

November 20, 2012

COUNCIL OF THE CITY OF FORT COLLINS, COLORADO

Council-Manager Form of Government

Regular Meeting - 6:00 p.m.

A regular meeting of the Council of the City of Fort Collins was held on Tuesday, November 20, 2012, at 6:00 p.m. in the Council Chambers of the City of Fort Collins City Hall. Roll call was answered by the following Councilmembers: Horak, Manvel, Ohlson, Poppaw, and Troxell.

Councilmembers Absent: Kottwitz, Weitkunat

Staff Members Present: Atteberry, Nelson, Roy.

Agenda Review

City Manager Atteberry reviewed a revised Ordinance for Item No. 10, *Second Reading of Ordinance No. 122, 2012, Amending Chapter 15 of the City Code Pertaining to Contractor Licenses* and reviewed a language change for Item No. 18, *Second Reading of Ordinance No. 130, 2012, Amending the Land Use Code by Designating Certain Types of Multi-family Housing Development Projects as Being Subject to Planning and Zoning Board Review*.

City Manager Atteberry announced the public hearing aspect of Item No. 19, *Items Relating to the 2012 Fall Cycle of the Competitive Process for Allocating City Financial Resources to Affordable Housing and Community Development Activities Utilizing Funds from the Federal Community Development Block Grant and HOME Investment Partnership Programs, and the City's Affordable Housing Fund*.

Citizen Participation

John Fye, 1405 Briarwood Road, requested a review of the Three-Unrelated Ordinance and discussed oil and gas drilling within the Fort Collins city limits. He supported allowing citizens to be able to vote on oil and gas drilling.

Bill Mullaney discussed the Stacey Lynne case.

Stacy Lynne, 305 West Magnolia, discussed the Denver Post "Failed to Death" series.

Mel Hilgenberg, 172 North College, announced the Loveland High School "Homefront Holiday" Radio Show and the new Bas Bleu production. He thanked Council for citizen-input opportunities provided regarding the midtown corridor.

Linda Vrooman, 912 Cheyenne Drive, supported a ban on hydraulic fracking due to health concerns. Chris Gibbar, 6321 Treestead Road, thanked Council for supporting Fort Collins' high quality of life and supported a ban on fracking.

Matthew Martinez, Fort Collins resident, supported a moratorium on fracking.

Danny Hesser, 2133 Ford Lane, supported a moratorium on fracking.

Citizen Participation Follow-up

Councilmember Poppaw stated she intends to request an option for a six-month moratorium on drilling and fracking.

Councilmember Manvel stated oil and gas regulations are scheduled for consideration at the December 4 meeting.

CONSENT CALENDAR

6. Consideration and Approval of the Minutes of the October 30, 2012 Adjourned Meeting and the November 6, 2012 Regular Meeting.
7. Second Reading of Ordinance No. 119, 2012, Appropriating Unanticipated Revenue in the General Fund to the Fort Collins Housing Authority to Fund Affordable Housing and Related Activities.

The Fort Collins Housing Authority paid the City of Fort Collins \$15,457 as the 2010 and 2011 payments for public services and facilities. This Ordinance, unanimously adopted on First Reading on November 6, 2012, refunds the Payment in Lieu of Taxes (PILOT) to fund sorely needed affordable housing related activities and to attend to the low-income housing needs of Fort Collins residents.

8. Second Reading of Ordinance No. 120, 2012, Appropriating Unanticipated Grant Revenue from Great Outdoors Colorado in the Conservation Trust Fund for the Fossil Creek Trail at County Road 38E Project.

This Ordinance, unanimously adopted on First Reading on November 6, 2012, appropriates the grant payment received from Great Outdoors Colorado for the construction of the Fossil Creek Trail at County Road 38E project. Great Outdoors Colorado awarded the City a Special Opportunity Grant for the completion of the Fossil Creek Trail from north of Cathy Fromme Prairie to the Spring Canyon Community Park. Construction of the project was completed this past spring.

9. Second Reading of Ordinance No. 121, 2012, Amending the City Code to Increase the Amounts of the Capital Improvement Expansion Fees Contained in Chapter 7.5 of the City Code so as to Reflect Inflation in Associated Costs of Services.

The City Code requires annual adjustments to certain building permit related fees. Capital Improvement Expansion fees and Neighborhood Parkland fees are to follow the changes in the Denver-Boulder-Greeley Consumer Price Index (CPI). Street Oversizing fees are adjusted by the changes posted in the Engineering News Record (ENR). The CPI has increased 1.8% and the ENR has increased 1.6%. Additionally the Code is being updated to reference to the most recent amended manual, *The ITE Trip Generation Manual, 8th*

Edition, 2008. This Ordinance was unanimously adopted on First Reading on November 6, 2012.

10. Second Reading of Ordinance No. 122, 2012, Amending Chapter 15 of the City Code Pertaining to Contractor Licenses.

Community Development and Neighborhood Services is responsible for the enforcement of the contractor licensing requirements found in Chapter 15 of the City Code. This Ordinance, unanimously adopted on First Reading on November 6, 2012, amends the current Code by:

- clarifying minimum experience and qualification requirements at the application stage
- creating license categories that better align with the adopted residential and commercial building codes
- streamlining the application and project verification process
- establishing registration requirements for the currently non-licensed category of workers
- increasing minimum liability amounts to recognized industry levels.

