



WESTMINSTER

Staff Report

REVISED
3/15/2007 8:55:06 AM

TO: The Mayor and Members of the City Council

DATE: March 14, 2007

SUBJECT: Study Session Agenda for March 19, 2007

PREPARED BY: J. Brent McFall, City Manager

Please Note: Study Sessions and Post City Council meetings are open to the public, and individuals are welcome to attend and observe. However, these meetings are not intended to be interactive with the audience, as this time is set aside for City Council to receive information, make inquiries, and provide Staff with policy direction.

Looking ahead to next Monday night's Study Session, the following schedule has been prepared:

A light dinner will be served in the Council Family Room 6:00 P.M.

WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY

1. 2007 (South Sheridan) Bond Financing

CITY COUNCIL REPORTS

1. Report from Mayor (5 minutes)
2. Reports from City Councillors (10 minutes)

PRESENTATIONS

None at this time.

6:30 P.M.

EXECUTIVE SESSION

1. Consultation with City the City Attorney concerning Electronic Discovery required by the new Federal Rules of Civil Procedure and its effect on pending litigation pursuant to WMC Section 1-11-3(C)(3) and (8) and C.R.S. 24-6-402(4)(b)

INFORMATION ONLY ITEMS – Do not require action by City Council

1. Center for Performance Measures Article on Fire Department Response Time Improvements
2. Community Mediation Concepts Year End Report 2006
3. Date Selection for We're All Ears 2007
4. Monthly Residential Development Report - Attachment
5. 2007 Water and Sewer Tap Fees
6. 2007 Water Efficiency Rebate Programs

Additional items may come up between now and Monday night. City Council will be apprised of any changes to the Study Session meeting schedule.

Respectfully submitted,

J. Brent McFall
City Manager



Staff Report

WEDA Study Session Meeting
March 19, 2007



SUBJECT: WEDA Financing for Public Improvements in the South Sheridan Urban Renewal Area

PREPARED BY: Robert Smith, Treasury Manager

Recommended City Council Action:

Direct Staff to pursue having the Westminster Economic Development Authority (WEDA) issue debt in an approximate amount of \$7.3 million to partially finance the public improvements contemplated to be made in the South Sheridan Urban Renewal Area.

Summary Statement

Council approved the creation of the South Sheridan URA on March 29, 2004. The URA is generally located on the east and west sides of Sheridan Boulevard between 70th Avenue and 75th Avenue.

Three private projects are currently anticipated to be completed in the urban renewal area. These are:

- Redevelopment of the Shoenberg Plaza located on the southwest corner of Sheridan Boulevard and 72nd Avenue with construction of a Super Wal-Mart and several pad sites that will be available for commercial uses.
- Redevelopment of the Shoenberg Farm located on the northwest corner of Sheridan Boulevard and 72nd Avenue that will consist of a mix of commercial and residential development including the possible retention of the historic farm buildings integrated into the project.
- A new residential project to the west of the Shoenberg Farm area and east of Depew Street.

Planned public improvements in the South Sheridan Urban Renewal Area will include:

- Widening of Sheridan Boulevard and 72nd Avenue and signalization of turn in and turn out lanes to ease traffic congestion and provide for safer and more effective entrance and egress to the newly redeveloped areas.
- Construction of brick architectural walls along the east side of Sheridan Boulevard and along 72nd Avenue west of Sheridan Boulevard.

The expected cost of the public projects is approximately \$7.3 million. Part of the cost will be paid for by cash in lieu of payment from Wal-Mart. The remainder of the funds must come from either debt financing or cash appropriated for these projects. WEDA variable rate, tax increment tax-exempt financing provides a flexible low-cost source of funds to pay for these projects.

Expenditure Required: Approximately \$7.3 million

Source of Funds: Payment from Wal-Mart of approximately \$1.2 million
WEDA borrowing of approximately \$7.3 million including finance costs associated with issuing the bonds

Policy Issue:

Should WEDA issue debt to provide funding for the public improvements contemplated to be made in the South Sheridan Urban Renewal Area?

Alternative:

Do not issue debt to finance public improvements. This option is not recommended. Improvements to Sheridan Boulevard and 72nd Avenue are necessary to assure that planned residential and commercial development in the Urban Renewal Area are done in a manner that protects and enhances quality of life for the neighborhoods in this area. Cash in lieu of payments from the private parties will not be sufficient to complete the required street improvements. Other sources of funds will be necessary to pay for the street improvements and to construct the brick architectural walls that residents in the area have requested be built. Using tax increment tax-exempt debt financing with variable weekly reset of interest rates to pay for the public improvements preserves City cash for use on other capital projects and provides WEDA the ability to use tax increment to service the debt and the flexibility to repay principal early to reduce debt service requirements over time.

