

November 7, 2017

COUNCIL OF THE CITY OF FORT COLLINS, COLORADO

Council-Manager Form of Government

Regular Meeting – 6:00 PM

● **ROLL CALL**

PRESENT: Martinez, Stephens, Summers, Overbeck, Troxell, Cunniff, Horak
Staff Present: Atteberry, Daggett, Coldiron

● **AGENDA REVIEW: CITY MANAGER**

City Manager Atteberry stated there were no changes to the published agenda.

● **CITIZEN PARTICIPATION**

Eric Sutherland discussed City Code regarding the execution of intergovernmental agreements. He opposed the City's intergovernmental agreement with Loveland and Greeley relating to judge appointments.

Francesco Arndorfer discussed the Liberty Common Lego Robotics Team and its focus on home rainwater collection. He encouraged the City to promote installation of rain barrel collection systems.

Alan Braslau expressed support for the municipal broadband item on today's ballot.

Rob (no last name given) expressed concern regarding statements made by the Interim Police Chief about an elderly woman in a mental health crisis and a young man with mental issues who was shot to death.

Susan Holmes discussed her Native American son who was shot to death by CSU and City Police Officers. She opposed the statements made by the District Attorney regarding the case stating they are false.

(Secretary's Note: The Council took a brief recess at this point in the meeting.)

● **CITIZEN PARTICIPATION FOLLOW-UP**

Mayor Troxell discussed the prescriptive nature of Council meetings and the handling of the removal of Ms. Holmes from the Chambers. He expressed sympathy for her situation.

Councilmember Summers thanked the student who spoke from Liberty Common. City Manager Atteberry introduced the students to Kevin Gertig, Utilities Director.

● **CONSENT CALENDAR**

Mayor Troxell noted Item Nos. 12, *Items Relating to the Fox Hills Second Annexation*, 13, *Public Hearing and First Reading of Ordinance No. 150, 2017, Amending the Zoning Map of Fort Collins and Classifying for Zoning Purposes the Property Included in the Fox Hills Second Annexation to the City of Fort Collins, Colorado and Approving Corresponding Changes to the Residential*

Neighborhood Sign District Map, 14, Items Relating to the I-25 Third Annexation, and 15, Public Hearing and First Reading of Ordinance No. 152, 2017, Amending the Zoning Map of the City of Fort Collins and Classifying for Zoning Purposes the Property Included in the I-25 Third Annexation to the City of Fort Collins, Colorado, and Approving Corresponding Changes to the Residential Neighborhood Sign District Map, are public hearings.

No members of the public spoke on any of the items and Mayor Troxell closed the public hearings.

Eric Sutherland withdrew Item No. 6, *First Reading of Ordinance No. 139, 2017, Being the Annual Appropriation Ordinance for the Fort Collins Downtown Development Authority relating to the Annual Appropriations for the Fiscal Year 2018 and Fixing Mill Levy for the Downtown Development Authority for Fiscal Year 2018*, from the Consent Agenda.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Overbeck, to adopt and approve all items not withdrawn from the Consent Agenda.

RESULT:	CONSENT AGENDA ADOPTED [UNANIMOUS]
MOVER:	Gerry Horak, District 6
SECONDER:	Bob Overbeck, District 1
AYES:	Martinez, Stephens, Summers, Overbeck, Troxell, Cunniff, Horak

1. **Consideration and Approval of the Minutes of the October 3 and October 17, 2017, Regular Council Meetings. (Adopted)**

The purpose of this item is to approve the minutes from the October 3 and October 17, 2017, Regular Council meetings.

2. **Second Reading of Ordinance No. 133, 2017, Appropriating Unanticipated Grant Revenue in the General Fund for Electric Lawn and Garden Equipment Procurement. (Adopted)**

This Ordinance, unanimously adopted on First Reading on October 17, 2017, appropriates unanticipated grant revenue in the amount of \$15,000 in the General Fund for the purchase of electric lawn and garden equipment for the Parks Department. The Regional Air Quality Council (RAQC) granted these funds to assist municipalities in purchasing new low-emission commercial lawn and garden equipment. The grant directly supports efforts to lead by example in reducing air quality impacts from municipal lawn and garden equipment fleet.