11. Second Reading of Ordinance No. 123, 2012 Amending Section 24-91 of the City Code Regarding the Naming of Arterial and Collector Streets.

This Ordinance, unanimously adopted on First Reading on November 6, 2012, amends the City Code relating to naming new arterial and collector streets so that City Council, rather than the developer, would select the name of the new street.

12. Second Reading of Ordinance No. 124, 2012, Amending Section 2-427 of the City Code Relating to Membership of the Transportation Board.

The Transportation Board currently consists of eleven members appointed by the City Council, and is one of the larger advisory boards. At the end of 2012, the terms of four members will expire. One of those members is not eligible for reappointment because that member has met the Council-adopted two term limit. Another member is eligible but is not interested in reappointment. This provides an opportunity for Council to consider changes to the size of the Board without negatively impacting any current members. This opportunity was presented to the Board by staff, and the Board voted to recommend that the Council reduce the size from eleven to nine members. This Ordinance, unanimously adopted on First Reading on November 6, 2012, amends the City Code to reduce the size of the Board to nine members.

13. Second Reading of Ordinance No. 125, 2012 Amending Section 26-543 of the City Code to Update the Stormwater Master Drainage Plans to Include Basin-Specific Water Quality Best Management Practices and Stream Restoration.

The City of Fort Collins' Stormwater Master Plan has been updated to include stormwater quality and stream restoration projects, alongside the already identified stormwater flood control projects. This Ordinance, unanimously adopted on First Reading on November 6, 2012, incorporates basin-specific water quality best management practices and stream

restoration and stability improvements in the form of updates to the existing City drainage master plan to promote the purposes of the Stormwater Utility and advance the holistic and integrated management of stormwater in Fort Collins.

14. Second Reading of Ordinance No. 126, 2012, Authorizing the Conveyance of City-owned Property Known as the Maxwell Farm and Related Water Rights Subject to a Conservation Easement and Authorizing a Related Raw Water Transfer Agreement.

The Natural Areas Department (NAD) purchased the 137-acre Maxwell Farm, along with 12 shares of North Poudre Irrigation Company (NPIC) water, with the intent of placing it under a conservation easement to help conserve a buffer between Fort Collins and Wellington; protect the open space and scenic values adjacent to I-25; and, sell it as an agricultural property with limited development rights. The land has been leased to Larry Maxwell, the previous owner, for farming and livestock feeding since the initial purchase in 2009.

Natural Areas and Utilities have worked out an agreement for the NAD to sell eleven of the twelve NPIC shares to Utilities for approximately 50% of the estimated market value, which is \$14,000 per share (based on recent sales information from NPIC). In exchange, Utilities will enter into a raw water transfer agreement with the buyer of Maxwell Farm, and per the terms of the agreement, Utilities will transfer the equivalent of eleven shares of NPIC water on an annual basis to the Maxwell Farm in perpetuity. The advantage to Utilities is that water decreed solely for agricultural use derived from other Utilities-owned NPIC shares, can be substituted for water decreed for municipal use derived from the eleven NPIC shares, which Utilities can use. The buyer will purchase the remaining share of NPIC water as it is a NPIC policy that a farm must own at least some NPIC water in order to receive any rented or transferred water. The single NPIC share to be owned by the buyer will also be tied to the land by the conservation easement agreement. This Ordinance was unanimously adopted on First Reading on November 6, 2012.

15. Second Reading of Ordinance No. 127, 2012, Authorizing the Conveyance of City-owned Property Known as the Vangbo Property Subject to a Conservation Easement.

The Vangbo Property was purchased by the Natural Areas Department (NAD) in 2005 with the intent to place a conservation easement on the property to conserve the open space and scenic values along the I-25 corridor and then sell it as an agricultural property with limited development options. The land is currently leased to Alison Person, a neighboring landowner, for grazing. This Ordinance, unanimously adopted on First Reading on November 6, 2012, authorizes the conveyance of the 105-acre Vangbo property and associated ditch and water rights with a reserved conservation easement to Alison Person for \$300,000. The conservation easement does not allow any future development, but does give the landowner the option to request the purchase of one building envelope on the property from a future City Council. The undeveloped portion would remain in agricultural use.

16. Second Reading of Ordinance No. 128, 2012, Authorizing the Conveyance of a Non-Exclusive Drainage Easement on City Property to Cloud Peak Ranch, LLC.

Cloud Peak Ranch, LLC is planning a 39.53 acre residential development called Mail Creek Crossing PLD/PD, located just north of Bacon Elementary School on South Timberline

Road. This development will require the construction of off-site stormwater outfall improvements on adjacent property to the north in order to connect with a stormwater pipe in Kechter Road. The alignment of these improvements will cross the northwest corner of a property owned by the City's Social Sustainability Department. The City's 16-acre property was purchased in 2006 as a Land Bank property and is currently leased as a residential/horse property. This Ordinance, unanimously adopted on First Reading on November 6, 2012, authorizes the conveyance of a 2,346 square foot non-exclusive drainage easement from the City in the northwest corner of the City property adjacent to Kechter Road to facilitate the installation of the planned improvements.

