

August 16, 2016

COUNCIL OF THE CITY OF FORT COLLINS, COLORADO

Council-Manager Form of Government

Regular Meeting – 6:00 PM

● ROLL CALL

PRESENT: Martinez, Overbeck, Campana, Troxell, Cunniff, Horak
ABSENT: Stephens

Staff Present: Atteberry, Daggett, Winkelmann

● AGENDA REVIEW: CITY MANAGER

City Manager Atteberry withdrew Consent Agenda Item No. 14, *First Reading of Ordinance No. 102, 2016, Authorizing the Conveyance of a Permanent Stormwater Easement on City Property at the Gardens on Spring Creek to Colorado State University*, for additional staff work and stated the agenda has been amended to include adjournment to August 23 for the purpose of an executive session regarding the TABOR issue and Keep Fort Collins Great taxes.

● CITIZEN PARTICIPATION

Mike Pruznick requested Council make a public statement opposing violence against citizens, specifically referencing the Federal Railroad Administration meeting.

Virginia Farver discussed the Smart Meter program and the deleterious health effects of wireless radiation.

John Lambert discussed open pit wood burning and a situation at a neighboring property. He requested Council look into the situation.

Mel Hilgenberg suggested expanding the two-hour parking in Old Town to 8 PM, enforcing the 3 AM parking ban, and expanding the Old Town parking zone. He suggested moving the Fort Collins Rescue Mission to the old Fort Ram location and discussed the need for affordable housing. Additionally, he requested the tree at the northeast corner of Mountain and College be trimmed.

Thomas Edwards, Fort Collins Bicycle Coalition, stated bicycle numbers are down 4% this summer and suggested the City's bicycle counts are inaccurate.

● CITIZEN PARTICIPATION FOLLOW-UP

Councilmember Overbeck thanked Mr. Edwards for his comments and asked if the Parking Board hears citizen concerns regarding parking issues. City Manager Atteberry replied in the affirmative.

Councilmember Martinez asked if Code addresses smoke issues. Lucinda Smith, Environmental Services, replied there are some elements in the City Code that limit wood smoke emissions; however, they relate particularly to indoor burning. Certain limitations exist for the building of outdoor burning pits; however, there are no codes prohibiting outdoor burning at this time. Staff

will be looking at the issue this fall. Delynn Coldiron, Neighborhood Services, replied work is being done regarding excessive smoke and existing codes. She offered mediation services to deal with Mr. Lambert's concerns.

Mayor Pro Tem Horak discussed the outdoor smoke and fire pit issue and stated regulations will not change without strong Council and community support.

Councilmember Cunniff also supported examining the outdoor smoke and fire pit issue and stated the Air Quality Advisory Board is considering the placement of outdoor wood smoke on its work plan for next year.

Mayor Troxell thanked Senators Bennett and Gardner, Congressman Polis, and the Federal Railroad Administrator for their visit to Fort Collins regarding train noise.

Councilmember Cunniff requested a report regarding median improvements.

Councilmember Martinez requested a copy of the memo regarding radiation impacts of Smart Meters that had been provided in the past.

● **CONSENT CALENDAR**

Councilmember Martinez withdrew Item No. 21, *Resolution 2016-065 Expressing the City Council's Support for the Passage of a Larimer County Ballot Issue Imposing a Twenty Five One-Hundredths of One Percent Countywide Sales and Use Tax for the Construction, Improvement, Maintenance, and Operations of a Mental Health, Detox and Substance Abuse Treatment Facility and Related Community Services, and Urging the Citizens of Fort Collins to Vote "Yes" on this Ballot Issue*, from the Consent Agenda.

Councilmember Cunniff withdrew Item No. 12, *First Reading of Ordinance No. 100, 2016, Appropriating Prior Year Reserves in the Storm Drainage Fund to Construct the Fort Collins/Timnath Boxelder Creek Flood Mitigation Projects and Transferring Appropriations to the Cultural Services and Facilities Fund for the Art in Public Places Program*, from the Consent Agenda.

Mike Pruznick withdrew Item Nos. 9, *Second Reading of Ordinance No. 097, 2016, Calling a Special Municipal Election to be held in Conjunction with the November 8, 2016 Larimer County General Election*, and 19, *Resolution 2016-063 Adopting the 2016 City of Fort Collins Strategic Plan*, from the Consent Agenda.

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

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Gerry Horak, District 6
SECONDER:	Giño Campana, District 3
AYES:	Martinez, Overbeck, Campana, Troxell, Cunniff, Horak
ABSENT:	Stephens

1. **Consideration and Approval of the Minutes of the July 5 and 19, 2016 Regular Council Meetings and the July 12 and 26, 2016 Adjourned Council Meetings. (Adopted)**

The purpose of this item is to approve the minutes from the July 5 and July 19, 2016 Regular Council meetings and the July 12 and July 26, 2016 Adjourned Council meetings.