Background Information

Council approved the creation of the South Sheridan URA on March 29, 2004. The URA is generally located on the east and west sides of Sheridan Boulevard between 70th Avenue and 75th Avenue.

The major private redevelopment projects in the area include the former Shoenberg Plaza on the southwest corner of 72nd Avenue and Sheridan Boulevard, the Shoenberg Farm property on the northwest corner of 72nd Avenue and Sheridan Boulevard, and the Village Homes' property located to the east of Depew Street and north of 72nd Avenue.

The public improvements contemplated at this time in the URA include street improvements to Sheridan Boulevard and 72nd Avenue and the construction of brick architectural walls along the east side of Sheridan Boulevard and on 72nd Avenue east and west of Sheridan. At this time the estimated costs to complete the public improvements in the URA area are:

| | |
|----------------------|--------------------|
| Street Improvements: | \$5,100,000 |
| ROW Acquisition: | \$ 409,000 |
| Architectural Walls: | <u>\$1,778,000</u> |
| Total: | \$7,287,000 |

In accordance with an agreement with Wal-Mart, the anchor retailer for the redeveloped Shoenberg Shopping Center, Wal-Mart will make a cash in lieu of payment to the City totaling approximately \$1.2 million to cover its share of the public improvements to be made in the URA. These primarily are for the street improvements that are necessary to accommodate the redeveloped Shoenberg Plaza. Netting that payment from the estimated total costs of the public improvements results in an amount of \$6,055,000 that would either have to be debt financed by WEDA or cash or debt financed by the City.

The intent is for WEDA to issue variable rate tax-exempt tax increment financing as done previously to finance public improvements in other URAs in Westminster. The revenue pledge for the bonds will include the property tax increment and all or a portion of the sales tax increment generated by businesses within the URA. The total amount of the borrowing will be sufficient to pay for the cost of

the public improvements, fund a Reserve Fund, provide for the initial debt service costs during the period that the private redevelopment projects are under construction, and pay for the costs associated with issuing the bonds. Currently it is contemplated that the bonds will mature in December 2029 which corresponds with the end of the 25 year tax increment period provided for under Title 31 of the Colorado Revised Statutes.

Since the private redevelopment projects will not generate sales tax or property tax increment until they are completed it will be necessary for WEDA to borrow funds to pay for the interest on the bonds and other finance related costs during this period. As has been past practice with projects of this type, WEDA expects to capitalize two years of interest payments and other ongoing debt related fees that will be included in the borrowed amount. After the initial two year period that is covered by capitalized interest it is forecast that tax increment revenues will be more than sufficient to make debt service payments.

This type of financing will require WEDA to obtain a liquidity facility from a major bank. City staff and the underwriter worked together to obtain a commitment from DEPFA Bank for this facility. DEPFA, which provides the liquidity facility for the financings done for the Mandalay Gardens URA and the North Huron URA, agreed to provide the liquidity facility with the same terms and conditions that apply to the other two agreements they have made with the City and WEDA. The fee for the letter of credit required under the liquidity facility would be 38 basis points (0.38%) on the letter of credit amount. The fee is guaranteed for 7 years subject to credit conditions. As part of this liquidity facility the Bank will also require that a Reserve Fund be maintained at the trust bank (anticipated to be US Bank) for this borrowing in a relative amount similar to the reserve funds maintained for other WEDA borrowings.

At this time, the approximate size of the proposed debt issue would be as follows:

| | |
|-----------------------------------|--------------------|
| Deposit to Project Fund: | \$6,055,000 |
| Reserve Fund: | \$ 540,800 |
| Capitalized Interest: | \$ 573,600 |
| Underwriters Fee: | \$ 25,600 |
| Costs of Issuance/Other Proceeds: | <u>\$ 130,000</u> |
| Total Bond Proceeds Required: | <u>\$7,325,000</u> |

The underwriter estimates the total average annual debt service for the proposed WEDA Series 2007 bonds would be about \$522,000. This is based on following our past practice of having the final maturity date of the debt correspond to the end of the tax increment period provided for under Title 31 and amortizing the principal amount borrowed such that the debt service payments are approximately level over the term of the borrowing. However, staff and the City's and WEDA's underwriter continue to evaluate other maturity and payment schedules that might be more advantageous to WEDA's and the City's needs.

To estimate the tax increment revenue that WEDA could reasonably expect to receive from this project staff retained the services of an independent consultant, Coley-Forrest, Inc. to perform a feasibility study. Jean Townsend, the President of Coley-Forrest, is currently analyzing current businesses and expected redevelopment in the URA in order to project the potential tax increment revenue that will be generated. When the analysis and projections are complete the results will be reviewed for Council and the WEDA Board. This will occur concurrent with staff asking Council and the WEDA Board to approve of the proposed WEDA financing. As stated earlier in this memo, staff

projections show that revenues from the project will be more than sufficient to meet debt service obligations.