17. Second Reading of Ordinance No. 129, 2012, Authorizing the Conveyance of a Non-Exclusive Utility Easement on City Property to the Nunn Telephone Company.

Nunn Telephone Company (NTC) currently provides telephone and internet services to portions of northwest Weld County and northeast Larimer County. With an increase in demand from their customers for broadband services, NTC has begun upgrading copper based telephone lines to fiber optic broadband lines. This Ordinance, unanimously adopted on First Reading on November 6, 2012, authorizes the conveyance of a utility easement to NTC from the City across a portion of Meadow Springs Ranch in order to install approximately 7.0 miles of fiber optic line as part of this upgrade project. The proposed easement alignment would follow an abandoned state highway now used by the City as an access road to the City's property.

18. Second Reading of Ordinance No. 130, 2012, Amending the Land Use Code by Designating Certain Types of Multi-family Housing Development Projects as Being Subject to Planning and Zoning Board Review.

This Ordinance, unanimously adopted on First Reading on November 6, 2012 amends the Land Use Code (LUC) to require larger multi-family housing developments (50 dwelling units, or 75 bedrooms) to be reviewed by the Planning and Zoning Board (Type 2). A Type 2 review requires that the developer hold a pre-submittal neighborhood meeting. The benefit to the neighborhood meeting is that the public is given an opportunity to provide input on a project while it is still in the early stages of development. In recent months a large amount of multi-family housing developments have been appealed by concerned citizens to Council based on the assertion that the projects are not compatible with adjacent neighborhoods. This procedural change seeks to provide more opportunity for the public to participate in the development review process for multi-family housing projects.

19. Items Relating to the 2012 Fall Cycle of the Competitive Process for Allocating City Financial Resources to Affordable Housing and Community Development Activities Utilizing Funds from the Federal Community Development Block Grant and HOME Investment Partnership Programs, and the City's Affordable Housing Fund.

A .Public Hearing and Resolution 2012-105 Approving the Programs and Projects that Will Receive Funds from the Federal Community Development Block Grant and HOME Investment Partnership Programs, and the City's Affordable Housing Fund.

- B. First Reading of Ordinance No. 131, 2012, Authorizing the Transfer of Appropriations Between Program Years in the Community Development Block Grant Fund.

This Resolution will complete the 2012 fall cycle of the Competitive Process for allocating \$1,670,130 in City financial resources to affordable housing projects and public facility activities. Ordinance No. 131, 2012, reappropriates Community Development Block Grant (CDBG) funds that have been returned to the program for allocation in the fall 2012 Competitive Process.

- 20. First Reading of Ordinance No. 132, 2012, Amending Section 2-237 of the City Code Relating to Membership of the Golf Board.

The Golf Board currently consists of nine members appointed by the City Council. At the end of 2012, the terms of three members will expire. Two of those members are eligible for reappointment but did not reapply for reappointment. One member did apply for reappointment. This provides an opportunity for Council to consider changes to the size of the Board without negatively impacting any current members. This opportunity was presented to the Board by staff, and the Board voted to recommend that the Council reduce the size from nine to seven members. This Ordinance amends the City Code to reduce the size of the Board to seven members.

- 21. First Reading of Ordinance No. 133, 2012, Amending Section 2-500 of the City Code Pertaining to a City Service Area.

The City's Charter provides that service areas are provided by ordinance upon the recommendation of the City Manager. This Ordinance amends the City Code, per the City Manager's recommendation, to create a Planning, Development, and Transportation Service Area, reflecting changes in roles and reporting relationships.

- 22. First Reading of Ordinance No. 134, 2012, Amending Various Provisions of the Fort Collins Traffic Code.

The Colorado General Assembly amended certain statutory provisions this legislative session relating to state traffic laws. This Ordinance ensures that the Fort Collins Traffic Code (the "Traffic Code") is consistent with state traffic laws.

During a review of the statutory changes, staff identified additional amendments that would make the Traffic Code more consistent and provide more effective and efficient local enforcement.

- 23. Items Relating to the Kechter Crossing Annexation.

- A. Resolution 2012-106 Setting Forth Findings of Fact and Determinations Regarding the Kechter Crossing Annexation..
- B. Hearing and First Reading of Ordinance No. 135, 2012, Annexing Property Known as the Kechter Crossing Annexation.

- C. Hearing and First Reading of Ordinance No. 136, 2012, Amending the Zoning Map of the City of Fort Collins and Classifying for Zoning Purposes the Property Included in the Kechter Crossing Annexation.

This is a request to annex and zone 28.9 acres located on the south side of Kechter Road, approximately 900 feet east of the intersection of South Timberline Road and Kechter Road. This annexation is not associated with the proposed Kechter Farm development, which is located southeast of the Kechter Crossing Annexation. The Kechter Crossing Annexation does not create an enclave.

The surrounding properties are existing residential land uses currently zoned FA-1 – Farming Zoning District in Larimer County to the north, south, and west. Adjacent to the east is a City-owned property that is part of the affordable housing Land Bank program, which was annexed and zoned Low Density Mixed-Use Neighborhood (L-M-N) on September 4, 2012. The Kechter Crossing Annexation is not proposing affordable housing as part of the approved County plan.