3. **Second Reading of Ordinance No. 134, 2017, Amending Chapter 3, Article III, Section 3-76 of the Code of the City of Fort Collins to Set the Occupation Tax Rate for New Categories of Liquor Licenses. (Adopted)**

This Ordinance, unanimously adopted on First Reading on October 17, 2017, adds new liquor license types and corresponding tax to the City's occupation tax schedule. The Colorado General Assembly has added three new types of liquor licenses. The City has an occupation tax for the liquor license categories established by the State.

4. **Second Reading of Ordinance No. 135, 2017, Authorizing the Acquisition by Eminent Domain Proceedings of Certain Lands as Part of the Fossil Creek Trail System. (Adopted)**

This Ordinance, unanimously adopted on First Reading on October 17, 2017, authorizes the use of eminent domain to acquire a tract of land owned by the Clarendon Hills Homeowners' Association (CHHA) that is being used as part of the Fossil Creek Trail. In the 1990s, the Fossil Creek Trail (FCT) was constructed from Cathy Fromme Prairie at Taft Hill Road to the underpass at Shields Street. As the FCT comes to the east side of Shields Street, it crosses a portion of Tract D, Clarendon Hills Fourth Filing.

This tract is currently owned by CHHA. CHHA supports conveyance of a portion of Tract D to the City for the FCT. Due to restrictions in the Declaration of Covenants for Clarendon Hills, CHHA asked the City to use eminent domain procedures to accomplish this acquisition.

5. **First Reading of Ordinance No. 138, 2017, Adopting the 2018 Budget and Appropriating the Fort Collins Share of the 2018 Fiscal Year Operating and Capital Improvement Funds for the Northern Colorado Regional Airport. (Adopted)**

The purpose of this item is to appropriate the City's 50% share of the 2018 Northern Colorado Regional Airport budget. The Airport's total budget is comprised of an operating budget and a capital budget. The 2018 annual operating budget is \$1,211,500, and will be funded using Airport operating revenues and non-operating revenues derived through contributions from the Cities of Fort Collins and Loveland (\$242,500 from each City). The proposed capital budget is \$365,000, and is funded through federal grants, state grants, and Airport operating revenue. This decrease is due to no anticipated FAA grant funding availability for 2018.

This Ordinance appropriates the City of Fort Collins 50% share of the 2018 Airport operating budget, which totals \$605,750 and the City of Fort Collins 50% share of the 2018 capital budget, which totals \$182,500. The City of Loveland will be appropriating the other 50%. The Airport operating budget is used to maintain and operate the Airport in compliance with all regulatory standards for safety and security, and to achieve the Council-approved Airport Strategic Plan. The Airport capital budget will be used to complete Airport improvement projects including runway and taxiway rehabilitation and preservation, taxiway sign safety modifications, an Airport Master Plan update, and acquisition of snow removal equipment.

6. **First Reading of Ordinance No. 140, 2017, Appropriating Prior Year Reserves in the Transportation Capital Expansion Fee Fund and Authorizing the Transfer of Appropriations from the Transportation Capital Expansion Fee Fund into the Capital Project Fund for the Lemay and Vine Intersection Project, and Transferring Appropriations to the Cultural Services and Facilities Fund for the Art in Public Places Program (Adopted)**

The purpose of this item is to appropriate \$1,400,000 of prior year reserves in the Transportation Capital Expansion Fee Fund for the Lemay and Vine Intersection Project. The Lemay Avenue realignment and intersection improvements have been prioritized as the City's #1 Transportation Capital Improvement Project. The improvements will construct a new roadway (realigned Lemay) from Lincoln Avenue to Conifer Street, and a new intersection slightly northeast of the existing Vine Drive and Lemay Avenue intersection. The City has utilized an extensive planning process over the past 25 years to plan for the proposed right-of-way and utility corridor alignments, regional stormwater improvements, and multi-modal connectivity. This appropriation will allow staff to move forward with the following opportunities in 2018:

- Right-of-way purchases for realigned Lemay Avenue, south of Vine Drive; and the Buckingham Street extension from Ninth Street to realigned Lemay
- Dirt placement along realigned Lemay Avenue, north of Vine Drive, partnering with Utilities
- Box culvert placement in the Dry Creek, partnering with Utilities.

