tax - Returns | | |
| 53-0104-600 | \$33,400,000 | <u>\$143,870</u> |
| \$33,543,870 | | |
| <u>EXPENSES</u> | | |
| Transfer to General Fund | | |
| 53-10-95-990-910 | \$33,944,922 | <u>\$143,870</u> |
| \$34,088,792 | | |

Section 5 - Severability. The provisions of this Ordinance shall be considered as severable. If any section, paragraph, clause, word, or any other part of this Ordinance shall for any reason be held to be invalid or unenforceable by a court of competent jurisdiction, such part shall be deemed as severed from this Ordinance. The invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect the construction or enforceability of any of the remaining provisions, unless it is determined by a court of competent jurisdiction that a contrary result is necessary in order for this Ordinance to have any meaning whatsoever.

Section 6. This ordinance shall take effect upon its passage after the second reading.

Section 7. This ordinance shall be published in full within ten days after its enactment.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 8th day of June, 1998.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this 29th day of June, 1998.

ATTEST:

Mayor

City Clerk

Date: June 8, 1998

Subject: Councillor's Bill No. re Appropriation of 1997 Carryover and Incentive Funds

Prepared by: Tammy Hitchens, Accounting Manager

Introduction

City Council action is requested to pass the attached Councillor's Bill on first reading appropriating 1997 carryover and incentive fund, as described, into the General, Fleet, Sales & Use Tax, General Capital Improvement, and Utility Funds.

Summary

Due to various departments saving money and revenues coming in higher than estimated, a carryover balance ABOVE what was budgeted in 1997 has been realized. The City typically, for the past ten plus years, has enjoyed a carryover in addition to what has been budgeted due to the practice of being conservative in estimating revenues.

At this time, the following items are being requested for appropriation:

- A. Carryover which will be utilized for various funds described in the background section below. Although the City does not need to re-appropriate these funds, this is supplied as a point of information and totals \$8,309,866.
- B. Incentive funds of \$264,541. This amount consists of savings by departments. It is calculated by an approved formula previously adopted by Council Resolution whereby each department is allowed to retain a certain portion of budget savings.
- C. Certain items and services which were budgeted in 1997 but which were not received or provided until 1998. This totaled \$835,948.

In the General Capital Improvement Fund budget, \$1,100,000 was appropriated from the Trails 2000 program for the Big Dry Creek Trail project and Jefferson County was unable to fund this program.

Additionally, \$600,000 was appropriated in the Mckay Lake project and the City subsequently chose not to pursue this purchase. These amounts are being unappropriated as part of the attached ordinance.

Additional excess funds in the General and Sales & Use Tax Funds are also being carried over to the General Capital Improvement Fund.

Staff Recommendation

Pass Councillor's Bill No. on first reading appropriating carryover funds into the 1998 budgets of the General, Fleet, Sales & Use Tax, General Capital Improvement, and Utility Funds.

Background Information

A. 1998 CARRYOVER FOR VARIOUS FUNDS

The carryover, over and above what was budgeted in 1998, is as follows:

| | |
|--------------------|--------------------|
| General | \$2,042,018 |
| Fleet | 53,965 |
| Sales & Use Tax | 1,071,814 |
| Open Space | 633,939 |
| Conservation Trust | 89,359 |
| Utility | <u>4,418,771</u> |
| | |
| Total | <u>\$8,309,866</u> |

At a later date, staff will present to Council appropriation of carryover in the Open Space and Conservation Trust funds, as well as, remaining carryover in the General Capital Improvement and Utility funds.

B. 1997 CARRYOVER FOR INCENTIVE BUDGETING

Through Resolution No. 40, Series of 1989, City Council adopted an Incentive Budget Program, whereby a portion of departmental savings realized would be reappropriated to the applicable departments. The formula for determining the amount of Incentive Budget Funds is departments receive 100% of the first \$5,000 in savings and 25% of any savings above \$5,000. This amount is limited to the amount of excess carryover. The amount to be distributed to the various departments through the Incentive Budget Program is listed below.