24. Resolution 2012-107 Finding Substantial Compliance and Initiating Annexation Proceedings for the Hansen Farm Annexation.

The applicant and property owner, HTC, LLC (McWhinney), has submitted a written petition requesting annexation 69.42 acres located on the west side of Timberline Road, approximately 1.5 miles south of Harmony Road. The property, formerly a farm, is mostly vacant, with the exception of the farmhouse (single-family dwelling) and some out-buildings. It is in the FA1 – Farming Zone District in Larimer County. The requested zoning for this annexation is NC – Neighborhood Commercial (6.33 acres), and MMN – Medium Density Mixed-Use Neighborhood (16.69 acres), and LMN – Low Density Mixed-Use Neighborhood (46.40 acres).

25. Resolution 2012-108 Making Findings of Fact and Conclusions Regarding the Appeal of the Decision of the Zoning Board of Appeals Relating to the Approval of a Variance to Allow the Existing Off-premise Sign (Billboard) in the Bnsf Railroad Right-of-Way at 190 West Prospect Road to Be Removed and Reinstalled at a New Location Within the Same Railroad Right-of-way at 190 West Prospect Road.

On August 9, 2012, the Zoning Board of Appeals (ZBA) approved a variance to allow the existing off-premise sign in the BNSF Railroad right of way on the north side of West Prospect Road to be relocated within the railroad right of way 70 feet west of its current location. On August 23, 2012, Richard L. Anderson filed a Notice of Appeal, alleging that the ZBA failed to conduct a fair hearing and failed to properly interpret and apply relevant provisions of the Land Use Code.

On November 6, 2012, City Council, by a vote of 5 - 2 (Nays: Manvel, Poppaw) determined that the ZBA did conduct a fair hearing, and by a 7 - 0 vote determined that the ZBA failed to properly interpret and apply relevant provisions of the Land Use Code.

The determination that the ZBA failed to properly interpret and apply relevant provisions of the Land Use Code resulted in the City Council overturning the decision of the ZBA to approve Appeal No. 2714.

In order to finalize this appeal process, Council is required to adopt a Resolution making findings of fact and finalizing its decision on the Appeal.

26. Resolution 2012-109 Making Findings of Fact and Conclusions Regarding the Appeal of the Decision of the Planning and Zoning Board to Approve the Regency Lakeview Addition of a Permitted Use for Multi-family Dwellings at Christ Center Community Church and the Associated Project Development Plan.

On July 19, 2012, the City of Fort Collins Planning and Zoning Board approved Regency Lakeview Addition of a Permitted Use and Project Development Plan. On August 2, 2012, Mr. Andy Lewis et.al, filed a Notice of Appeal seeking redress of the Planning and Zoning Board decisions.

On November 8, 2012, City Council took the following actions:

1. With regard to the allegation that the Planning and Zoning Board failed to conduct a fair hearing in consideration of the Addition of a Permitted Use, the Council voted 6 – 0 that the Board did not fail to conduct a fair hearing.
2. With regard to the allegation that the Planning and Zoning Board failed to properly interpret and apply relevant provisions of the Code and Charter in consideration of the Addition of a Permitted Use, the Council voted 4 – 2 (Nays: Troxell, Weitkunat) that the Board failed to properly interpret and apply relevant provisions of the Land Use Code thus overturning the decision of the Planning and Zoning Board.
3. With regard to the allegation that the Planning and Zoning Board failed to properly interpret and apply relevant provisions of the Code and Charter in consideration of the Project Development Plan, the Council voted 6 – 0 that the Board failed to properly interpret and apply relevant provisions of the of the Land Use Code, thus overturning the decision of the Planning and Zoning Board.

In order to complete the record regarding this appeal, Council should adopt a Resolution making findings of fact and finalizing its decision on the Appeal.

27. Resolution 2012-099 Adopting a Water Supply and Demand Management Policy.

The Fort Collins Utilities staff has updated the City's Water Supply and Demand Management Policy (Policy), which will provide further direction regarding the planning, management and maintenance of the City's water supplies and demands. The updated Policy was brought before City Council for adoption on October 30, 2012. Council requested some minor adjustments to the updated Policy language. Utilities staff has made the requested changes to the updated Policy.

28. Resolution 2012-110 Adopting the City's 2013 Legislative Policy Agenda.

Each year the Legislative Review Committee (LRC) develops a legislative agenda to assist in the analysis of pending legislation. The Legislative Policy Agenda is used as a guide by Council and staff to determine positions on legislation pending at the state and federal levels and as a general reference for state legislators and the congressional delegation.

29. Resolution 2012-111 Reappointing Councilmember Gerry Horak to the Platte River Power Authority Board of Directors

The Platte River Power Authority Board of Directors is comprised of two representatives from each of the four member cities. The Mayor (or Mayor's designate) fills one slot and the second representative is appointed by the Council. Councilmember Gerry Horak has served as the City's representative since September 2011 to the expiration of his term on December 31, 2012.

This Resolution reappoints Councilmember Horak for the new term which expires December 31, 2016 or until such appointment is changed by the Council.