7. **First Reading of Ordinance No. 141, 2017, Appropriating Unanticipated Grant Revenue in the General Fund for Hairy Willow Herb-Affected Lands Management. (Adopted)**

The purpose of this item is to appropriate in the General Fund \$6,000 of unanticipated grant revenues from the Colorado Department of Agriculture Noxious Weed Management Program. This proposed project will provide contracted herbicide applications to private property owners affected by Hairy Willow Herb. Hairy Willow Herb is a List A aquatic species requiring mandatory eradication by local governing agencies. Additionally, two acres in City Natural Areas that are now bare due to efforts last year to treat Hairy Willow Herb will be reseeded.

8. **First Reading of Ordinance No. 142, 2017, Waiving Certain Fees for Housing Catalyst's Village on Horsetooth Affordable Housing Project and Appropriating Prior Year Reserves in Various City Funds to Pay Specified Fees. (Adopted)**

The purpose of this item is to determine whether development fee waivers in the amount of \$352,319 will be provided to Housing Catalyst for its Village on Horsetooth affordable housing project pursuant to City Code, the Land Use Code and an Intergovernmental Agreement between the City of Fort Collins and the Fort Collins Housing Authority dated July 3, 2013, and to make an appropriation to reimburse any waived capital expansion fees. This matter was heard by the Council Finance Committee.

9. **First Reading of Ordinance No. 146, 2017, Amending Article 2 of the Land Use Code to Add Section 2.19 Titled "Reasonable Accommodation Process". (Adopted)**

The purpose of this item is to revise the Land Use Code (LUC) to add a process to review a request for a reasonable accommodation for qualified individuals under the Fair Housing Act (FHA) and the Americans with Disabilities Act (ADA) (together, the Acts). This Ordinance will establish an administrative review process and provide criteria to be considered when reviewing a request for a reasonable accommodation.

10. **First Reading of Ordinance No. 148, 2017, Amending Various Provisions of the Code of the City of Fort Collins and the Land Use Code to Allow for the Discretionary Waiver of City Fees on Additional Affordable Housing Projects to be Constructed in the City. (Adopted)**

The purpose of this item is to change City policy to allow any developer of housing units targeting households with incomes of no more than 30% area median income (AMI) to request affordable housing fee waivers for the qualifying units and to amend the City Code to reflect this change. This matter was presented to the Council Finance Committee on October 16, and will be presented to the Planning and Zoning Board at a work session on November 9 and a hearing on November 16.

11. **Items Relating to the Fox Hills Second Annexation. (Adopted)**

A. Resolution 2017-096 Setting Forth Findings of Fact and Determinations Regarding the Fox Hills Second Annexation.

B. Public Hearing and First Reading of Ordinance No. 149, 2017, Annexing the Property Known as the Fox Hills Second Annexation to the City of Fort Collins, Colorado.

The purpose of this item is to annex 20.4 acres located approximately 3,300 feet west of the intersection of County Road 38E (Harmony Road) and Taft Hill Road. into the City. The residents of the Fox Hills subdivision have petitioned to be annexed into the City of Fort Collins. The annexation area also includes 31 single-family dwellings and residual open land that are part of the Fox Hills subdivision west of Red Fox Road. The requested zoning for this annexation is the Residential Foothills (R-F) zone district, which complies with the City of Fort Collins Structure Plan. The surrounding properties are existing residential uses.

12. **Public Hearing and First Reading of Ordinance No. 150, 2017, Amending the Zoning Map of Fort Collins and Classifying for Zoning Purposes the Property Included in the Fox Hills Second Annexation to the City of Fort Collins, Colorado and Approving Corresponding Changes to the Residential Neighborhood Sign District Map. (Adopted)**

This item is a quasi-judicial matter and if it is considered on the discussion agenda it will be considered in accordance with the procedures described in Section 1(d) of the Council's Rules of Meeting Procedures adopted in Resolution 2017-017.