GENERAL FUND

| | |
|----------------------------------|------------------|
| Police | \$42,447 |
| Fire | 2,844 |
| Streets | 40,861 |
| Parks, Recreation & Libraries | <u>66,368</u> |
| | |
| Total General Fund | <u>\$152,520</u> |

FLEET FUND \$5,165

UTILITY FUND

| | |
|--------------------|----------------|
| Finance | \$2,316 |
| Wastewater | 41,982 |
| Water | <u>58,991</u> |
| | |
| Total Utility Fund | <u>103,289</u> |

TOTAL INCENTIVE FUNDS \$260,974

C. REAPPROPRIATION OF ITEMS APPROVED IN 1997

Certain items ordered in 1997 were not received until 1998. In addition, certain services, authorized in 1997, were not fully performed by the end of the year. Staff recommends the items described below be reappropriated in 1998.

City Attorney's Office: One item totaling \$10,000. This is for remodeling of the Prosecution staff area at the Municipal Court that was not completed in 1997.

City Manager's Office: One item totaling \$32,500. This is for remodeling of the Public Information Office staff and Management Intern's areas that was not completed in 1997 and includes both furniture and computers.

Central Charges: Two items totaling \$17,500 as follows:

1. \$10,000 for services rendered in finalizing the results of the Organizational Climate Survey.
2. \$7,500 for the purchase and installation of AV equipment for the multipurpose room. The equipment will not be received until 1998. This represents the General Fund portion of the equipment, the remaining cost will be charged against the Utility Fund.

General Services: One item totaling \$58,000. This is for upgrades to the Municipal Court computer system.

Finance: Two items totaling \$44,000 as follows:

1. \$40,000 for a new cash receipts system at the cashier area at City Hall.
2. \$4,000 for implementation of electronic filing of sales/use tax returns.

Community Development: One item totaling \$100,000 for the City's Face Lift program that was not completed in 1997.

Parks, Recreation & Libraries: Four items totaling \$41,307 as follows:

1. \$15,000 for a video security system to be placed at City Park Recreation Center. The equipment will not be received until 1998.
2. \$12,759 for reappropriation of grant revenue received in 1997 for youth activities.
3. \$8,058 for a water feature for the play pool at the Swim and Fitness Center that was ordered at year end, but not received until 1998.
4. \$5,490 for reappropriation of the excess Westminster Faire revenue to be used as seed money for 1998 Faire activities.

Fleet: Two items totaling \$48,800 as follows:

1. \$9,000 for the additional costs associated with the removal of contaminated soils from the Big Dry Creek worksite.
2. \$39,800 for the replacement of fuel tanks that was not completed at the end of 1997.

Water: Eleven items totaling \$323,841 as follows:

1. \$5,000 appropriation of grant revenue that was not appropriated in 1997.
2. \$189,500 for implementing the office automation system.
3. \$38,500 for the Hansen computer upgrade that was not completed in 1997.

4. \$2,000 for remodeling of the Environmental Compliance area that was not completed at the end of 1997.
5. \$35,194 for professional services contract with Helton and Williamson for Clear Creek Water Rights Model Development that was not completed in 1997.
6. \$16,100 for professional services contract for the CDM Watershed Management Model Update that was not completed in 1997.
7. \$3,139 for the City's tap fee study that was not completed in 1997.
8. \$20,731 for the City's Water and Wastewater Rate Model that was not completed in 1997.
9. \$2,000 additional funding to be added to the Colorado Office of Water Conservation grant that was received in 1997.
10. \$4,177 for modular furniture to accommodate staff that is being relocated to Public Works Administration.
11. \$7,500 for remaining cost of AV Equipment for the multipurpose room at City Hall.

Wastewater: One item totaling \$160,000 for a biosolids injector vehicle that was not received by year end 1997.

Respectfully submitted,

William M. Christopher
City Manager

Attachment

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. _____

SERIES OF 1998

INTRODUCED BY COUNCILLORS

A BILL

FOR AN ORDINANCE INCREASING THE 1998 BUDGET OF THE GENERAL, FLEET, SALES & USE TAX, GENERAL CAPITAL IMPROVEMENTS, AND UTILITY FUNDS AND AUTHORIZING A SUPPLEMENTAL APPROPRIATION FROM THE 1997 CARRYOVER IN THE VARIOUS FUNDS

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The 1998 appropriation for the General Fund, initially appropriated by Ordinance No. 2566 in the amount of \$49,228,260 is hereby increased by \$2,042,018 which, when added to the fund balance as of the City Council action on June 8, 1998, will equal \$51,401,289. The actual amount in the General Fund on the date this ordinance becomes effective may vary from the amount set forth in this section due to intervening City Council actions. This increase is due to the appropriation of 1997 carryover.