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

Ordinances on Second Reading were read by title by City Clerk Nelson.

7. Second Reading of Ordinance No. 119, 2012, Appropriating Unanticipated Revenue in the General Fund to the Fort Collins Housing Authority to Fund Affordable Housing and Related Activities.
8. Second Reading of Ordinance No. 120, 2012, Appropriating Unanticipated Grant Revenue from Great Outdoors Colorado in the Conservation Trust Fund for the Fossil Creek Trail at County Road 38E Project.
9. Second Reading of Ordinance No. 121, 2012, Amending the City Code to Increase the Amounts of the Capital Improvement Expansion Fees Contained in Chapter 7.5 of the City Code so as to Reflect Inflation in Associated Costs of Services.
10. Second Reading of Ordinance No. 122, 2012, Amending Chapter 15 of the City Code Pertaining to Contractor Licenses.
11. Second Reading of Ordinance No. 123, 2012 Amending Section 24-91 of the City Code Regarding the Naming of Arterial and Collector Streets.
12. Second Reading of Ordinance No. 124, 2012, Amending Section 2-427 of the City Code Relating to Membership of the Transportation Board.
13. Second Reading of Ordinance No. 125, 2012 Amending Section 26-543 of the City Code to Update the Stormwater Master Drainage Plans to Include Basin-Specific Water Quality Best Management Practices and Stream Restoration.

14. Second Reading of Ordinance No. 126, 2012, Authorizing the Conveyance of City-owned Property Known as the Maxwell Farm and Related Water Rights Subject to a Conservation Easement and Authorizing a Related Raw Water Transfer Agreement.
15. Second Reading of Ordinance No. 127, 2012, Authorizing the Conveyance of City-owned Property Known as the Vangbo Property Subject to a Conservation Easement.
16. Second Reading of Ordinance No. 128, 2012, Authorizing the Conveyance of a Non-Exclusive Drainage Easement on City Property to Cloud Peak Ranch, LLC.
17. Second Reading of Ordinance No. 129, 2012, Authorizing the Conveyance of a Non-Exclusive Utility Easement on City Property to the Nunn Telephone Company.
18. Second Reading of Ordinance No. 130, 2012, Amending the Land Use Code by Designating Certain Types of Multi-family Housing Development Projects as Being Subject to Planning and Zoning Board Review.
34. Second Reading of Ordinance No. 112, 2012, Being the Annual Appropriation Ordinance Relating to the Annual Appropriations for the Fiscal Year 2013; Adopting the Budget for the Fiscal Years Beginning January 1, 2013, and Ending December 31, 2014; and Fixing the Mill Levy for the Fiscal Year 2013.

Ordinances on First Reading were read by title by City Clerk Nelson.

19. First Reading of Ordinance No. 131, 2012, Authorizing the Transfer of Appropriations Between Program Years in the Community Development Block Grant Fund.
20. First Reading of Ordinance No. 132, 2012, Amending Section 2-237 of the City Code Relating to Membership of the Golf Board.
21. First Reading of Ordinance No. 133, 2012, Amending Section 2-500 of the City Code Pertaining to a City Service Area.
22. First Reading of Ordinance No. 134, 2012, Amending Various Provisions of the Fort Collins Traffic Code.
23. Items Relating to the Kechter Crossing Annexation.
 - B. Hearing and First Reading of Ordinance No. 135, 2012, Annexing Property Known as the Kechter Crossing Annexation.
 - C. Hearing and First Reading of Ordinance No. 136, 2012, Amending the Zoning Map of the City of Fort Collins and Classifying for Zoning Purposes the Property Included in the Kechter Crossing Annexation.
35. First Reading of Ordinance No. 137, 2012, Authorizing the Appropriation of 2013 Fiscal Year Operating and Capital Improvement Funds for the Fort Collins-Loveland Municipal Airport.

Eric Sutherland, 3520 Golden Currant, withdrew Item No. 28, *Resolution 2012-110 Adopting the City's 2013 Legislative Policy Agenda* from the Consent Calendar.

Councilmember Manvel made a motion, seconded by Councilmember Poppaw, to adopt all items not withdrawn from the Consent Calendar. Yeas: Manvel, Troxell, Ohlson, Poppaw and Horak. Nays: none.

THE MOTION CARRIED.

Staff Reports

City Manager Atteberry reported on the Museum of Discovery grand opening. He reported on an inter-agency DUI checkpoint held on October 30.

Kevin Gertig, Water Resources and Treatment Operations Manager, reported on the High Park fire expenditures regarding water supply and treatment.

Donnie Dustin, Water Resource Manager, discussed the outlook for future water supply.

Gertig discussed the recognition of Fort Collins' water and wastewater treatment facilities for their energy efficiency by the Southwest Energy Efficiency Project (SWEEP).

**Ordinance No. 112, 2012,
Being the Annual Appropriation Ordinance Relating to the Annual Appropriations
for the Fiscal Year 2013; Adopting the Budget for the Fiscal Years
Beginning January 1, 2013, and Ending December 31, 2014; and Fixing the
Mill Levy for the Fiscal Year 2013, Adopted on Second Reading**

The following is staff's memorandum on this item.