The purpose of this item is to zone the property included in the Fox Hills Second Annexation into the Residential Foothills (R-F) zone district and to add the property to the Residential Neighborhood Sign District.

13. **Items Relating to the I-25 Third Annexation. (Adopted)**

A. Resolution 2017-097 Setting Forth Findings of Fact and Determinations Regarding the I-25 Third Annexation.

B. Public Hearing and First Reading of Ordinance No. 151, 2017, Annexing Property Known as the I-25 Third Annexation to the City of Fort Collins, Colorado.

The purpose of this item is to annex approximately 282 acres of I-25 right-of-way. This is a 100% voluntary annexation and zoning of two parcels owned and administered by the Colorado Department of Transportation. Area No. 1 is approximately one and a third (1.33) miles in length and spans north to south from East Vine Drive to Smithfield Drive, just south of the I-25 East Mulberry interchange. Area No. 2 is approximately four and a half (4.50) miles in length and spans north to south from East Harmony Road to the boundary of the Growth Management Area which terminates south of Carpenter Road. Contiguity with the existing municipal boundary is gained with 11 previous annexations that surround portions of the north, east, south and west side of the I-25 Third annexation. A related item to zone the annexed property is presented as the next item on this agenda.

14. **Public Hearing and First Reading of Ordinance No. 152, 2017, Amending the Zoning Map of the City of Fort Collins and Classifying for Zoning Purposes the Property Included in the I-25 Third Annexation to the City of Fort Collins, Colorado, and Approving Corresponding Changes to the Residential Neighborhood Sign District Map. (Adopted)**

This item is a quasi-judicial matter and if it is considered on the discussion agenda it will be considered in accordance with the procedures described in Section 1(d) of the Council's Rules of Meeting Procedures adopted in Resolution 2017-017.

The purpose of this item is to zone the property included in the I-25 Third Annexation into the Community Commercial (CC), Industrial (I), Public Open Lands (POL) and Rural Lands District (RUL) zone districts.

15. **First Reading of Ordinance No. 153, 2017, Authorizing the Conveyance of a Portion of City Property in the Trail Head Subdivision in Exchange for a Parcel of Land from Trail Head Homes, LLC. (Adopted)**

The purpose of this item is to authorize the exchange of portions of property located in the Trail Head Subdivision with Trail Head Homes, LLC. The City of Fort Collins owns a parcel of land known as Tract H, Trail Head Subdivision, for the purpose of a future City park (the "City Property"). Trail Head Homes, LLC owns a parcel of land directly south of the City Property known as Tract G, Trail Head Subdivision (the "Trail Head Property"). The current boundary line between the properties is not conducive for park programming needs. The Park Planning & Development Department ("Park Planning") staff and Trail Head Homes, LLC have negotiated an exchange of portions of these tracts to rearrange the existing lot line between the two properties. The land exchange will be beneficial for Trail Head Homes, the City and ultimately the Trail Head Neighborhood because the exchange will create a better space for the park design, ultimately benefitting all parties involved. This Ordinance authorizes the Mayor to

execute the documents necessary to exchange the properties between the City and Trail Head Homes, LLC, recognizing that no funds will need to be paid between parties based on the comparable values of the two parcels.

16. **Resolution 2017-098 Expressing Support for the Grant Application for a Local Parks and Outdoor Recreation Grant from the State Board of Great Outdoors Colorado Trust Fund for the Construction of Streets Park and Authorizing the City Manager to Sign a Grant Agreement with Great Outdoors Colorado. (Adopted)**

The purpose of this item, if approved, is to document City Council support to pursue a Great Outdoors Colorado (GOCO) Local Parks and Outdoor Recreation Grant. If awarded, the funding will be used for the development of Streets Park, located near the Alta Vista and Andersonville neighborhoods at the intersection of Vine and Lemay at the City Streets Maintenance facility. The park is being developed as an outcome of the 2014 Lincoln Corridor Plan. GOCO requires a resolution of City Council support be submitted as part of the grant application package.