Section 2. The \$2,042,018 increase in the General Fund shall be allocated to City Revenue and Expense accounts which shall be amended as follows:

| <u>Description</u> <u>Final Budget</u> | <u>Current Budget</u> | <u>\$ Increase</u> | |
|---|-----------------------|--------------------|----------|
| <u>REVENUES</u> | | | |
| Carryover | | | |
| 10-0090-000 | \$1,157,338 | <u>\$2,042,018</u> | |
| \$3,199,478 | | | |
| <u>EXPENSES</u> | | | |
| Office Equipment | | | |
| 10-03-12-404-000 | \$5,000 | \$10,000 | \$15,000 |
| Office Equipment | | | |
| 10-05-05-404-000 | -0- | 15,000 | 15,000 |
| Computer Software/Hardware | | | |
| 10-05-05-405-000 | 19,000 | 17,500 | 36,500 |
| Professional Services | | | |
| 10-10-90-209-000 | 125,000 | 10,000 | 135,000 |
| Office Equipment | | | |
| 10-10-90-404-000 | 13,500 | 7,500 | 21,000 |
| Computer Software/Hardware | | | |
| 10-12-13-405-000 | -0- | 58,000 | 58,000 |
| Professional Services | | | |
| 10-15-05-209-000 | 33,840 | 40,000 | 73,840 |

| | | | |
|--|-----------|--------------------|-----------|
| Professional Services 10-15-25-209-000 | -0- | 4,000 | 4,000 |
| Business Assistance 10-30-34-297-000 | 45,000 | 100,000 | 145,000 |
| Other Equipment 10-50-72-406-000 | -0- | 15,000 | 15,000 |
| Other Equipment 10-50-72-406-963 | 12,312 | 8,058 | 20,370 |
| Other Contractual Services 10-50-76-299-529 | 45,800 | 12,759 | 58,559 |
| Other Contractual Services 10-50-76-299-564 | 27,000 | 5,490 | 32,490 |
| Police Incentive 10-20-05-444-000 | -0- | 42,447 | 42,447 |
| Fire Incentive 10-25-26-444-000 | -0- | 2,844 | 2,844 |
| Streets Incentive 10-35-45-444-000 | -0- | 40,861 | 40,861 |
| PR&L Incentive 10-50-05-444-000 | -0- | 66,368 | 66,368 |
| Transfer to General Capital Projects 10-10-95-990-975 | 1,157,338 | <u>1,568,191</u> | 2,725,529 |
| Total change to Expenses | | <u>\$2,042,018</u> | |

Section 3. The 1998 appropriation for the Fleet Fund, initially appropriated by Ordinance No. 2566 in the amount of \$1,343,999 is hereby increased by \$53,965 which, when added to the fund balance as of the City Council action on June 8, 1998, will equal \$1,397,964. The actual amount in the Fleet Fund on the date this ordinance becomes effective may vary from the amount set forth in this section due to intervening City Council actions. This increase is due to the appropriation of 1997 carryover.

Section 4. The \$53,965 increase in the Fleet Fund shall be allocated to City Revenue and Expense accounts which shall be amended as follows:

| <u>Description</u> <u>Final Budget</u> | <u>Current Budget</u> | <u>\$ Increase</u> | |
|---|-----------------------|--------------------|----------|
| <u>REVENUES</u> | | | |
| Carryover 30-0090-000 | \$-0- | <u>\$53,965</u> | \$53,965 |
| <u>EXPENSES</u> | | | |
| Incentive 30-12-46-444-000 | -0- | 5,165 | 5,165 |

| | | | |
|---|--------|-----------------|---------|
| Maint/Repair Infrastructure 30-12-46-267-539 | 69,000 | <u>48,800</u> | 117,800 |
| Total expenses | | <u>\$53,965</u> | |

Section 5. The 1998 appropriation for the Sales & Use Tax Fund, initially appropriated by Ordinance No. 2566 in the amount of \$41,355,000 is hereby increased by \$1,071,814 which, when added to the fund balance as of the City Council action on June 8, 1998, will equal \$42,426,814. The actual amount in the Sales & Use Tax Fund on the date this ordinance becomes effective may vary from the amount set forth in this section due to intervening City Council actions. This increase is due to the appropriation of 1997 carryover.