Staff, bond counsel, the underwriter and financial advisor have begun the process of preparing documentation to complete the financing. It is not expected that significant costs will be incurred to complete this negotiation process as the documents for this financing should mirror the terms and conditions that the liquidity bank DEPFA has agreed to in previous financings. Further, much of the due diligence work required for the WEDA issue has already been completed in the process of issuing the recent City Council authorized refinancing of the sales tax, POST, and COP issues.

Staff will put on Council's and the WEDA Board's agendas at a future date a request that City Council approve a cooperation agreement with WEDA to provide for the moral obligation to support the financing and will request that the WEDA Board approve a resolution authorizing WEDA to issue the bonds and authorizing certain officials of the Board to execute the documents necessary to complete the financing. At this time, staff does not expect to ask for Council's and the WEDA's approval to issue the bonds until the amended ODP for the Shoenberg Shopping Center has been approved and Wal-Mart has pulled its building permit and begun to construct its retail center. Based on recent communication from Wal-Mart, construction of the center is anticipated to begin in the next 90 days.

Respectfully submitted,

J. Brent McFall
Executive Director



W E S T M I N S T E R

Staff Report

Information Only Staff Report
March 19, 2007



SUBJECT: Center for Performance Measurement Article on the Fire Department Response Time Improvements

PREPARED BY: Barbara Opie, Budget & Special Projects Manager

Summary Statement:

This report is for City Council information only and requires no action by City Council.

Attached is an article about the City of Westminster published on the International City/County Management Association (ICMA) Center for Performance Measurement (CPM) website and promoted through their monthly newsletter "Performance Matters."

Background Information

This electronic newsletter is published by ICMA and distributed to CPM member participants, which includes 211 cities and counties nationwide. The newsletter is being published to promote the knowledge and use of performance measures to help organizations find ways to make the data meaningful and have practical applications.

Staff was contacted by CPM staff after learning about the strides made by the Fire Department and Communications Center to improve the Fire Department's response times utilizing performance measures. Ken Watkins, Deputy Fire Chief, was interviewed for this article published on March 6, 2007.

In January, a Colorado Consortium was created by CPM whereby nine cities and counties joined the current four cities in participating in CPM. This group of 13 cities and counties will work together on identifying meaningful measures on a regional basis, encouraging the sharing of ideas, programs and cost saving delivery measures. Given that 2007 is the first year of the Consortium, it may take one to two years to fully develop and provide meaningful data for comparison regionally but staff is greatly encouraged by this opportunity.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment



W E S T M I N S T E R

Staff Report

Information Only Staff Report
March 19, 2007



SUBJECT: Community Mediation Concepts Year End Report 2006

PREPARED BY: James Mabry, Neighborhood Outreach Coordinator

Summary Statement:

This report is for City Council information only and requires no action by City Council.

Community Mediation Concepts (CMC) provides mediation services to the City of Westminster. Mediation is a voluntary process where trained and qualified mediators sit down with Westminster citizens and businesses in conflict and help them work out their own solutions. CMC custom designs and implements a process for the successful and effective resolution of community conflict.

The purpose of this report is to update City Council on Community Mediation Concepts activities during 2006.

Background Information

Community Mediation Concepts (CMC) has provided mediation services for the City of Westminster, on a referral basis, since 1999. CMC works primarily with the Westminster Police Department, the City Attorney's Office and the City Prosecutor's Office. CMC mediation services are offered to the entire Westminster community at no cost to those individuals and entities utilizing the services.

For 2006, CMC was contracted to provide citywide mediation services for an anticipated 100 mediations at a cost of \$12,500. In some years, they may provide mediation to more than 100 cases and in other years, less. In 2006, CMC addressed a total of 65 cases for the City. 38 parties agreed to mediation with 33 completing mediation successfully. The majority of CMC referrals (41) came from the Westminster Police Department, followed by 14 cases from Animal Management. Four referrals came from the City Attorney's Office and three cases each from other City Departments and Westminster neighborhoods.

There were 9 "no contact" referrals in 2006. "No contact" referrals are those in which the involved parties are unable to be contacted or that mediation would be inappropriate for the circumstances surrounding the case (e.g. the situation involved a more serious criminal matter). Fifteen parties declined to participate in mediation initiated by a concerned party.

CMC successfully contacted 83% of all parties involved in cases referred to their program. 14% of parties refused to enter into mediation to reach a solution on their grievance. 87% of the 38 mediated cases resulted in a positive resolution for the involved individuals. In the cases where one party refused to mediate or failed to show up at a scheduled mediation, CMC presented ways to help the participating party devise an approach to communication and problem solving that they could undertake on their own, which was not dependent on the other party's cooperation.