17. **Resolution 2017-100 Rescinding Resolutions 2017-092, 2017-093, 2017-094, and 2017-095 Initiating the Water Treatment Facility Annexations to Allow Sufficient Time to Provide Required Notice. (Adopted)**

The purpose of this Resolution is to rescind the Fort Collins Water Treatment Facility Annexations No. 1, 2, 3 and 4 Initiating Resolutions No. 2017-092, 2017-093, 2017-094, 2017-095 (adopted October 17, 2017) and delay the annexation in order to satisfy the notification requirement that 90 days notification be provided to abutting property owners pursuant to Colorado Revised Statutes 31-12-105(1)(e.3).

18. **Resolution 2017-099 Setting for November 21, 2017, a Noticed Public Hearing for the City Council's Consideration of an Ordinance Authorizing the Organization of the Midtown Business Improvement District. (Adopted)**

The purpose of this item is to consider the adoption of a resolution setting a public hearing date for November 21, 2017, to consider the formation of a Business Improvement District within Midtown Fort Collins. Adoption of the Resolution only sets the public hearing date for consideration of this matter.

● **CONSENT CALENDAR FOLLOW-UP**

Mayor Pro Tem Horak expressed some concern regarding the fund source for Item No. 9, *First Reading of Ordinance No. 142, 2017, Waiving Certain Fees for Housing Catalyst's Village on Horsetooth Affordable Housing Project and Appropriating Prior Year Reserves in Various City Funds to Pay Specified Fees.*

Councilmember Cunniff agreed with Mayor Pro Tem Horak and requested follow-up regarding the performance tracking of affordable housing projects. He also requested follow-up on the benefits to the City of the I-25 annexation.

● **COUNCILMEMBER REPORTS**

Councilmember Overbeck reported on a cyber security conference and the City's multicultural retreat.

Councilmember Cunniff reported on the wasteshed task force meeting.

Councilmember Stephens reported on the Shepardson Elementary read-a-thon, the Boards and Commissions appreciation dinner, the Fort Collins Symphony, and Fort Collins Art Museum.

Mayor Pro Tem Horak reported on the CDOT Transportation Summit and meeting with the Mayor of Aurora regarding a transportation sales tax. He also reported on the regional air quality commission commercial lawn and garden equipment rebate program noting the City is a model for the program. He stated a study regarding renewable energy will be presented at the next Platte River Power Authority meeting.

Mayor Troxell reported on a trip to Japan sponsored by SAFE: Securing America's Future Energy.

● **DISCUSSION ITEMS**

19. **First Reading of Ordinance No. 154, 2017, Being the Annual Appropriation Ordinance Relating to the Annual Appropriations for the Fiscal Year 2018; Amending the Budget for the Fiscal Year Beginning January 1, 2018, and Ending December 31, 2018; and Fixing the Mill Levy for Fiscal Year 2018. (Adopted on First Reading)**

The purpose of this item is to amend the adopted 2018 Budget and set \$612,965,832 as the amount of the City's appropriation for fiscal year 2018. It also includes the 2018 adopted budgets for the General Improvement District (GID) No. 1 of \$508,107, the GID No. 15 - Skyview of \$1,000, the Urban Renewal Authority (URA) budget of \$6,058,208 and the Downtown Development Authority (DDA) of \$12,507,673, resulting in total City Council appropriations of \$632,040,820 in fiscal year 2018. The Net City Budget, which excludes GID No. 1, GID No. 15 - Skyview, URA, DDA and internal transfers between City funds, is \$484,721,050 for 2018.

Mike Beckstead, Chief Financial Officer, discussed the City's budget process and these adjustments, which net about \$2 million on the \$630 million overall budget. Main themes for the overall budget include bolstering funding for neighborhood livability, supporting public safety and increased Police staffing, and climate action.

Lawrence Pollack, Budget Director, detailed the budget adjustments and process in arriving at said adjustments.

Councilmember Cunniff thanked staff for their work on the item.

Councilmember Summers asked about the extent and possible effects of street maintenance budget cuts. City Manager Atteberry replied City roads are in great shape and the program is well funded. Staff is of the opinion this reduction will not jeopardize the quality of the streets.