Section 6. The \$1,071,814 increase in the Sales & Use Tax Fund shall be allocated to City Revenue and Expense accounts which shall be amended as follows:

| <u>Description</u> | <u>Current Budget</u> | <u>\$ Increase</u> | <u>Final Budget</u> |
|---|-----------------------|--------------------|---------------------|
| <u>REVENUES</u> | | | |
| Carryover 53-0090-000 \$1,951,814 | \$880,000 | <u>\$1,071,814</u> | |
| <u>EXPENSES</u> | | | |
| Transfer to Capital Projects 53-10-95-990-975 \$3,351,814 | \$2,280,000 | <u>\$1,071,814</u> | |

Section 7. The 1998 appropriation for the General Capital Improvement Fund, initially appropriated by Ordinance No. 2566 in the amount of \$26,130,000 is hereby decreased by \$1,700,000 which, when added to the fund balance as of the City Council action on June 8, 1998, will equal \$21,050,000. The actual amount in the General Capital Improvement Fund on the date this ordinance becomes effective may vary from the amount set forth in this section due to intervening City Council actions. This decrease is due to the appropriation of 1997 carryover and cancellation of two previously appropriated projects.

Section 8. The \$1,700,000 decrease in the General Capital Improvement Fund shall be allocated to City Revenue and Expense accounts which shall be amended as follows:

| <u>Description</u> <u>Final Budget</u> | <u>Current Budget</u> | <u>\$ Increase</u> <u>\$(Decrease)</u> | |
|---|-----------------------|---|-------------|
| <u>REVENUES</u> | | | |
| Carryover 75-0090-000 | \$6,116,000 | \$(4,340,005) | \$1,775,995 |
| Transfer from General Fund 75-9999-360 | 1,157,338 | 1,568,191 | 2,725,529 |
| Transfer from Sales Tax Fund 75-9999-530 | 2,280,000 | <u>1,071,814</u> | 3,351,814 |
| Total Revenues | | <u>\$(1,700,000)</u> | |
| <u>EXPENSES</u> | | | |

| | | | |
|---|-------------|----------------------|--------|
| Big Dry Creek Trail 75-50-88-555-391 | \$1,153,200 | (1,100,000) | 53,200 |
| McKay Lake 75-30-88-555-340 | 600,000 | <u>(600,000)</u> | -0- |
| Total expenses | | <u>\$(1,700,000)</u> | |

Section 9. The 1998 appropriation for the Utility Fund, initially appropriated by Ordinance No. 2566 in the amount of \$32,445,000 is hereby increased by \$587,129 which, when added to the fund balance as of the City Council action on June 8, 1998, will equal \$33,632,007. The actual amount in the Utility Fund on the date this ordinance becomes effective may vary from the amount set forth in this section due to intervening City Council actions. This increase is due to the appropriation of 1997 carryover.

Section 10. The \$587,129 increase in the Utility Fund shall be allocated to City Revenue and Expense accounts which shall be amended as follows:

| <u>Description</u> <u>Final Budget</u> | <u>Current Budget</u> | <u>\$ Increase</u> | |
|--|-----------------------|--------------------|-------------|
| <u>REVENUES</u> | | | |
| Carryover 20-0090-000 | \$2,129,772 | \$364,639 | \$2,492,911 |
| Miscellaneous 20-1072-400 | 50,000 | 3,500 | 53,500 |
| Carryover 21-0090-000 | 990,106 | <u>218,991</u> | 1,209,047 |
| Total Change to Revenues | | <u>\$587,130</u> | |
| <u>EXPENSES</u> | | | |
| Computer Software/Hardware 20-15-23-405-021 | \$77,600 | \$189,500 | \$267,100 |
| Training 20-15-24-144-000 | 2,900 | 5,000 | 7,900 |
| Finance Incentive 20-15-24-444-000 | -0- | 2,316 | 2,316 |
| Water Incentive 20-35-05-444-000 | -0- | \$41,982 | 41,982 |
| Professional Services 20-35-48-209-000 | 325,000 | 42,736 | 372,736 |
| Maintenance/Repair 20-35-48-267-000 | 147,221 | 38,605 | 185,826 |
| Computer Hardware 20-35-50-405-000 | 11,300 | 38,500 | 48,800 |