2. **Second Reading of Ordinance No. 085, 2016, Amending Sections 26-98 and 26-128 of the Code of the City of Fort Collins Regarding Fire Sprinkler Systems for Single Family Attached Homes. (Adopted)**

This Ordinance, unanimously adopted on First Reading on July 19, 2016, creates a new rate class to accommodate the short-term high flow rate water service demands for single family attached homes with residential fire suppression systems and to make related changes regarding water meter requirements and installation. Changes to the International Residential Code adopted by the City in 2014 increased the short-term high flow rate water service demands for single family attached homes (such as townhomes and condominiums) due to the inclusion of residential fire suppression systems. A new rate class will be created in order to accommodate these demands and to make related changes regarding water meter requirements and the installation related to fire sprinkler systems for single family attached homes. Staff will provide a report to Council in September 2017 after one year of implementation to compare the average monthly usage of any new 1-inch residential services installed under the new rate code adopted through this Ordinance to the usage of similar previous standard ¾-inch residential services.

3. **Second Reading of Ordinance No. 089, 2016, Appropriating Unanticipated Grant Revenue in the General Fund and Transferring Funds from the Community Development and Neighborhood Services Operating Budget in the General Fund to the Restorative Justice Grant Project. (Adopted)**

This Ordinance, unanimously adopted on First Reading on July 19, 2016, appropriates grant revenue to fund Restorative Justice Services within Community Development and Neighborhood Services (CDNS). A grant in the amount of \$56,192 has been received from the Colorado Division of Criminal Justice (DCJ) Juvenile Diversion fund for the continued operation of Restorative Justice Services, which includes the RESTORE program for shoplifting offenses; and the Restorative Justice Conferencing Program (RJCP) for all other offenses. Required match is \$18,731, which is 25% of the total grant (total grant = state funds \$56,182 + match \$18,731). The match requirement will be met by transferring \$9,646 in appropriated funds from the CDNS operating budget designated for restorative justice to the grant project, and by a \$9,085 match designated in the form of office space provided by the City for grant funded services. The grant period for is July 1, 2016 to June 30, 2017. This is the third year in a 3-year cycle for the Juvenile Diversion grant.

4. **Second Reading of Ordinance No. 090, 2016, Annexing the Property Known as the Majestic Place Annexation to the City of Fort Collins, Colorado. (Adopted)**

This Ordinance, unanimously adopted on First Reading on July 19, 2016, annexes 19.93 acres located at 2150 Rock Castle Lane (southeast of Timberline Road and Trilby Road) which is presently vacant. The Initiating Resolution was adopted on June 7, 2016. The property is located within the Fossil Creek Reservoir Area Plan. A related item to zone the annexed property is presented as the next item on this Agenda.

5. **Second Reading of Ordinance No. 091, 2016, Amending the Zoning Map of the City of Fort Collins and Classifying for Zoning Purposes the Property Included in the Majestic Place Annexation to the City of Fort Collins, Colorado. (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 2015-091.

This Ordinance, unanimously adopted on First Reading on July 19, 2016, zones the property included in the Majestic Place Annexation, located at 2150 Rock Castle Lane (southeast of Timberline Road and Trilby Road), into the Urban Estate zone district.

6. **Second Reading of Ordinance No. 092, 2016, Authorizing the Conveyance of a Permanent Utility Easement and a Temporary Construction Easement on City Property at the Northern Colorado Regional Airport to the City of Loveland. (Adopted)**

This Ordinance, unanimously adopted on First Reading on July 19, 2016, authorizes the conveyance of a permanent utility easement and a temporary construction easement to the City of Loveland at the Northern Colorado Regional Airport. The City of Fort Collins and the City of Loveland each own a 50% interest in the Airport property. The City of Loveland is extending its electrical service to this area. The proposed permanent easement area borders Boyd Lake Avenue and County Road 30 and the temporary construction easement is along the easement on County Road 30.

7. **Second Reading of Ordinance No. 093, 2016, Amending the City Code Pertaining to the Disposition of Tangible Personal Property. (Adopted)**

This Ordinance, unanimously adopted on First Reading on July 19, 2016, amends the City Code to eliminate the current provisions pertaining to disposition of tangible personal property and replace with a reference to administrative procedures. The disposition of lost, abandoned, unclaimed or unattended tangible personal property found within a natural area, park, trail, other outdoor City property, and within a City facility will be governed by administrative policies adopted by the City Manager and on file in the City Clerk's Office. The disposition of firearms, illegal property, identification documents, financial transaction devices, computers or electronic items that store personal identification information will be governed by Fort Collins Police Services Standard Operating Procedures.

8. **Second Reading of Ordinance No. 094, 2016, Appropriating Prior Year Reserves in the Capital Expansion Fund for Transfer to the Capital Projects Fund and the Cultural Services and Facilities Fund for the Art in Public Places Program for the Southeast Community Park. (Adopted)**

This Ordinance, unanimously adopted on First Reading on July 19, 2016, appropriates funds for the Southeast Community Park Project in the amount of \$1.6M from the Community Parkland Capital Expansion Reserves. The park is currently under construction and scheduled to open in 2017. An additional appropriation is needed to fully fund the park as designed.