Councilmember Overbeck requested the City work to find innovative ways to reduce the cost for Encampment Cleaning Services. City Manager Atteberry replied this is a safety situation for City employees and this expense is a safety improvement for the work force. It will be tracked and monitored for success.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Cunniff, to adopt Ordinance No. 154, 2017, on First Reading.

Mayor Pro Tem Horak expressed appreciation for staff and Finance Committee work on this item. He stated Council received a request from a citizen regarding Sunday bus service for the route serving the Oak Brook apartments and suggested staff examine the base level of service from which to build for the upcoming budget cycles.

RESULT:	ORDINANCE NO. 154, 2017, ADOPTED ON FIRST READING [UNANIMOUS]
MOVER:	Gerry Horak, District 6
SECONDER:	Ross Cunniff, District 5
AYES:	Martinez, Stephens, Summers, Overbeck, Troxell, Cunniff, Horak

20. **Items Relating to the 2018 Utility Rates. (Adopted on First Reading)**

- A. First Reading of Ordinance No. 155, 2017, Amending Chapter 26 of the Code of the City of Fort Collins to Revise Electric Rates, Fees and Charges and Updating Related Provisions. (Option 1, Option 2, or Option 3)
- B. First Reading of Ordinance No. 156, 2017, Amending Chapter 26 of the Code of the City of Fort Collins to Revise Water Rates, Fees and Charges and Updating Related Provisions.
- C. First Reading of Ordinance No. 157, 2017, Amending Chapter 26 of the Code of the City of Fort Collins to Revise Wastewater Rates, Fees and Charges

The purpose of this item is to enact rate ordinances related to 2018 proposed utility rates. A 1.8% increase to monthly charges is being proposed for the Electric Fund in 2018. Electric rate increases are proposed to meet increased wholesale costs and to provide some operating income to the utility. Staff will be presenting three separate rate ordinances, all of which incorporate the 2018 increase that would be effective January 1, along with variations for separate residential time-of-use (TOU) rate options to be implemented in October 2018. Staff recommends implementing the standard TOU rate for all residential customers, as opposed to the TOU+tier option. A 5.0% overall rate increase is proposed by staff for the Water Fund in 2018, with variations by rate class. Water rates are proposed to increase to meet the anticipated capital needs of the utility. A 3.0% overall rate increase is proposed for the Wastewater Utility in 2018, with variations by rate class. Wastewater rates are proposed to be increased to address previous operating revenue shortfalls in order to meet anticipated capital expenditures for the utility.

Kevin Gertig, Utilities Executive Director, discussed the proposed rate increases and stated they would be effective January 1, 2018. Electric rates are proposed to increase 1.8% for all classes, water rates are proposed to increase an average of 5%, which varies between rate classes, and wastewater rates are proposed to increase an average of 3%, which varies between rate classes. There are no proposed increases for stormwater rates. Gertig noted both the Energy and Water Boards have approved the proposed rates and the Energy Board supported the standard time of use option recommendation.

Randy Reuscher, Utilities Rates Analyst, detailed the proposed increases for electric rates: a standard time of use, a time of use with a tier structure, and a time of use plus a time of use and a tier. The electric increase is based on two components: the wholesale rate increase from Platte River Power Authority, distribution and expenses, and software improvements. A typical residential bill for a household receiving all four City services would increase about 2.2% overall, which is about \$3.70 per month. The rate increases for small commercial customers would be slightly less percentage-wise.

Reuscher stated staff recommends the straight time of use rate of the three presented options, with an implementation in October 2018.

Peter O'Neill, Energy Board Chair, stated the Board voted to recommend Council adopt the mandatory residential time of use option #1, a standard rate for all residential customers, as recommended by staff. Time of use rates more accurately account for the cost to generate and

deliver electricity, reduce the peak power drawn from the system, reduce energy consumed, properly value solar electric energy generation, encourage the installation of electric energy storage, and encourage the scheduling of electric vehicle charging to better utilize the electric system.