| | | | |
|--|---------|------------------|---------|
| Other Equipment 20-35-90-406-000 | -0- | 7,500 | 7,500 |
| Office Equipment 20-35-05-404-000 | 750 | 2,000 | 2,750 |
| Wastewater Incentive 21-35-49-444-000 | -0- | 58,991 | 58,991 |
| Vehicles 21-35-49-401-000 | 110,000 | 160,000 | 270,000 |
| Total change to Expenses | | <u>\$587,130</u> | |

Section 11 - Severability. The provisions of this Ordinance shall be considered as severable. If any section, paragraph, clause, word, or any other part of this Ordinance shall for any reason be held to be invalid or unenforceable by a court of competent jurisdiction, such part shall be deemed as severed from this Ordinance. The invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect the construction or enforceability of any of the remaining provisions, unless it is determined by a court of competent jurisdiction that a contrary result is necessary in order for this Ordinance to have any meaning whatsoever.

Section 12. This ordinance shall take effect upon its passage after the second reading.

Section 13. This ordinance shall be published in full within ten days after its enactment.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this 8th day of June, 1998.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this ____ day of June, 1998.

ATTEST:

Mayor

City Clerk

Date: June 8, 1998

Subject: Bulk Chemical Building and Lime Silo Building Rehabilitation

Prepared by: Ron Hellbusch, Director of Public Works and Utilities
Allen Moles, Utilities Project Engineer

Introduction

City Council action is requested to authorize the City Manager to sign a Change Order to the existing contract with CH2M Hill Companies, Limited, in the amount of \$100,404, plus a \$10,000 contingency, for a total amount of \$110,404 for the design of the modifications to the bulk chemical and lime silo buildings at the Semper Water Treatment Facility. This will increase the total contract value with CH2M Hill from \$76,991 to \$187,395. Funds are available from Project retainage funds in the Semper Water Treatment Facility Rehabilitation Capital Improvement Project Account.

Summary

As part of the original contract, CH2M Hill Companies, Limited, performed an evaluation of the ventilation systems for the bulk chemical and lime silo buildings. This Change Order is for the design of the modifications recommended by CH2M Hill.

Staff Recommendation

Authorize the City Manager to sign a Change Order with CH2M Hill Companies, Limited, for the design of the modifications to the ventilation system for the bulk chemical and lime silo buildings. The cost of the Change Order is \$100,404, plus \$10,000 contingency, for a total of \$110,404, and change the expense to the Semper Water Treatment Facility Rehabilitation Capital Improvement Project Account.

Background Information

Because of Staff concerns with the bulk chemical and lime silo buildings, the City signed a contract with CH2M Hill Companies, Limited, to perform an evaluation of the ventilation system. Their evaluation indicates that there are several concerns regarding the functionality of these buildings.

The requested authorization for the City Manager to sign a Change Order with CH2M Hill Companies, Limited, for the amount of \$110,404, will be for the design of the modifications to the bulk chemical and lime silo buildings pursuant to their evaluation of the ventilation systems in both buildings.

Administrative Memorandum 95-2 states that any Change Order that exceeds 5 percent of the original project agreement should be presented to City Council for approval. This Change Order at \$110,404 will represent approximately 143 percent of the original contract amount. Staff believes CH2M Hill is best qualified to perform this design work since Council previously authorized design work by this firm on other Semper Plant rehabilitation work.

Respectfully submitted,

William M. Christopher, City Manager

Date: June 8, 1998

Subject: Settlement Agreement with U.S. Home re Westcliff Subdivision

Prepared by: Bill Christopher, City Manager

Introduction

City Council is requested to approve the Settlement Agreement between the City of Westminster and U.S. Home pertaining to two parcels of land located within the Westcliff Subdivision. This Settlement Agreement is part and parcel with the park land acquisition involving Westcliff Limited Liability Partnership which is a separate City Council action on the June 8 City Council Agenda.