In 2006, mediation referrals increased 22% over 2005. The number of referrals to CMC has varied widely over the eight years of this program's existence. The rise in number of referrals from 1999 to 2002 (shown on the attached chart) can be attributed to CMC Mediation being a new service offered to Westminster citizens.

Promotion of CMC mediation program continues to be a priority. CMC's services are promoted through all City departments. Information on CMC mediation appears on each COG Team web page, the City of Westminster Municipal Court web page and Cable Channel 8. Promotion of CMC mediation is part of all COG and HOA meetings.

In 2006, CMC met with Westminster Police personnel at all roll call shifts to promote the availability of CMC mediation services, when appropriate, as alternative dispute resolution. In addition, CMC met with Westminster Code Enforcement and the Citizen's Police Academy to promote CMC mediation services.

In the time that CMC has performed mediation for the City, Staff believes the program has been successful in these areas:

- Providing a constructive, problem-solving forum where the only alternative may be Municipal Court fines, which do not necessarily solve the problem.
- Teaching skills to disputing parties that they can use to resolve conflict in the future, which is particularly beneficial in the case of juvenile disputants.

- Preventing escalation in several matters where escalation of hostilities appeared to be a possibility.
- Encouraging citizens to proactively solve their disputes.
- Saving repeated Police and Animal Management officer contacts.
- Improving the quality of life and level of civil discourse among the parties in all the cases.

In July 2006, a request for proposal (RFP) was sent to CMC and two additional mediation providers to assure that the City is getting the best services for the dollars available. CMC and one other mediation provider responded to the RFP for the period of 2007 through 2009 to serve the City of Westminster mediation needs. After reviewing both proposals Staff selected CMC based on the quality of their proposal and competitive pricing. CMC's contract was renewed for \$12,500 for 2007 with options for 2008 and 2009, as long as CMC's mediation services continue to be at a high level of quality.

The attached table summarizes the 65 cases that CMC mediated for the City of Westminster in 2006 and a summary of mediation referrals from 1999 through 2006. The attached mediation brochure is distributed to Westminster residents through COG and HOA meetings.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments



WESTMINSTER

Staff Report

City Council Study Session Meeting
March 19, 2007



SUBJECT: Date Selection for We're All Ears City Council Outreach Events 2007

PREPARED BY: James Mabry, Neighborhood Outreach Coordinator

Recommended City Council Action:

Provide staff direction in the scheduling of We're All Ears City Council Outreach events for 2007.

Summary Statement

City Council is being asked to provide direction to staff on the scheduling of We're All Ears event dates in 2007. City Council is requested to bring their 2007 calendars to Monday night's meeting.

Expenditure Required: \$0

Source of Funds: N/A

Policy Issue

Does the City Council wish to schedule two We’re All Ears City Council Outreach events associated with the Summer Concert Series plus a third with the Westminster Faire, at this time?

Alternative

Council could choose to not schedule the We’re All Ears events at this time. Staff recommends scheduling these dates at this time due to demands upon Council’s 2007 calendar and to provide adequate time for promotion of these activities to the public.

Background Information

Staff is seeking direction in the scheduling and number of We’re All Ears events in 2007.

In 2004, the theme “We’re All Ears” was identified as a way to communicate Council’s objective to being an elected body that is willing to listen to citizens. This theme is anticipated to be continued in 2007 at the Summer Concert Series and Westminster Faire.

Parks, Recreation and Libraries staff have set six dates for the Summer Concert Series. Concert dates will begin in late June and end in early August, excluding the week of July 1, 2007 in observance of July 4.

Summer Concert Series Dates:

- Thursday, June 21 at City Park –Beloved Invaders will perform
- Thursday, June 28 at City Park –Groove Society will perform
- Friday, July 13 at City Park – Movie in the Park
- Thursday, July 19 at City Park –The Nacho Men will perform
- Thursday, July 26 at City Park –Hazel Miller will perform
- Thursday, August 2 at Irving Street Park –Mac McNulty Orchestra will perform
- Saturday, August 18 at City Park – Westminster Faire

In the past three seasons of We’re All Ears, the City Park and Irving Street Park events were scheduled to begin at 6:00 p.m. and end at approximately 8:00 p.m. during the Summer Concert Series. Council also extended the We’re All Ears theme by taking it to the Westminster Faire from 10:00 a.m. to 5:00 p.m.

Staff recommends that Council schedule two We’re All Ears events dates between June 21 and August 2, 2007, associated with the Summer Concert Series along with the Westminster Faire on Saturday August 18. In the past, City Council chose to host We’re All Ears at two concerts (one at City Park and one at Irving Street Park) and a third event at the Westminster Faire. The Council calendar for the months of June, July, and August 2007 are attached for Council’s review.