O'Neill stated the Board does not support the tier to allow for easier understanding by customers and due to the pilot study finding that tiered rates cause no energy conservation.

Alan Braslau, Energy Board, concurred with Mr. O'Neill. As a private citizen, he stated time of use addresses our daily and weekly patterns of electricity demand. He recommended adoption of the standard time of use rate.

R. Cook Cloninger requested equity for the households completely dependent upon electricity. She stated there must be a way for customers to know when the highest rates are in effect.

Kevin Cross, Fort Collins Sustainability Group, stated all three options for time of use would support the City's larger policy objectives of reducing greenhouse gas emissions and peak electric loads during the summer. Option #3 provides targeted benefits to three important customer groups, however, which is why the Fort Collins Sustainability Group recommends its adoption. The option would result in lower electric bills for low-income residents, and significantly lower bills for customers with rooftop solar systems and electric heat customers.

Councilmember Martinez requested staff input regarding Mr. Cross' comments. Reuscher replied the pilot study showed a lower bill for 3 out of 4 low-income customers by adding the tier component; however, staff is concerned about the other 25% of customers for whom bills would increase. Therefore, staff is recommending implementation of a separate low-income rate.

Councilmember Stephens asked how much low-income customers' rates could be reduced. Reuscher replied the electric discount was around 30-35%.

Councilmember Cunniff asked how staff adjusted for the effect of people who reduced their energy use during the pilot project because they knew they were being studied. Justin Fields, Utilities Data Scientist, replied the Hawthorne Effect was controlled for by having a separate control group and a similar reduction was seen in the time of use rate versus the time of use rate plus tier groups.

Councilmember Cunniff asked how many customers have subscribed to the solar rebate program to date. Reuscher replied there are roughly 650 rooftop solar customers.

Mayor Troxell expressed concern the tiered rate is overly complicated and stated customers need to be able to actively manage their demand. He expressed support for recommended option #1.

Councilmember Cunniff made a motion, seconded by Councilmember Overbeck, to adopt Ordinance No. 155, 2017, Option #3, on First Reading.

Councilmember Cunniff supported tiers, stating the program benefits individuals with less disposable income in a way that is under their control and without necessitating a program application process.

Councilmember Summers expressed concern that the time of use plus a tiered rate may be confusing.

Councilmember Stephens stated there does not appear to be a large benefit for low-income residents and expressed concern regarding the complex messaging of the time of use plus tiered rate.

Councilmember Martinez stated simplicity equals transparency.

Councilmember Stephens asked if adoption of option #3 precludes the use of a low-income rate in addition. Reuscher replied in the negative and stated staff could bring forth an option.

Councilmember Martinez suggested the possibility of a stronger effort with landlords to make rental homes more efficient for tenants. He noted the main goal is to reduce the amount of energy consumed.

Mayor Troxell stated the movement to time of use rates is a win for Fort Collins.

Councilmember Martinez stated he cannot support the motion as a low-income program should come forth simultaneously.

Councilmember Stephens stated she could support the tiered rate inclusion as long as there is a plan to discuss low-income assistance.

Mayor Pro Tem Horak stated he would like to see some options prior to Second Reading.

Councilmember Cunniff stated something can be done in both realms: aiding low-income residents and improving "container" efficiency.

Mayor Troxell supported option #1 for simplicity of implementation and stated he would oppose the motion for option #3.

RESULT:	ORDINANCE NO. 155, 2017, OPTION 3, ADOPTED ON FIRST READING [4-3]
MOVER:	Gerry Horak, District 6
SECONDER:	Ross Cunniff, District 5
AYES:	Stephens, Overbeck, Cunniff, Horak
NAYS:	Martinez, Summers, Troxell

Councilmember Cunniff made a motion, seconded by Councilmember Overbeck, to adopt Ordinance No. 156, 2017, on First Reading.

Councilmember Martinez expressed concern regarding the incremental rate increases and asked how programs can be examined to prevent increases. City Manager Atteberry replied staff is constantly evaluating how to keep costs low and efficiencies high. He noted the costs of commodities and personnel are increasing.