Summary

The City of Westminster has pursued since 1994 the acquisition of park land within the Westcliff Subdivision. A community size park is needed to adequately serve the park and leisure service needs of approximately 5,000 residents in this service area. Negotiations have been off and on with U.S. Home and Ned Phye's partnerships.

Recently, the City Manager and Staff reached a negotiated purchase and sale agreement with Westcliff Limited Liability Partnership, the new owner of the 16 acre park parcel, and U.S. Home regarding a Settlement Agreement involving both the 16 acre parcel as well as the 26.51 acre parcel which the City had attempted to negotiate to acquire as Open Space. These two Agreements are needed to accomplish the overall City objectives regarding the Westcliff land acquisition.

The City Attorney's Office has prepared, in coordination with attorneys for the other two parties, the appropriate agreements. The Settlement Agreement basically calls for U.S. Home releasing and forever discharging the City from any and all claims involving the Park Site and the 26.51 acre parcel located across the street from the Park Site. This agreement also spells out terms and conditions which have been negotiated with U.S. Home pertaining to obligations and commitments on the part of both parties.

Staff Recommendation

Approve the Settlement Agreement between the City of Westminster and U.S. Home Corporation which provides legal protection for the City on any future legal actions involving U.S. Home on the subject two properties relating to the current Growth Management Plan and Comprehensive Land Use Plan, and authorize the City Manager and City Clerk to execute the Agreement.

Background Information

The City of Westminster has been desirous of acquiring park land in the general area of 96th Avenue and Harlan Street since 1994.

There is an unmet need for developed park land in the subject area to provide a community size park to adequately service approximately 5,000 residents in Westcliff, Trendwood and Franklin Square Subdivisions. The City's Park Master Plan calls for a community size park in the subject area and the 16 acre park land acquisition would fulfill this need. City Council originally adopted a Resolution authorizing acquisition of the subject park site and negotiations have proceeded on an "on again - off again" basis. During the protracted negotiations, U.S. Home representatives offered the 26.51 acre site for sale to the City for open space, but the two parties were unable to reach agreement on the price to be paid. Recently, representatives from the City and U.S. Home came to an agreement on the terms and conditions of the 16 acre park acquisition.

The key provisions of the Agreement are as follows:

- * U.S. Home agrees to not bring any litigation in the future against the City as it relates to the two parcels in Westcliff pertaining to the current provisions of the City's Growth Management Plan, Comprehensive Land Use Plan and the previous building "delay".
- * The City will acquire the 16.07 acre park site from the new owner, Westcliff Limited Liability Partnership (Westcliff LLP), as shown on the attached map at a cost of \$1,012,500.
- * Westcliff LLP will provide financing for the park site acquisition. The terms are based on a five-year note; 6% interest rate with a balloon principal payment on the fifth anniversary. This will free up budgeted funds in the Westcliff Park acquisition account for other needed park-related expenditures.
- * US Home will receive dirt from the site only for the needed improvements to Westcliff Parkway where it connects to Harlan Street. This amount of excavation is estimated between 6,000 and 15,000 cubic yards. US Home will bear all expenses to haul the dirt and the City will not charge any price for the dirt.
- * US Home will strip the site, will replace the topsoil and grade it to the City's specifications. An as-built survey will be provided by US Home to the City to reflect the excavation work completed.
- * US Home will bear all expenses in conjunction with the completion of Westcliff Parkway so that it connects to Harlan Street in the vicinity of the Sport Center.
- * US Home will be responsible for the sidewalk construction on the park site side of Westcliff Parkway but will not be responsible for any landscaping expenses.
- * The City will exercise its power of eminent domain to acquire a piece of the Westcliff Parkway right-of-way if US Home is unsuccessful in acquiring it from the Westfield Development on the east side of Harlan Street (Papas-Micas is the owner). US Home will reimburse the City for whatever the cost is to condemn said right-of-way.
- * The City will enter into an agreement on the timing of excavating the dirt from the park site which will be in concert with the City's timetable.
- * The City agrees to allow US Home to stockpile dirt from elsewhere in its subdivision on their 26 acre site.