Staff asks that City Council bring their 2007 calendars to Monday night’s meeting to set these dates.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments



Staff Report

Information Only Staff Report
March 19, 2007



SUBJECT: Monthly Residential Development Report

PREPARED BY: Shannon Sweeney, Planning Coordinator

Summary Statement:

This report is for City Council information only and requires no action by City Council.

- The following report updates 2007 residential development activity per subdivision...
The table below shows an overall decrease (-52.9%) in new residential construction for 2007 year-to-date compared to 2006 year-to-date totals.
Residential development activity so far in 2007 reflects a decrease in single-family detached (-58.8%), a slight increase in single-family attached, and no changes in multi-family or senior housing development when compared to last year at this time.

NEW RESIDENTIAL UNITS (2006 AND 2007)

Table with 7 columns: UNIT TYPE, FEBRUARY (2006, 2007), % CHG., YEAR-TO-DATE (2006, 2007), % CHG. Rows include Single-Family Detached, Single-Family Attached, Multiple-Family, Senior Housing, and TOTAL.

Background Information

In February 2007, service commitments were issued for six new housing units within the subdivisions listed on the attached table. There were a total of five single-family detached, one single-family attached, and no multi-family or senior housing utility permits issued in February.

The column labeled “# Rem.” on the attached table shows the number of approved units remaining to be built in each subdivision.

Total numbers in this column increase as new residential projects (awarded service commitments in the new residential competitions), Legacy Ridge projects, build-out developments, etc. receive Official Development Plan (ODP) approval and are added to the list.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment

ACTIVE RESIDENTIAL DEVELOPMENT

| <u>Single-Family Detached Projects:</u> | Jan-07 | Feb-07 | 2006 YTD | 2007 YTD | # Rem.* | 2006 Total |
|--|---------------|---------------|-----------------|-----------------|----------------|-------------------|
| Bradburn (120th & Tennyson) | 2 | 0 | 0 | 2 | 100 | 31 |
| CedarBridge (111th & Bryant) | 0 | 0 | 0 | 0 | 6 | 0 |
| Country Club Highlands (120th & Zuni) | 0 | 0 | 0 | 0 | 118 | 0 |
| Countryside Vista (105th & Simms) | 0 | 0 | 0 | 0 | 9 | 0 |
| Huntington Trails (144th & Huron) | 0 | 4 | 1 | 4 | 180 | 26 |
| Hyland Village (96th & Sheridan) | 0 | 0 | 0 | 0 | 111 | 0 |
| Legacy Ridge West (104th & Leg. Ridge Pky.) | 0 | 0 | 1 | 0 | 7 | 15 |
| Lexington (140th & Huron) | 0 | 0 | 0 | 0 | 4 | 1 |
| Meadow View (107th & Simms) | 0 | 0 | 0 | 0 | 5 | 4 |
| Park Place (95th & Westminster Blvd.) | 0 | 0 | 0 | 0 | 78 | 21 |
| Ranch Reserve (114th & Federal) | 0 | 0 | 0 | 0 | 4 | 5 |
| South Westminster (Shoenberg Farms) | 0 | 0 | 0 | 0 | 64 | 0 |
| Various Infill | 0 | 1 | 0 | 1 | 7 | 8 |
| Village at Harmony Park (128th & Zuni) | 0 | 0 | 15 | 0 | 0 | 41 |
| Winters Property (111th & Wads. Blvd.) | 0 | 0 | 0 | 0 | 8 | 0 |
| Winters Property South (110th & Wads. Blvd.) | 0 | 0 | 0 | 0 | 10 | 0 |
| <i>SUBTOTAL</i> | 2 | 5 | 17 | 7 | 711 | 152 |
| <u>Single-Family Attached Projects:</u> | | | | | | |
| Alpine Vista (88th & Lowell) | 0 | 0 | 0 | 0 | 84 | 0 |
| Bradburn (120th & Tennyson) | 0 | 1 | 0 | 1 | 4 | 38 |
| CedarBridge (111th & Bryant) | 0 | 0 | 0 | 0 | 0 | 2 |
| Cottonwood Village (88th & Federal) | 0 | 0 | 0 | 0 | 72 | 0 |
| East Bradburn (120th & Lowell) | 0 | 0 | 0 | 0 | 117 | 0 |
| Highlands at Westbury (112th & Pecos) | 0 | 0 | 0 | 0 | 47 | 24 |
| Hollypark (96th & Federal) | 0 | 0 | 0 | 0 | 20 | 0 |
| Hyland Village (96th & Sheridan) | 0 | 0 | 0 | 0 | 165 | 0 |
| Legacy Village (113th & Sheridan) | 0 | 0 | 0 | 0 | 70 | 24 |
| South Westminster (Shoenberg Farms) | 0 | 0 | 0 | 0 | 60 | 0 |
| Summit Pointe (W. of Zuni at 82nd Pl.) | 0 | 0 | 0 | 0 | 58 | 0 |
| Sunstream (93rd & Lark Bunting) | 0 | 0 | 0 | 0 | 18 | 4 |
| Walnut Grove (104th & Wadsworth Pkwy.) | 0 | 0 | 0 | 0 | 0 | 66 |
| <i>SUBTOTAL</i> | 0 | 1 | 0 | 1 | 715 | 158 |
| <u>Multiple-Family Projects:</u> | | | | | | |
| Bradburn (120th & Tennyson) | 0 | 0 | 0 | 0 | 54 | 0 |
| Hyland Village (96th & Sheridan) | 0 | 0 | 0 | 0 | 150 | 0 |
| Mountain Vista Village (87th & Yukon) | 0 | 0 | 0 | 0 | 24 | 0 |
| Prospector's Point (87th & Decatur) | 0 | 0 | 0 | 0 | 29 | 0 |
| South Westminster (East Bay) | 0 | 0 | 0 | 0 | 64 | 0 |
| South Westminster (Harris Park Sites I-IV) | 0 | 0 | 0 | 0 | 12 | 0 |
| <i>SUBTOTAL</i> | 0 | 0 | 0 | 0 | 333 | 0 |
| <u>Senior Housing Projects:</u> | | | | | | |
| Covenant Retirement Village | 0 | 0 | 0 | 0 | 26 | 0 |
| Crystal Lakes (San Marino) | 0 | 0 | 0 | 0 | 7 | 0 |
| <i>SUBTOTAL</i> | 0 | 0 | 0 | 0 | 33 | 0 |
| TOTAL (all housing types) | 2 | 6 | 17 | 8 | 1792 | 310 |

