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MEMORANDUM

Date: July 14, 2017

To: Mayor and City Councilmembers

From: Ginny Sawyer, Project and Policy Manager *gls*

Through: Darin Atteberry, City Manager *D*
Mike Beckstead, Chief Financial Officer *g for MB*

Re: July 11, 2017 Work Session Summary – Broadband Strategic Plan

COUNCILMEMBERS PRESENT:

Mayor Wade Troxell, Gerry Horak, Ross Cunniff, Kristen Stephens, Ray Martinez, Ken Summers, Bob Overbeck (remote)

STAFF PRESENT:

Mike Beckstead, Jeff Mihelich, Andrés Gavaldón, SeonAh Kendall

Staff provided the following:

- RFP Status Update.
- Update of implementation planning including securing consulting resources and review of work scope.
- Review of High-Level Business Plan which identified assumption changes and overall impact to financial model.
- Introduction of a fee or tax risk mitigation option.
- Review of project timeline and upcoming milestones.
- Ballot language and question development work to date.

DISCUSSION SUMMARY:

- General lack of support for City-wide fee or tax to reduce risk of retail model.
- Ballot options discussed and positive comments in regards to keeping both possibilities of 3rd Party and retail model open.
- RFP inquiry regarding submissions and general request for prompt evaluation and update back to Council.
- Comments about philosophy of municipality entering market based competition with private entities and similarity to golf courses noted.
- Desire expressed for understanding of process workflow and timing of milestones.

- Worst case scenario and implications discussed. Direction for clear communication of impacts to be included in business case.
- Take rate discussed regarding impact of change in assumptions from original 38.8% to current 28.2%. Further clarification desired to be included in business case.
- Inquiry as to privacy policy and confirmation of issue to be addressed in retail model.

NEXT STEPS FOR STAFF:

- Ballot language and messaging refinement.
- Finalize high-level business plan.
- Proceed with RFP evaluation and review.
- Develop timeline with decision points that highlights intersection of 3rd Party RFP process and Retail Model.
- Update City Council Aug 8, 2017.




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MEMORANDUM

DATE: July 14, 2017

TO: Mayor Troxell and Councilmembers

FM: Ginny Sawyer, Project and Policy Manager 

TH: Darin Atteberry, City Manager 
Kelly DiMartino, Assistant City Manager

RE: July 11, 2017, Work Session Summary: Short Term Rental Activity (STR)

All Councilmembers were present with Councilmember Overbeck participating remotely. Staff provided an update on the licensing program to date.

Key Points:

- To date, the City has received 249 STR applications.
- Prior to contracting with Host Compliance, the City did not have an efficient or practical means of contacting all STR hosts in the community.
- After contracting with Host Compliance, staff heard from many STR hosts who were operational prior to the March 31, 2017 ordinance implementation date and who were unaware of the grandfathering requirements.
- In response to the above situations, staff proposed a "do nothing" option and a "grandfathering extension" option.
- The extension option will provide a remedy for those STR hosts who were operational prior to March 31 but who did not obtain City Sales and Lodging tax licenses.

Specific Meeting Direction:

- There was general support to extend the grandfathering date for those that have been operating as well as agreement that the ordinance should not need review again in the near future.

Next Steps

- Staff will bring code language changes to the August 15, 2017 regular Council meeting.
- Changes will include:
 - A September 30 deadline for STRs that were operational prior to March 31, 2017 to obtain City Sales and Lodging tax licenses, apply for a STR license, and remit all back taxes.
 - An allowance for a property in an allowable Primary STR zone to operate a Primary STR on an abutting property.
 - A grandfathering provision for tenants who were operating a STR prior to March 31, 2017 with the property owners permission to apply for a STR license.



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MEMORANDUM

DATE: July 13, 2017

TO: Mayor Troxell and Councilmembers

THRU: Darin Atteberry, City Manager
Kevin R. Gertig, Utilities Executive Director

FROM: Lance Smith, Utilities Strategic Finance Director

RE: July 11, 2017 Work Session Summary: Electric Residential Time of Use (TOU) Implementation

The purpose of this work session was to discuss the timeline and customer outreach plan to implement a residential time of use rate in March 2018 or October 2018. The presentation was given by Randy Reuscher and Lisa Rosintoski. Mayor Troxell, Mayor Pro Tem Horak and Councilmembers Cunniff, Martinez, Overbeck (via phone), Stephens and Summers were present.

Council feedback was appreciative of the analytical rigor of the pilot study report, and follow-up materials from the February 28, 2017 work session. More specific Council feedback included:

- Most Council members supported a tiered time of use - rate rather than the standard time of use rate based on the data indicating the tiered rate structure may help more low income customers as well as incentivizes energy improvements for electric heat housing
- All Council supported an October 1, 2018 effective date to maximize customer awareness and education
- Recognized the complexity in communicating TOU tiered rates and advised staff to manage a robust approach that simplifies how customers can manage their utility consumption based on the rate structure
- No objection to transitioning customers from an option 2 electric meter to either option 1 or a modified option 3 due to meter functionality in supporting a TOU rate structure.
- The desire to impact low income and all electric customer bills through efficiency and financing programs, as well as developing a plan to identify and prioritize housing stock for targeted efficiency improvements. Utilities currently has several programs which serve these customer groups, including Efficiency Works Home, the Home Efficiency Loan Program, the Larimer County Water & Energy Program, the Solar Affordability Program, the Colorado's Affordable Residential Energy (CARE) program from Energy Outreach Colorado and a new multi-family program in partnership with Xcel Energy.



- The need to better align the wholesale rate structure of Platte River Power Authority and the retail rate structure of the City

Based on the direction received staff will work on drafting a rate ordinance for Council's consideration as part of the 2018 electric rate ordinance which will be brought forward in November 2017. The Ordinance will include changing the residential rate structure to a time of use with a tier rate effective October 1, 2018.

Cc: Lisa Rosintoski, Utilities Customer Connections Manager
John Phelan, Energy Services Manager
Randy Reuscher, Utility Rate Analyst