“EXECUTIVE SUMMARY

The Annual Appropriation Ordinance is presented for Second Reading. This Ordinance sets the City Budget for the two-year period (2013–14) which becomes the City's financial plan for the next two fiscal years. This Ordinance sets the amount of \$483,637,562 to be appropriated for fiscal year 2013. Including the 2013 adopted budgets for the General Improvement District (GID) No. 1 of \$193,666 and the Urban Renewal Authority (URA) of \$1,038,682 the total City operated appropriations amount to \$484,869,910.

<i>City Budget (in \$ million)</i>	<u><i>Adopted 2013</i></u>	<u><i>Adopted 2014</i></u>
<i>Operations</i>	\$431.5	\$440.5
<i>Debt Service</i>	21.2	20.5
<i>Capital</i>	<u>32.2</u>	<u>27.6</u>
<i>Total City Operated Appropriations *</i>	\$484.9	\$488.6
 <i>Less Urban Renewal Authority (URA)</i>	 (1.0)	 (1.8)
<i>Less General Improvement District (GID)</i>	<u>(0.2)</u>	<u>(0.2)</u>
<i>Total City of Fort Collins Appropriation</i>	\$483.7**	\$486.6

** This includes GID and URA which are appropriated in separate ordinances.*

This Ordinance also sets the 2012 City mill levy at 9.797 mills, unchanged since 1991.

BACKGROUND / DISCUSSION

The Annual Appropriation Ordinance for 2013 was adopted unanimously on First Reading with the following changes to be incorporated for Second Reading:

- *Fund Offer 25.10 ENHANCEMENT: Workplace Safety Initiative Fund for \$100,000 in both 2013 and 2014*
- *Update the Ordinance by shifting \$735,154 from Capital to Operating in the Conservation Trust Fund*

Since First Reading, there have also been changes made to the Fort Collins / Loveland Airport budget which requires an additional City of Fort Collins contribution of \$92,500 for 2013. This one-time expense will come from General Fund reserves.

These changes, as applicable, are reflected in the numbers above and have been updated in the Annual Appropriation Ordinance for Second Reading.”

Mike Beckstead, Chief Financial Officer, discussed the citizen input processes for this budget and thanked citizens, staff, and Council for their efforts toward this balanced budget.

Eric Sutherland, 3520 Golden Currant, opposed the Avago and Rocky Mountain Innosphere assistance packages.

Roger Hageman, Hageman Earthcycle, discussed the integrated recycling facility options and opposed that facility's acceptance of organic material.

Maria Gsemann, Northern Colorado Clean Cities, supported the expansion of electric vehicles and electric vehicle infrastructure.

Brian Parsonnet, 1208 Forest Hills Lane, supported the budget allocation for electric vehicle charging stations.

Amber and Trevor Graves, Morning Fresh Dairy, supported the budget allocation for electric vehicle charging stations.

Dave Altmann, Eaton Corporation, supported the budget allocation for electric vehicle charging stations.

Ben Prohauska, 1528 Oak Street, supported the budget allocation for electric vehicle charging stations.

Matt Russell, 631 Larkbunting Drive, supported the budget allocation for electric vehicle charging stations.

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Councilmember Horak requested information regarding the airport allocation increase. Beckstead replied the loss of Allegiant Air lowered the Airport's revenue by \$480,000. This allocation increase, in addition to a lower operating budget and deference of capital projects will aid in covering that loss of revenue. It is possible that additional funds will be requested in 2014 if a replacement carrier is not found.

Councilmember Horak asked if the level of funding will be returned to prior levels should a replacement carrier not be found. Beckstead replied the long-term strategy for the Airport will need to be discussed among Council and the Airport Board.

Councilmember Horak requested those discussions be held prior to next fall. City Manager Atteberry replied a conversation regarding the Airport being a zero-subsidy entity was started prior to Allegiant pulling out of the Airport.

Councilmember Horak made a motion, seconded by Councilmember Poppaw, to adopt Ordinance No. 112, 2012, on Second Reading.

Councilmember Horak suggested the possible change of the City fleet vehicles to rental vehicles and discussed the fact that the budget is a planning document.

Councilmember Troxell expressed support for the budget as presented.

Councilmember Manvel supported the budget as presented.

Councilmember Poppaw thanked staff and community members for work on the budget.

Mayor Pro Tem Ohlson stated he views budgets as compromise and collaboration documents and supported the budget as presented. He stated the same scrutiny should be given to all projects.

The vote on the motion was as follows: Yeas: Manvel, Troxell, Ohlson, Poppaw and Horak. Nays: none.

THE MOTION CARRIED.

**Ordinance No. 137, 2012,
Authorizing the Appropriation of 2013 Fiscal Year Operating and Capital Improvement
Funds for the Fort Collins-Loveland Municipal Airport, Adopted on First Reading**

The following is staff's memorandum for this item.

“EXECUTIVE SUMMARY

The 2013 annual operating budget for the Airport totals \$693,100, and will be funded from Airport operating revenues, contributions from the Cities of Fort Collins and Loveland (\$177,500 from each City), and interest earnings. This amount for each city is \$92,500 greater than the previous year contributions of \$85,000. For the City of Fort Collins the original \$85,000 is funded from General Fund ongoing revenue, while the one-time increase of \$92,500 will be funded from General Fund reserves.