* This column refers to the number of approved units remaining to be built in each subdivision.



Staff Report

Information Only Staff Report
March 19, 2007



SUBJECT: 2007 Water and Sewer Tap Fees

PREPARED BY: Jim Arndt, P.E., Director of Public Works and Utilities
Mike Happe, Water Resources and Treatment Manager
Stu Feinglas, Water Resource Analyst

Summary Statement

This report is for City Council information only and requires no action by City Council.

Background Information

In April of 2006, the City implemented tap fee modifications recommended in a recently completed comprehensive tap fee review. The review provided a detailed inventory and evaluation of assets and liabilities of the water and wastewater systems. Tap fee modifications in 2006 were substantial and brought the City to a current and equitable tap fee structure.

City Code requires tap fees be increased in accordance with the Consumer Price Index (CPI) for the previous calendar year as established for the Denver metropolitan area and/or increases in the value of the City's investment in facilities and resources. Staff has reviewed changes to the water and wastewater system since the 2006 tap fee modifications and have implemented the following changes for 2007:

Water tap fees

Changes in value to the City's raw water, water treatment, and water delivery systems have not increased beyond the annual CPI of 3.6% as reported for the Denver-Boulder area. Thus, the City's water tap fees will be increased by 3.6%:

| | |
|----------------------------------|-------------|
| 2006 single-family water tap fee | \$14,315 |
| 2006 CPI increase | 3.6% |
| 2007 single-family water tap fee | \$14,829 |
| Sewer tap fees | |

Sewer tap fees are comprised of two components, a fee for the treatment facilities and a fee for the collection system that transports the wastewater to the treatment facilities. The City's sewer tap fees are tied to fee increases implemented by the Metro Wastewater Reclamation District (Metro) that treats a portion of Westminster's wastewater. Metro provides wastewater services to areas within the Little Dry Creek Basin and includes the portion of the City generally south of 92nd Avenue. Metro has increased sewer tap fees 8.8% effective January 1, 2007. The 8.8% Metro increase for 2007 is a part of a long term tap fee strategy to keep current with actual costs to provide wastewater treatment. In an effort to reflect increased treatment facilities costs to the City due to the pressure of new development, and to maintain the equity of development costs throughout the City, the sewer tap fee for the Big Dry