9. **First Reading of Ordinance No. 098, 2016, Appropriating Prior Year Reserves in the General Fund to Reimburse Avago Wireless Technologies (U.S.A.) Manufacturing, Inc. For Use Tax and Business Personal Property Taxes as Provided in Business Investment Agreements. (Adopted)**

The purpose of this item is to appropriate \$413,781 of prior year reserves from the General Fund for a rebate to Avago Wireless Technologies (USA) Manufacturing, Inc. for use tax and business personal property tax rebates under two business investment agreements. The agreements provide business investment assistance to Avago for the expansion and retrofit of Avago's Building 4 for a wafer fabrication facility in 2012 and for a FBAR clean room facility in 2013. These two projects created an additional 227 primary jobs in the City.

10. **First Reading of Ordinance No. 099, 2016, Appropriating Prior Year Reserves in the General Fund to Reimburse Woodward, Inc. for Development Fees and Use Tax. (Adopted)**

The purpose of this item is to appropriate \$151,316 of prior year reserves for a rebate to Woodward, Inc. for use tax under an agreement that City Council approved on April 2, 2013 (Ordinance No.

055, 2013). The agreement provides Business Investment Assistance for the relocation of Woodward's headquarters, as well as an expansion of its manufacturing and office facilities to a new location at the corner of Lincoln Avenue and Lemay Avenue. The project will retain or create between 1,400 and 1,700 primary jobs in the City.

11. **First Reading of Ordinance No. 101, 2016, Authorizing an Exchange of Easements between the City and Brookhaven Homeowners Association to Resolve Encroachment Issues on Mallard's Nest Natural Area and Spring Creek Trail. (Adopted)**

The purpose of this item is to authorize the City's conveyance of an easement to the Brookhaven Homeowners Association to resolve an encroachment issue on Mallard's Nest Natural Area and Spring Creek Trail. The Natural Areas Department intends to exchange easements with Brookhaven Homeowners Association to resolve long standing and significant encroachments on City property and enable a more favorable alignment of an existing fence along Spring Creek Trail.

12. **First Reading of Ordinance No. 102, 2016, Authorizing the Conveyance of a Permanent Stormwater Easement on City Property at the Gardens on Spring Creek to Colorado State University. (Withdrawn)**

The purpose of this item is to authorize the conveyance to Colorado State University of a permanent stormwater easement on City property at the Gardens on Spring Creek. Colorado State University (CSU) needs to construct a water quality pond to handle the flows from its new construction at CSU, including the new stadium. The Center Outfall Water Quality Pond (Pond) will be constructed on land owned by CSU, as well as on a portion of the City's property at the Gardens on Spring Creek. The Pond will handle flows from both entities.

13. **Resolution 2016-059 Approving an Art Project for the Timberline and Prospect Intersection Improvements Project and Approving Expenditures from the Cultural and Services and Facilities Fund to Commission an Artist Team to Create the Art Project. (Adopted)**

The purpose of this item is to approve an art project for the Timberline and Prospect Road Project and authorize expenditures from the Art in Public Places Reserve Account to commission an artist team to create the art project. The expenditures of \$40,560 will be for design, materials, fabrication, installation, and contingency for Tim Upham and Todd Kundla to create a sculpture at the site of the Timberline and Prospect Intersection.

14. **Resolution 2016-060 Stating the Intent of the City of Fort Collins to Annex Certain Property and Initiating Enclave Annexation Proceedings for Such Property to be Known as the Poudre River Annexation. (Adopted)**

The purpose of this item is to initiate the annexation process for the Poudre River Annexation. This is a City-initiated request to annex 12.01 acres located within the banks of the Poudre River between Lee Martinez Community Park and Linden Street. The land became an enclave upon annexation of the Wood Street Annexation on September 17, 2012. As of September 17, 2015, the City is authorized to initiate and annex the enclave in accordance with State Statute 31-12-106.

15. **Resolution 2016-061 Authorizing the City Manager to Execute an Agreement Between the City of Fort Collins and New Belgium Brewing Company, Inc. Regarding Temporary Authorization to Use a Portion of Pretreated Wastewater in a Cooling Tower. (Adopted)**

The purpose of this item is to temporarily authorize New Belgium Brewing Company (New Belgium), as a customer of Fort Collins Utilities (Utilities), to use a portion of the pretreated wastewater from its brewery in an onsite cooling tower. Utilities has reviewed the request and recommends that temporary authorization for New Belgium's use of pretreated wastewater be granted, subject to various terms and conditions. This temporary authorization will help Utilities evaluate whether a permanent program involving the use of pretreated wastewater by New Belgium and other similarly-situated customers can or should be pursued.