This Ordinance authorizes the City of Loveland to appropriate the City of Fort Collins portion of the Airport's annual operating budget in the amount of \$346,550. This is 50% of the entire Airport annual operating budget of \$693,100.

This Ordinance also appropriates the City's 50% share of capital funds, totaling \$1,100,000 for the Airport from federal and state grants; contributions from Fort Collins and Loveland; and the Airport General Fund. Most of the 2013 Airport capital funds, totaling \$2,200,000, will be used to complete major Airport improvements, such as taxiway and apron rehabilitation and some funds are slated for utility master planning and design engineering to accommodate Airport business development.

BACKGROUND / DISCUSSION

In 1963, the City of Fort Collins and the City of Loveland agreed to the establishment of a regional aviation facility and became owners and operators of the Fort Collins-Loveland Municipal Airport, located approximately 16 miles southeast of downtown Fort Collins, just west of Interstate 25 on Earhart Road. The Airport is operated as a joint venture between the City of Fort Collins and the City of Loveland, with each city retaining a 50% ownership interest, sharing equally in policy-making and management, and with each assuming responsibility for 50% of the capital and operating costs associated with the Airport.

The Airport's mission is to provide a safe and efficient air transportation airport facility to the general public and aviation community by providing airport facilities that meet Federal Aviation Administration (FAA) safety standards and to implement a plan that ensures the efficient development of the Airport to meet the needs of the Fort Collins and Loveland communities.

Airport revenues cover operating costs and capital projects. Each city contributes equal funding for Airport operating and capital costs. Airport development and improvement funds are also received, for eligible projects, from the FAA and the Colorado Department of Transportation, Division of Aeronautics.

The annual operating costs for 2013 for the Airport are \$693,100, and the City of Fort Collins contribution is \$346,550. In addition, the Airport Manager is recommending additional capital expenditures and has identified the following funding sources:

<i>FAA Entitlement Grant</i>	<i>\$1,000,000</i>
<i>State Grant</i>	<i>1,000,000</i>
<i>Airport Revenues</i>	<i>200,000</i>
<i>Total</i>	<i>\$2,200,000</i>

The additional capital expenditures will be to continue aircraft parking apron phase two improvements and for utility master planning and design engineering to accommodate Airport business development, \$2,200,000. Thus, the City of Fort Collins appropriation for the capital expenditures identified above is \$1,100,000 (50% of the total).

FINANCIAL / ECONOMIC IMPACTS

This Ordinance appropriates the City's 50% share (\$1,446,558) of the annual appropriation for fiscal year 2013 for Fort Collins-Loveland Municipal Airport budget. The City of Loveland

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manages the Airport's budget and finances; however, since the City of Fort Collins owns 50% of the Airport, it is necessary for the City to appropriate its 50% portion of the Airport budget."

Jason Licon, Fort Collins-Loveland Municipal Airport Manager, discussed the Airport's operating budget and contributions from the City of Fort Collins.

Councilmember Manvel requested information regarding the possibility of funding a tower or tower alternative. Licon replied the Airport is currently working with the State of Colorado Division of Aeronautics and the Federal Aviation Administration regarding a potential solution for a tower or tower alternative. The Airport is currently not at the level where the federal government will pay for a tower and its staffing.

Councilmember Troxell asked about the possibility of alternative funding sources, such as public-private partnerships. Licon replied the Airport has potential to look at alternative revenue sources, both direct and indirect revenue streams and the possibility of using land for non-air travel uses.

Councilmember Manvel made a motion, seconded by Councilmember Troxell, to adopt Ordinance No. 137, 2012, on First Reading.

Councilmember Horak encouraged Mr. Licon, Mayor Weitkunat, and City Manager Atteberry to ensure the systematic examination of all revenue sources.

Councilmember Manvel noted both eventualities, of either finding a new commercial airline provider or not, must be discussed.

The vote on the motion was as follows: Yeas: Manvel, Troxell, Ohlson, Poppaw and Horak. Nays: none.

THE MOTION CARRIED.

Resolution 2012-110 Adopting the City's 2013 Legislative Policy Agenda, Adopted

The following is staff's memorandum for this item.

“EXECUTIVE SUMMARY

Each year the Legislative Review Committee (LRC) develops a legislative agenda to assist in the analysis of pending legislation. The Legislative Policy Agenda is used as a guide by Council and staff to determine positions on legislation pending at the state and federal levels and as a general reference for state legislators and the congressional delegation.

BACKGROUND / DISCUSSION

The Legislative Policy Agenda includes policies on issues that affect the quality of life and governance of our community. It is used as a guide by Council and staff to determine positions on pending legislation, and as a general reference for our state legislators and congressional delegation.