SUBJECT: 2007 Water and Sewer Tap Fees

March 19, 2007

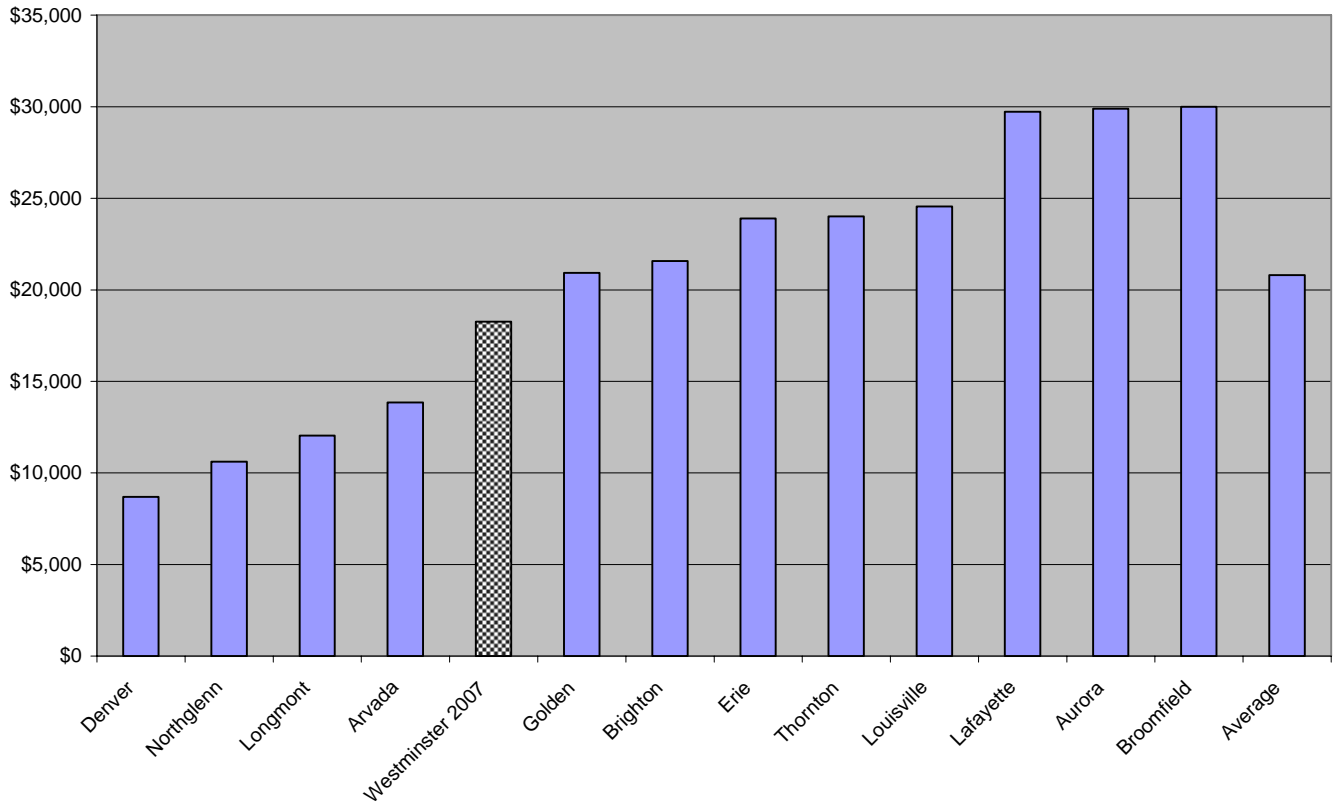
Page 2

Creek basin that is served by the City's Big Dry Creek Wastewater Treatment Facility will increase by the same 8.8%. The portion of the sewer tap fee that funds the sewer collection system, including pipes and pump stations, will increase by the 2006 CPI of 3.6%. This results in a net increase of 6.5% to sewer tap fees.

| | |
|--|-------------|
| 2006 single-family sewer tap fee | \$3,220 |
| 2007 sewer tap fee overall increase from 2006 | 6.5% |
| 2007 single-family sewer tap fee | \$3,430 |

When compared to regional single-family tap fees, the 2006 tap fee modifications brought Westminister's tap fees to 95% of the regional average. The 2007 tap fees will bring Westminister to 89% of the regional average.

2007 Single Family Combined Water and Sewer Tap Fees



Respectfully submitted,

J. Brent McFall
City Manager



WESTMINSTER

Staff Report

Information Only Staff Report
March 19, 2007



SUBJECT: 2007 Water Efficiency Rebate Program

PREPARED BY: Jim Arndt, P.E., Director of Public Works and Utilities
Mike Happe, Water Resources and Treatment Manager
Stu Feinglas, Water Resource Analyst

Summary Statement

This report is for City Council information only and requires no action by City Council.

Background Information

The City of Westminster's Water Efficiency Rebate Program will be changing on April 1, 2007. To date, over 1,300 High Efficiency (HE) washing machine rebates and 1,170 low flow toilet rebates totaling \$218,000 have been issued since the program began in 2003. This investment in water efficiency saves 64 acre feet of water supply, enough water to meet the annual water requirements of 156 homes at an average cost of \$3,240 an acre foot, far below the current cost of an acre foot of water (approximately \$15,000).

While this is a great investment in conservation, funds are limited and new technologies have come into the marketplace that the City would like to encourage. In 2007 the City has budgeted \$50,000 for conservation efforts, including \$12,500 for HE washing machine rebates and \$7,500 for water efficient toilets.

High Efficiency (HE) Washing Machine Rebates

The goal for washing machine rebates has been achieved for 2007. Therefore, we will no longer offer HE washing machine rebates in 2007.