Mayor Pro Tem Horak noted increases need to occur to fund equipment.

Mayor Troxell requested a comparison of City water rates to other area water districts. Gertig replied he could return with that information prior to Second Reading.

Councilmember Overbeck stated Fort Collins citizens appreciate the delivery of high quality water to their homes.

RESULT:	ORDINANCE NO. 156, 2017, ADOPTED ON FIRST READING [UNANIMOUS]
MOVER:	Gerry Horak, District 6
SECONDER:	Ross Cunniff, District 5
AYES:	Martinez, Stephens, Summers, Overbeck, Troxell, Cunniff, Horak

Mayor Pro Tem Horak made a motion, seconded by Councilmember Cunniff, to adopt Ordinance No. 157, 2017, on First Reading.

RESULT:	ORDINANCE NO. 157, 2017, ADOPTED ON FIRST READING [UNANIMOUS]
MOVER:	Gerry Horak, District 6
SECONDER:	Ross Cunniff, District 5
AYES:	Martinez, Stephens, Summers, Overbeck, Troxell, Cunniff, Horak

● **CONSIDERATION OF CITIZEN-PULLED CONSENT ITEMS**

- 21. **First Reading of Ordinance No. 139, 2017, Being the Annual Appropriation Ordinance for the Fort Collins Downtown Development Authority relating to the Annual Appropriations for the Fiscal Year 2018 and Fixing Mill Levy for the Downtown Development Authority for Fiscal Year 2018. (Adopted on First Reading)**

The purpose of this item is to set the Downtown Development Authority (DDA) Budget. The following amounts will be appropriated:

<i>DDA Public/Private Investments & Programs</i>	<i>\$2,589,216</i>
<i>DDA Operations & Maintenance</i>	<i>\$ 793,937</i>
<i>Revolving Line of Credit Draws</i>	<i>\$3,300,000</i>
<i>DDA Debt Service Fund</i>	<i>\$5,824,521</i>

The Ordinance sets the 2018 Mill Levy for the Fort Collins DDA at five mills, unchanged since tax year 2002. The approved Budget becomes the Downtown Development Authority's financial plan for 2018.

Eric Sutherland stated this item does not comply with State and City Charter requirements that would apply to the DDA in form and content.

Councilmember Cunniff asked if the DDA has a process for revisiting budget expenditures should revenues not reach anticipated amounts. Matt Robenault, Downtown Development Authority Director, replied the DDA does not invest 100% of its tax increment stream in private projects and other safeguards are in place if revenues are not realized.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Overbeck, to adopt Ordinance No. 139, 2017, on First Reading.

RESULT: ORDINANCE NO. 139, 2017, ADOPTED ON FIRST READING [UNANIMOUS]
MOVER: Gerry Horak, District 6
SECONDER: Bob Overbeck, District 1
AYES: Martinez, Stephens, Summers, Overbeck, Troxell, Cunniff, Horak

● **OTHER BUSINESS**

Councilmember Cunniff stated he sent an email last week about proposed impacts to affordable housing tax credits and noted the Legislative Review Committee will be looking at the item.

● **Consideration of a motion to adjourn into executive session.**

Mayor Pro Tem Horak made a motion, seconded by Councilmember Cunniff, that Council go into Executive Session as permitted under Article 2, Section 11(1) and (2) of the City Charter, Section 2-31A1d, and Section 2-31A2 of the City Code, and Colorado Revised Statute Section 24-6-402(4)(e)I and Section 24-6-402(4)(b), for the purpose of discussing: (1) strategy matters relating to negotiations with employee groups, including unions; (2) specific legal questions related to litigation or potential litigation regarding collective bargaining with the Fraternal Order of Police; and (3) the manner in which particular policies, practices, or regulations of the City related to Police Services employees may be affected by existing or proposed provisions of federal, state, or local law.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Gerry Horak, District 6
SECONDER: Ross Cunniff, District 5
AYES: Martinez, Stephens, Summers, Overbeck, Troxell, Cunniff, Horak

● **ADJOURNMENT**

The meeting adjourned at 9:50 PM.



Mayor

ATTEST:



City Clerk