It is Staff's assessment that this Park Site will serve the designated area very capably. The financing of this acquisition is being accomplished with the assistance of the Westcliff Limited Liability Partnership, an investment partnership which Ned Phye represents. The terms and conditions of the financing of the acquisition are contained in the separate City Council Agenda Memorandum pertaining to the purchase and sale agreement.

Respectfully submitted,

William M. Christopher
City Manager

Date: June 8, 1998

Subject: Westcliff Parkland Acquisition

Prepared by: Bill Walenczak, Director of Parks, Recreation and Libraries
Bill Christopher, City Manager

Introduction

City Council action is requested to authorize the City Manager to purchase 16.07 acres of property to be used as a community park from Westcliff Limited Liability Partnership (LLP) (see attached map). Approval is also requested on the terms to finance this acquisition through Mr. Ned Phye whose partnership, Westcliff LLP, is conveying title to the City.

Summary

Members of City Staff, Mr. Gary Aalen of U.S. Homes, and Mr. Ned Phye have been negotiating over a protracted period of time on the sale to the City of Westminster of 16(+) acres of property that U.S. Homes had an option to purchase from another partnership in the Westcliff Subdivision. An agreement between the parties has been reached subject to City Council concurrence and approval.

City Council reviewed the terms and conditions of this agreement on May 18 and gave City Staff direction to bring the proposed purchase agreement to City Council for formal action. The terms of the purchase and financing are outlined in the "background" section of this agenda memorandum.

Alternatives

- > City Council could reject the terms of this agreement and direct the City Attorney to continue with condemnation of the subject property.
- > City Council could reject the terms of this agreement and direct City Staff to pursue other alternative sites in the area for acquisition.

Staff Recommendation

Authorize the City Manager to execute the necessary documents with Westcliff Limited Liability Partnership for the acquisition and other related expenses of a 16.07 acre parcel of land at a cost of \$1,012,500 in the Westcliff Subdivision; further authorize a five-year promissory note and deed of trust with Westcliff Limited Liability Partnership for this purchase with payments to be charged to the appropriate Westcliff Park Project account.

Background Information

The Parks and Recreation Master Plan identifies the need for a community park in the area around the Trend Homes Subdivision and the Westcliff Subdivision. Staff has been negotiating off and on with U.S. Homes over the last three years to acquire a 16-acre parcel which U.S. Homes had an option to buy from the Westcliff Seven Partnership.

An agreement on the terms was recently reached by both parties which would enable the City to acquire the desired park site. Previously, City Council gave authorization to City Staff to proceed with negotiations to purchase the property. If good faith negotiations failed, Council gave Staff and the City Attorney the authority to pursue condemnation if necessary. The terms of the purchase and sale agreement are as follows:

- * The City will acquire the 16.07 acre park site from Westcliff Limited Liability Partnership as shown on the attached map at a cost of \$1,012,500.
- * Ned Phye's partnership, Westcliff LLP, will contract with the City to finance the acquisition under a 5-year note based on 6% interest, monthly payments of \$5,000 and with a balloon payment on the outstanding balance. This will free up budgeted funds in the Westcliff Park acquisition account for other needed park-related expenditures.

Two appraisals were done on the property to prepare for the negotiations. The City's appraisal stated a value of \$800,000 and the U.S. Homes appraisal was valued at \$1,225,000. A purchase price of \$1,012,500 was agreed to in an effort to resolve the difference between both appraisals and move forward without condemnation. It has been Staff's experience that when an acquisition case goes to condemnation, the final value is usually determined by an average of the appraisals submitted by both parties. Therefore, Staff believes that the average of the two appraisals would be an appropriate compromise to determine the final purchase price, thus avoiding the expense of condemnation proceedings.

There are several other conditions that involved U.S. Home in the negotiations and are reflected in the companion Council Agenda Memorandum "Settlement Agreement with U.S. Home re Westcliff Subdivision".

Staff is pleased that a final agreement has been reached with the involved parties and looks forward to providing a much needed park for the residents of this area of the City. This site is strategic to serving approximately 5,000 residents which includes Westcliff, Trendwood and Franklin Square subdivisions.

Respectfully submitted,

William M. Christopher
City Manager

Attachment: Map