16. **Resolution 2016-062 Authorizing the City Manager to Execute Agreements Between the City of Fort Collins and the Northern Colorado Water Conservancy District Regarding the Sharing of Water Quality Modeling for the Halligan Water Supply Project. (Adopted)**

The purpose of this item is to authorize the City Manager to execute an intergovernmental agreement (IGA) between the City of Fort Collins and the Northern Colorado Water Conservancy District (Northern Water) concerning shared use of certain water quality models between the Halligan Water Supply Project and the Northern Integrated Supply Project (NISP). Staff estimates that sharing certain NISP and Halligan Project water quality models will save the City \$400,000 or more and prevent delays of up to four months to the Halligan Project's draft Environmental Impact Statement (EIS), as well as ensure more accurate, consistent, and ultimately defensible modeling for the Halligan Project. The IGA sets forth the framework for sharing certain water quality models between the Halligan Project and NISP, and contains protective terms and conditions for both entities. One key term sets forth conditions on to the extent to which the City and Northern Water may comment on the construction of the shared water quality models during federal or state permitting processes. The IGA does not express support for NISP or change the City's position with respect to NISP.

17. **Resolution 2016-064 Acknowledging Receipt of the City's 2015 Audited Comprehensive Annual Financial Report and Federal Compliance Audit Report Prepared by RSM US LLP, an Independent Public Accounting Firm. (Adopted)**

The purpose of this item is to accept delivery of the City's 2015 audited financial reports provided by the independent public accounting firm, RSM US LLP.

18. **Resolution 2016-066 Appointing Two Representatives to the Colorado Municipal League Policy Committee. (Adopted)**

The purpose of this item is to appoint Councilmember Ray Martinez and City Manager Darin Atteberry to represent the City of Fort Collins on the Colorado Municipal League Policy Committee.

19. **Resolution 2016-067 Making Appointments to the Citizen Review Board. (Adopted)**

The purpose of this item is to appoint Sarah Harris, Don Whitson, and Pranaya Sathe to the Citizen Review Board to fill board vacancies which currently exist due to the resignations of Ethan Schlemmer, Jason Sydoriak, and John Heilman.

● **CONSENT CALENDAR FOLLOW-UP**

Councilmember Cunniff requested information regarding the verification of employment numbers for companies receiving economic incentive reimbursements. City Manager Atteberry replied further details will be provided.

Councilmember Overbeck discussed the need for citizens to be assured of a good return on investment regarding economic incentive reimbursements.

● **STAFF REPORTS**

Jackie Kozak-Thiel, Chief Sustainability Officer, stated the Healthy Homes program is celebrating its fifth anniversary and is now provided ongoing funding through General Fund. The program aims to improve indoor air quality in citizens' homes.

Mary Pat Aardrup, Healthy Homes Coordinator, discussed the background of the program and noted every resident in the City is eligible for a Healthy Homes assessment. She discussed the Master Home Educator volunteer program.

Selina Lujan, Healthy Homes Assistant Coordinator, discussed individual results of the program and the value and impact of the program on the community.

Tom Leeson, Community Development and Neighborhood Services Director, stated restorative justice focuses on the rehabilitation of offenders through reconciliation with victims and the community at large.

Perrie McMillen, Restorative Justice Program Coordinator, discussed the two programs in Restorative Justice Services: Restore which is for shoplifting offenses only, and the Restorative Justice Conferencing Program which is for all other offenses. She discussed grant funding for the program and the importance of volunteers to the program.

● **COUNCILMEMBER REPORTS**

Councilmember Martinez discussed the Salvation Army monthly report and its school supply program. He reported on his meeting with the Commission on Disability and concerns regarding accessibility, particularly during New West Fest.

Councilmember Overbeck reported on his attendance at a local film dealing with displacement and gentrification issues.

Councilmember Campana reported on his meetings with the Golf Board and the Parks and Recreation Board, stating both Boards requested additional contact with Council. All three golf courses in Fort Collins are now Audubon Cooperative Sanctuary certified.

Mayor Troxell noted each Councilmember is now reporting Councilmember reports regarding board and commission Periodic Reviews. He reported on the Cultural Resources Board and its desire to engage with non-profit organizations throughout Fort Collins.

Mayor Pro Tem Horak reported on the I-25 third lane construction near Berthoud, which will be complete by December. Agreements regarding the third lane from the south Loveland exit to Mulberry are being developed.

Councilmember Cunniff reported on the Air Quality Advisory Board meeting and the importance of connections to Council. He asked about CDOT's plan for repairing the seam down the center of travel lanes on the newly paved portions of College Avenue.

Mayor Troxell discussed the success of New West Fest and thanked City staff and others who played a key role in planning the event. He stated he did see accessible areas throughout the venue.

Mayor Pro Tem Horak thanked the Bohemian Foundation and Pat Stryker for their support of the event.

City Manager Atteberry commended Police Services for the safety of New West Fest.

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

20. **First Reading of Ordinance No. 100, 2016, Appropriating Prior Year Reserves in the Storm Drainage Fund to Construct the Fort Collins/Timnath Boxelder Creek Flood Mitigation Projects and Transferring Appropriations to the Cultural Services and Facilities Fund for the Art in Public Places Program. (Adopted on First Reading)**

The purpose of this item is to appropriate \$979,700 from Prior Year Reserves in the Storm Drainage Fund to cover increased project costs due to a number of additional project scope changes necessary to complete the Boxelder Creek Outfall project as it crosses Prospect Road.

Councilmember Cunniff asked about why stormwater funds were selected as opposed to General Fund and when Timnath will provide its payment of half of the costs.