Toilet Rebates

Toilet rebate levels and products rebated will change effective April 1, 2007. Rebates for 1.6 gallon toilets will be reduced to \$25 per toilet while rebates for High Efficiency Toilets (HET), which use less than 1.3 gallons per flush, will be increasing to \$100.

The City wants to encourage the replacement of toilets older than 1994, which use more than 1.6 gallons per flush. While federal regulations require that all new toilets flush no more than 1.6 gallons per flush, new technology is available that reduces flush volume by 20% and more. These new technologies can include:

- Dual flush toilets which use 1.6 gallon flushes for solids and 0.8 gallon flushes for liquids

SUBJECT: 2007 Water Efficiency Rebate Program

March 19, 2007

Page 2

- Pressure assisted toilets that have a pressure unit within the tank to provide a better flush with less water
- Improvements to standard gravity flush toilets reducing the water required

Toilet rebates have been restructured to encourage new, better than minimum, technologies while still promoting replacement of older toilets even at required levels of 1.6 gallons per flush.

Toilets that qualify as HET toilets meet requirements for the Environmental Protection Agencies "Water Sense" program.

Low Flow Urinal Rebates

Current standard urinal technology uses one gallon of water per flush. New technology has been developed that reduces water consumption in urinals from as low as three-fourths of a pint, to waterless urinals that use no water for flushing. While the water savings is significant, the maximum one gallon per flush savings is not enough to justify retrofit of existing units, at this time. The new low water urinal technologies are more appropriately recommended in new construction.

The City is promoting the installation of new water efficient urinal technology by offering a discount on water tap fees of \$125 for each water efficient urinal installed in a project. In general, based on building type, fewer urinals are installed than toilets, though the potential water savings remain substantial.

Respectfully submitted,

J. Brent McFall
City Manager

**Westminster Economic Development Authority (WEDA) Study Session
March 19, 2007**

Mayor McNally called the Study Session of the Westminster Economic Development Authority to order at 6:34 PM. All Council was in attendance. Mayor McNally excused herself from the discussion due to a conflict of interest.

City Staff in attendance included: City Manager Brent McFall; Assistant City Manager Steve Smithers; City Attorney Marty McCullough; Finance Director Tammy Hitchens; Treasury Manager Robert Smith; Assistant City Attorney Jeff Betz; Information Technology Director David Puntteney; Public Information Specialist Joe Reid; and Management Analyst Aric Otzelberger.

The guests in attendance were Rachel Ceccarelli with the Westminster Window and Skeet Hartman.

Westminster Economic Development Authority (WEDA) Financing for Public Improvements in the South Sheridan Urban Renewal Area

Council approved the creation of the South Sheridan Urban Renewal Area (URA) on March 29, 2004. The URA is located on the east and west sides of Sheridan Boulevard between 70th Avenue and 75th Avenue. The major private redevelopment projects in the area include the former Shoenberg Plaza on the southwest corner of 72nd Avenue and Sheridan Boulevard, the Shoenberg Farm property on the northwest corner of 72nd Avenue and Sheridan Boulevard, and the Village Homes' property located to the east of Depew Street and north of 72nd Avenue.

The public improvements contemplated at this time in the URA include street improvements to Sheridan Boulevard and 72nd Avenue, and the construction of brick architectural walls along the east side of Sheridan Boulevard and on 72nd Avenue east and west of Sheridan. At this time the estimated costs to complete the public improvements in the URA area total \$7,287,000. In accordance with an agreement with Wal-Mart, the anchor retailer for the redeveloped Shoenberg Shopping Center, Wal-Mart will make a payment to the City totaling approximately \$1.2 million to cover its share of the public improvements. The City's portion of the estimated total costs of the public improvements is \$6,055,000. To finance this obligation, Staff recommends that WEDA issues variable rate tax-exempt tax increment financing, which WEDA has done previously to finance public improvements in other URAs in Westminster. The revenue pledge for the bonds will include the property tax increment and all or a portion of the sales tax increment generated by businesses within the URA. The underwriter estimates the total average annual debt service for the proposed WEDA Series 2007 bonds would be about \$522,000.

Council directed Staff to bring this item forward at future Council and WEDA Board meetings for official Council and WEDA Board action. At that time, City Council will consider approving a cooperation agreement with WEDA to provide for the moral obligation to support the financing. The WEDA Board will consider approving a resolution authorizing WEDA to issue the bonds and authorizing certain officials of the Board to execute the documents necessary to complete the financing.

Mayor McNally adjourned the Study Session at 6:50 PM to enter into an Executive Session of the Westminster City Council for the purposes of discussing Electronic Discovery required by the new Federal Rules of Civil Procedure and its effects on pending litigation pursuant to WMC Section 1-11-3(C)(3) and (8) and C.R.S. 24-6-402(4)(b).