The 2013 Agenda was developed with input from City staff and review by the Legislative Review Committee. It contains policy statements on a wide variety of topics. This year, the document was formatted to coincide with the City's adopted strategic outcome areas. Areas covered in the document include:

- Culture, Parks and Recreation
 - Cultural Services
 - Parks and Recreation
- Economic Health
 - Finance
 - Investments
 - Privatization
- Environmental Health:
 - Air Quality
 - Climate and Environmental Protection
 - Recycling and Solid Waste
 - Natural Areas and Open Lands
- High Performing Government
 - Home Rule
 - Human Resources
 - Risk Management
 - Sovereign and Governmental Immunity
 - Telecommunications
 - Utility Services
- Energy
 - Water Supply and Quality
- Neighborhood Livability
 - Affordable Housing
 - Planning and Land Use
- Safe Community
 - Fire Protection
 - Hazardous Materials Management
 - Public Safety
- Transportation
 - Transportation

The proposed 2013 Legislative Policy Agenda is attached to the Resolution as Exhibit A.

FINANCIAL / ECONOMIC IMPACTS

The Legislative Policy Agenda contains a number of policies that speak to economic impacts. The Finance section (page 5) contains several statements that address the need to protect the City's revenue base. It also calls for support for legislation "that promotes sustainable economic development." Other policies that support sound fiscal practices are imbedded throughout the document.

ENVIRONMENTAL IMPACTS

Several sections of the Legislative Policy Agenda directly address environmental impacts and support for legislation that will help the City forward its environmental goals. These include statements under the headings of Air Quality (page 6), Climate and Environmental Protection (page 8), Natural Areas and Open Lands (page 8), Recycling and Solid Waste (page 9), Energy (page 12) and Water Supply and Quality (page 13)."

Eric Sutherland, 3520 Golden Currant, discussed the County landfill and Fort Collins' home rule status with regard to oil and gas drilling and fracking. He stated that constitutionally and by statute, the Public Utilities Commission and the state legislature have no regulatory authority over the operation of our municipally-owned electric utility.

Councilmember Troxell made a motion, seconded by Councilmember Poppaw, to adopt Resolution 2012-110.

Councilmember Horak requested information regarding Mr. Sutherland's comments that the City is not mandated to follow the state rules for renewables.

The vote on the motion was as follows: Yeas: Manvel, Troxell, Ohlson, Poppaw and Horak. Nays: none.

THE MOTION CARRIED.

Other Business

Councilmember Poppaw asked for the support of Councilmembers to have the City Attorney prepare, for Council consideration, an option for a six month moratorium on drilling and fracking on land within city boundaries and on City-owned land outside of city boundaries.

Mayor Pro Tem Ohlson suggested the moratorium option be presented as an additional option to those already being prepared by staff.

Councilmember Poppaw received the support of several Councilmembers to present a moratorium as an option.

Resolution 2012-112 Making Temporary Appointments to the Ethics Review Board Due to the Unavailability of Three Board Members, Adopted

The following is staff's memorandum for this item.

"EXECUTIVE SUMMARY

Section 2-569 of the City Code establishes an Ethics Review Board, the purpose of which is to assist Councilmembers and board and commission members in interpreting and applying the local and state ethical rules.

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The Review Board consists of three Councilmembers appointed by the City Council, plus another, alternate member. Because three of those four members are currently unavailable to address inquiries submitted to the Review Board by Mayor Weitkunat and Councilmember Manvel, staff has recommended that the Council temporarily appoint two other members. This Resolution would make those appointments.

BACKGROUND / DISCUSSION

On May 17, 2011, the City Council appointed Councilmembers Aislinn Kottwitz, Ben Manvel and Lisa Poppaw to serve as regular members of the Review Board and also appointed Mayor Karen Weitkunat to serve as the alternate.

Mayor Weitkunat and Councilmember Manvel have both submitted inquiries to the Review Board as to whether they may have conflicts of interest in participating in decisions of the City Council relating to a development proposal that may be submitted to the City by Woodward, Inc., in the near future. Councilmember Kottwitz is temporarily unavailable to attend meetings of the Review Board, thus leaving only Councilmember Poppaw available to address the inquiries submitted by Mayor Weitkunat and Councilmember Manvel.

Therefore, staff recommends that the City Council appoint two other Councilmembers to serve on the Review Board with Councilmember Poppaw for the purpose of rendering an advisory opinion and recommendation with regard to the inquiries submitted by Mayor Weitkunat and Councilmember Manvel."

Councilmember Manvel stated the Council Ethics Review Board needs temporary new members as a current question being brought before the Board involves existing members. He cited *Resolution 2012-112, Making Temporary Appointments to the Ethics Review Board due to the Unavailability of Three Boardmembers*.

Councilmember Manvel made a motion, seconded by Councilmember Poppaw, to adopt Resolution 2012-112, inserting Councilmembers Troxell and Horak as the new temporary members of the Ethics Review Board. Yeas: Manvel, Troxell, Ohlson, Poppaw and Horak. Nays: none.

THE MOTION CARRIED.

Adjournment

Councilmember Troxell made a motion, seconded by Councilmember Manvel, to adjourn to November 27, 2012, at 6:00 p.m., so that Council may consider any additional business that may come before the Council, including a possible Executive Session. Yeas: Manvel, Troxell, Ohlson, Poppaw and Horak. Nays: none.

THE MOTION CARRIED.

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The meeting adjourned at 8:15 p.m.

Karen Wetkumet
Mayor

ATTEST:

Wanda Nelson
City Clerk