Jon Haukaas, Water Engineering Field Operations Manager, replied stormwater facilities are typically paid from utilities funds.

Councilmember Cunniff questioned why the overall general rate payers' stormwater fees are being used in the special assessment district. He asked if there has been any consideration of repayment of those fees and viewing this as a loan from the stormwater fund to the Boxelder Authority. Haukaas replied projects were identified as Authority projects and others as local projects when the Authority was formed. This project was considered a Fort Collins local project and was not part of the Boxelder Stormwater Authority overall master plan.

Councilmember Cunniff asked about the IGA and repayment from Timnath. Haukaas replied Fort Collins has been receiving payment from Timnath throughout this project.

Councilmember Cunniff asked how unanticipated costs are being managed. Haukaas replied the original IGA for this project identified \$4 million to work toward the project with the anticipation of additional funds being needed. This appropriation will accommodate all needed costs for this process and staff has identified ways to maintain better controls in future major capital projects.

Councilmember Cunniff asked if this was included in the utility fixed costs discussion at Council Finance. Haukaas replied it was not included because it is a current and not a future project.

Councilmember Overbeck requested Council receive a confirmation memo when Timnath pays its portion at the end of the month.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Campana, to adopt Ordinance No. 100, 2016, on First Reading.

Mayor Pro Tem Horak requested additional information regarding improving the process in the future. Haukaas replied staff will come before Council as soon as possible if the initial appropriation is not sufficient, most likely prior to the beginning of construction.

Mayor Pro Tem Horak expressed concern about the lack of community review regarding Art in Public Places stating decisions should not be solely left to the Art in Public Places Board.

Councilmember Martinez agreed with Mayor Pro Tem Horak. City Manager Atteberry replied he will share Council's desires with the Art in Public Places Board and staff.

Councilmember Cunniff expressed concern regarding the process given the dollar amount and stated additional public debate and transparency should have occurred.

Councilmember Overbeck agreed with Councilmember Cunniff.

Mayor Pro Tem Horak noted half of the dollar amount will be reimbursed but agreed additional process information could have been presented.

RESULT:	ORDINANCE NO. 100, 2016, ADOPTED ON FIRST READING [4 TO 2]
MOVER:	Gerry Horak, District 6
SECONDER:	Gino Campana, District 3
AYES:	Martinez, Campana, Troxell, Horak
NAYS:	Overbeck, Cunniff
ABSENT:	Stephens

21. **Resolution 2016-065 Expressing the City Council's Support for the Passage of a Larimer County Ballot Issue Imposing a Twenty Five One-Hundredths of One Percent Countywide Sales and Use Tax for the Construction, Improvement, Maintenance, and Operations of a Mental Health, Detox and Substance Abuse Treatment Facility and Related Community Services, and Urging the Citizens of Fort Collins to Vote "Yes" on this Ballot Issue. (Adopted)**

The purpose of this item is for the City Council to express its support of the Larimer County proposal for the imposition of a 0.25% countywide sales and use tax for the construction, improvement, maintenance, and operations of a mental health, detox and substance abuse treatment facility and related community services which was referred by the Larimer County Commissioners to the 2016 general election ballot for the approval of such proposal.

Councilmember Martinez stated it would be valuable to discuss this item.

Mike Pruznick stated this item is neither administrative nor routine and is controversial. He asked what would happen to the building in 25 years if the tax is not renewed and asked what would happen if operational costs change. Additionally, he asked what other ballot items are competing with this item. He requested Council postpone this item in order to hold a work session to discuss ballot item prioritization.

Eric Sutherland opposed the item, stating no justification has been provided for the amount requested.

Mel Hilgenberg stated he is highly supportive of this tax initiative.

Councilmember Campana agreed with comments relating to taxing capacity; however, he stated this tax is necessary to fund a higher level of service desired by the community.

Councilmember Cunniff made a motion, seconded by Councilmember Martinez, to adopt Resolution 2016-065.

Councilmember Cunniff supported the item as providing care facility treatment rather than utilizing emergency services.

Councilmember Overbeck supported the item as being valuable for the community.

Councilmember Martinez supported the item.

Mayor Pro Tem Horak noted a great deal of research regarding best practices and community needs has been put into this proposal. He stated it makes financial sense from the City's perspective as well.

Mayor Troxell supported the item as being a well thought-out proposal.

RESULT:	RESOLUTION 2016-065 ADOPTED [UNANIMOUS]
MOVER:	Ross Cunniff, District 5
SECONDER:	Ray Martinez, District 2
AYES:	Martinez, Overbeck, Campana, Troxell, Cunniff, Horak
ABSENT:	Stephens

● **DISCUSSION ITEMS**

22. **First Reading of Ordinance No. 103, 2016, Vacating Portions of Right-of-Way as Dedicated on the Sidehill - Filing Two and Bucking Horse Filing Three Plats. (Adopted on First Reading)**

The purpose of this item is to vacate various streets dedicated on the Sidehill-Filing Two plat and the Bucking Horse Filing Three plat that are no longer necessary or desirable to retain for street purposes. The right-of-way vacation includes various public streets in an area bounded by Nancy Gray Avenue to the south and Gooseberry Lane to the northwest. The property is proposed to be replatted as Bucking Horse Filing Four, which was approved through the Planning and Zoning Board on February 11, 2016.

Councilmember Campana withdrew from the discussion of this item due to a conflict of interest.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Overbeck, to adopt Ordinance No. 103, 2016, on First Reading.

RESULT:	ORDINANCE NO. 103, 2016, ADOPTED ON FIRST READING [5 TO 0]
MOVER:	Gerry Horak, District 6
SECONDER:	Bob Overbeck, District 1
AYES:	Martinez, Overbeck, Troxell, Cunniff, Horak
ABSENT:	Stephens
RECUSED:	Campana

23. **Second Reading of Ordinance No. 096, 2016, Appropriating Prior Year Reserves in the General Fund and in the Light and Power Fund for Continuation of Energy Efficiency Initiatives Associated with the 2020 Climate Action Plan (CAP) Strategic Plan and Rescinding Ordinance No. 081, 2016. (Adopted on Second Reading)**

This Ordinance, adopted on First Reading by a vote of 4-2 (Nays: Campana, Martinez; Overbeck absent) rescinds Ordinance No. 081, 2016 (Adopted on July 19, 2016) and amends the \$1,460,000 appropriated by Ordinance No. 081, 2016; appropriating from the General Fund \$730,000, and \$730,000 from the Electric Utility Light & Power fund, for continuation of energy efficiency programs in 2016, as outlined in the draft 2020 Climate Action Plan (CAP) Strategic Plan. Ordinance No. 081, 2016 will become effective as originally adopted and shall provide funding until this Ordinance becomes effective, i.e., funding for the Energy Efficiency Programs up to \$730,000 will not be further delayed pending Second Reading of this Ordinance.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Cunniff, to adopt Ordinance No. 096, 2016, on Second Reading.

Councilmember Martinez stated he would not support the item as he feels this type of expense should receive voter approval.

Councilmember Campana stated he would not support the item for reasons cited during the First Reading discussion.

RESULT:	ORDINANCE NO. 096, 2016, ADOPTED ON SECOND READING [4 TO 2]
MOVER:	Gerry Horak, District 6
SECONDER:	Ross Cunniff, District 5
AYES:	Overbeck, Troxell, Cunniff, Horak
NAYS:	Martinez, Campana
ABSENT:	Stephens

24. First Reading of Ordinance No. 104, 2016, Making Certain Amendments to Chapter 26 of the Code of the City of Fort Collins Pertaining to Electric, Water and Wastewater Rates, Fees and Charges Associated with the Income Qualified Rate Pilot Study.

(Secretary's Note: Under Other Business, First Reading of Ordinance No. 104, 2016, was postponed to September 6, 2016)

The purpose of this item is to seek adoption of an ordinance implementing a two year Income-Qualified Rate (IQR) pilot study, effective January 1, 2017. IQR is a discount rate structure for qualified low-income households for electric, water, and wastewater utility services. The rate is designed to increase the adoption of efficiency and resource conservation practices by providing affordable utility services to income-qualified customers. In order to manage IQR administrative costs effectively and provide a convenient and accessible application process, staff recommends partnering with the state sponsored Low-Income Energy Assistance Program (LEAP), locally administered by Larimer County Department of Human Services, to qualify customers for IQR. Using LEAP to qualify customers for the IQR will also increase the number of local locations at which customers may apply for assistance, from one to four.

Staff has determined that adequate utility enterprise fund reserves are available to offset the revenue impact of the proposed IQR discounts during the 2017-2018 two-year pilot study, at an estimated total cost of \$2,544,145, based on a 65% enrollment rate, thus no 2017 or 2018 rate increases related to IQR are proposed. If adopted, the pilot study will occur between 2017 through end of year 2018. Staff will provide City Council with a one-year evaluation memorandum in the first quarter of 2018, and a two-year evaluation in the first quarter of 2019, in order to assess the impact of the IQR, the efficacy of the IQR in serving the energy and resource conservation purposes, and determine whether the IQR should be continued. If after the pilot study, it is determined the IQR effectively serves its intended resource conservation and utility affordability purposes, staff propose adjusting rates across all classes to continually fund the IQR.

Lisa Rosintoski, Utilities Customer Service Connections Manager, stated this Ordinance recognizes an important component of the low-income assistance integrated design approach. She discussed the successes of the temporary assistance program and stated, if approved, a 30-day public notice will occur with a Second Reading on September 20th.

Randy Reuscher, Utility Rate Analyst, discussed the proposed rate structure for the income qualified rate and the overall fund impact for each service if 100% enrollment were achieved.

Rosintoski stated the pilot program would run for two years, after which staff would go before Council with a formal presentation to determine whether or not the project will continue.

Eric Sutherland discussed payments in lieu of taxes for water rates and stated programs which enable low-income households to conserve should be enacted.

Mike Truett supported the Ordinance as being progressive.

Councilmember Martinez asked how business rates would be impacted. Reuscher replied the exact impact depends on the size of the business; however, the rate is 0.75% of the businesses' total bill.

Councilmember Martinez asked what percentage of utility bills goes toward the Climate Action Plan. Reuscher replied there are currently no specific costs built in for the Climate Action Plan; however, there are costs built in for energy efficiency programs and the like.

Councilmember Martinez asked if there is any question legally regarding rate payers absorbing costs for other rate payers. City Attorney Daggett replied Utilities staff has looked closely at what utility purposes are served by the proposed rate; the agenda item summary summarizes several ideas related to promoting energy efficiency and conservation among the sector of the utility customer base that would benefit. Council does have discretion to identify expenditures like this if it believes those expenditures are beneficial to the rate payers or will result in a betterment to the utility. She recommended an executive session for detailed legal information; however, she noted Utilities staff has worked closely with the City Attorney's Office during this process.

Councilmember Cunniff requested Council be provided a confidential legal memo on this topic prior to Second Reading.

Councilmember Martinez asked if a program has been set up for donations. Rosintoski replied the Payment Assistance Fund is extensively promoted through utility bills, social media, the web site, and biannual letters sent to rate payers.

Councilmember Martinez asked if the demand for funds has been greater than what is available. Rosintoski replied needs were not previously met; however, with this year's Energy Outreach Colorado matching fund support, that possibility exists. She stated needs being supplied at this point are as needed and not ongoing.

Councilmember Cunniff asked if pro-rating the fixed fee for water across all rate categories has been discussed. Reuscher replied the long-term goals of the utility is to align the fixed costs with the fixed charges.

Councilmember Cunniff stated he would like to see the elimination of the fixed rate considered in the future.

Councilmember Campana asked what portion of the utilities bills are due to the energy efficiency plan. Rosintoski replied approximately 7% of the electric rate is attributable to energy efficiency and renewables.

Councilmember Campana stated the justification for this is conservation. He expressed concern regarding making the connection between conservation and paying less on utility bills.

Councilmember Cunniff agreed with Councilmember Campana's concerns and stated he would like to find a way to tie this more toward efficiency and conservation outcomes.

Mayor Troxell requested additional information regarding the LEAP program. Rosintoski replied the program administers federal funding which is dispersed at a certain federal poverty level.

Mayor Troxell noted the water utility only serves a portion of Fort Collins citizens and asked how the Fort Collins Loveland Water District and ELCO customers will be affected, if at all. Rosintoski replied district customers will not be affected by this rate; however, there is potential for a future partnering mechanism.

Councilmember Campana noted the City could offer free energy evaluations to LEAP customers with or without action on this Ordinance. He stated citizens should be encouraged to donate through the Payment Assistance Fund.

Councilmember Martinez asked if the public could be surveyed for support. Rosintoski stated non-profits supported this opportunity to support the on-going need; however, the general public has not yet been surveyed.

Councilmember Martinez concurred with Councilmember Campana regarding a requirement for participation in energy efficiency programs.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Overbeck, to adopt Ordinance No. 104, 2016, on First Reading.

Mayor Pro Tem Horak stated the item was directed by Council and supported moving the conversation forward.

Councilmember Cunniff stated his preference would have been to continue to develop this and asked how a delay would affect rate setting. Rosintoski replied public notice for rate ordinances will occur following potential First Reading adoption.

Mayor Pro Tem Horak requested information regarding incentivizing or making audits mandatory prior to Second Reading.

Councilmember Campana stated he would rather spend money marketing one's ability to donate to the Payment Assistance Fund. He stated this does not guarantee anything regarding conservation.

Councilmember Overbeck stated he would support this item and commended staff work on presenting before boards and commissions.

Councilmember Martinez asked how the nexus between energy conservation and this change will be demonstrated. Rosintoski replied staff will communicate with other communities for feedback.

Mayor Troxell stated he will support the motion and commended Council's comments as being thoughtful in addressing the ultimate desired outcome.

RESULT:	ORDINANCE NO. 104, 2016, ADOPTED ON FIRST READING [5 TO 1]
MOVER:	Gerry Horak, District 6
SECONDER:	Bob Overbeck, District 1
AYES:	Martinez, Overbeck, Troxell, Cunniff, Horak
NAYS:	Campana
ABSENT:	Stephens

(Secretary's Note: Under Other Business, First Reading of Ordinance No. 104, 2016, was postponed to September 6, 2016)

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

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

25. **Second Reading of Ordinance No. 097, 2016, Calling a Special Municipal Election to be held in Conjunction with the November 8, 2016 Larimer County General Election. (Adopted on Second Reading)**

This Ordinance, unanimously adopted on First Reading on July 26, 2016, calls a Special Municipal Election to be held in conjunction with the November 8, 2016 Larimer County General Election, and preserves the opportunity for Council to place Council-initiated or referred issues on the November ballot. If Council decides to place any measures on the ballot, it would need to do so no later than at its September 6 meeting. If Council does not take action by ordinance or resolution before the statutory deadline (September 9) to certify ballot language to Larimer County, the election will be cancelled and the provisions of this Ordinance will be of no further force and effect.

This Ordinance does not submit a specific measure to the November 8, 2016 ballot. Adoption of this Ordinance is a required step in preserving the option for City Council to submit any ballot measures that Council may desire, at the November 8, 2016 General Election.

Mike Pruznick questioned whether the legal definition of "has taken" is different from the engineering definition and plain English definition. City Attorney Daggett replied Mr. Pruznick is correct in that the Ordinance has not been formally adopted until adoption on Second Reading; however, when Council considered the item on First Reading, it also considered a motion directing the City Clerk to contact the County regarding this matter, so the Council did actually take action at the same time First Reading was before it.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Cunniff, to adopt Ordinance No. 097, 2016, on Second Reading.

RESULT:	ORDINANCE NO. 097, 2016, ADOPTED ON SECOND READING [UNANIMOUS]
MOVER:	Gerry Horak, District 6
SECONDER:	Ross Cunniff, District 5
AYES:	Martinez, Overbeck, Campana, Troxell, Cunniff, Horak
ABSENT:	Stephens

26. **Resolution 2016-063 Adopting the 2016 City of Fort Collins Strategic Plan. (Adopted)**

The purpose of this item is to request City Council's approval of the City's 2016 Strategic Plan. Council reviewed the City's draft 2016 Strategic Plan at a work session on March 22, 2016. Based on that review, staff provided Council a red-line version of the proposed changes from the document

reviewed on the 22nd and asked for additional input or changes. Staff provided a final version reflecting Council's input on May 31st and has moved forward with the 2016 Strategic Plan document as an integral input to the City's Budgeting For Outcomes (BFO) process.

Council has asked to formally adopt the 2016 Strategic Plan. It reflects the City's Strategic Objectives, priorities and focus over the next 3-5 years and is used as a foundation document within other efforts across the City.

Mike Pruznick stated he pulled this item to discuss the triple bottom line and Climate Action Plan. He stated the triple bottom line needs to be examined from a priority point of view with people first, planet second, and profit honoring the first two. He discussed energy use by businesses versus residential properties.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Cunniff, to adopt Resolution 2016-063.

RESULT:	RESOLUTION 2016-063 ADOPTED [UNANIMOUS]
MOVER:	Gerry Horak, District 6
SECONDER:	Ross Cunniff, District 5
AYES:	Martinez, Overbeck, Campana, Troxell, Cunniff, Horak
ABSENT:	Stephens

● **OTHER BUSINESS**

Councilmember Martinez requested and received Council support to direct staff to examine the Arts in Public Places process so as to allow community comments.

Mayor Pro Tem Horak requested and received Council support to provide additional information and options regarding outdoor wood smoke. Mayor Troxell suggested this could include other things relating to truck smoke and particulates and improved neighborhood livability.

Motion to reconsider decision regarding Item #14, Income Qualified Rate

Councilmember Cunniff made a motion, seconded by Councilmember Martinez, to reconsider the vote on Ordinance No. 104, 2016.

Councilmember Cunniff stated postponement of the item to September 6th would allow for the creation of a cleaner First Reading and does not make public notification of rate changes impossible.

RESULT:	MOTION TO RECONSIDER ADOPTED [UNANIMOUS]
MOVER:	Ross Cunniff, District 5
SECONDER:	Ray Martinez, District 2
AYES:	Martinez, Overbeck, Campana, Troxell, Cunniff, Horak
ABSENT:	Stephens

Motion to postpone consideration of First Reading of Ordinance No. 104, 2016 to September 6.

Councilmember Cunniff made a motion, seconded by Councilmember Martinez, to postpone consideration of First Reading of Ordinance No. 104, 2016, to the September 6th, 2016 meeting.

Councilmember Martinez asked when Second Reading would occur, should the Ordinance pass on First Reading. City Attorney Daggett replied staff may be able to do a notice that would allow Second Reading on September 20; however, the timing of the notice will need to be further evaluated.

Councilmember Cunniff requested input from Kevin Gertig, Utilities Executive Director, regarding the postponement. Gertig replied the normal rate ordinances are required in the November time period and staff will be back before Council at that time.

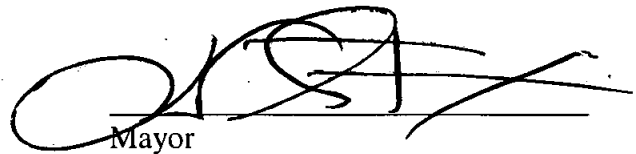
RESULT:	POSTPONEMENT OF FIRST READING OF ORDINANCE NO. 104, 2016, TO SEPTEMBER 6 ADOPTED [UNANIMOUS]
MOVER:	Ross Cunniff, District 5
SECONDER:	Ray Martinez, District 2
AYES:	Martinez, Overbeck, Campana, Troxell, Cunniff, Horak
ABSENT:	Stephens

● **ADJOURNMENT**

Mayor Pro Tem Horak made a motion, seconded by Councilmember Cunniff, to adjourn to 6:00 PM on Tuesday, August 23, 2016, for consideration of a possible executive session and such other business as may come before the Council.

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

The meeting adjourned at 9:15 PM.


Mayor

ATTEST:


City Clerk

