



# WESTMINSTER

## Staff Report

TO: The Mayor and Members of the City Council  
DATE: June 16, 2004  
SUBJECT: Study Session Agenda for Monday, June 21, 2004  
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.

### CONSENT AGENDA

None at this time.

### CITY COUNCIL REPORTS

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

### PRESENTATIONS

6:30 P.M.

1. 2003 Comprehensive Annual Financial Report
2. Proposed Change in Municipal Code Related to Continuous Municipal Service Requirements for Certain Firefighters
3. Proposed FY2003 Carryover into FY2004

### EXECUTIVE SESSION

1. Personnel Item

### INFORMATION ONLY

1. West 115<sup>th</sup> Avenue and Eaton Street Traffic Circle

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

City Council Study Session Meeting  
June 21, 2004



SUBJECT: 2003 Comprehensive Annual Financial Report

PREPARED BY: Tammy Hitchens, Accounting Manager

**Recommended City Council Action:**

Review and discuss the 2003 Comprehensive Annual Financial Report (CAFR) and Management Letter.

**Summary Statement**

Staff along with Mark Elmshouser, Partner and Neil Schilling, Senior Manager, of Clifton Gunderson LLP, the City's independent auditors, will present the 2003 CAFR and Management Letter to City Council at Monday night's Study Session.

This is the second year the CAFR has been prepared using the GASB 34 model. Significant changes from 2002 include:

- The Westminster Economic Development Authority Fund (WEDA) met the requirements of a "major" fund and is presented as a major fund along with the General, Sales and Use Tax and the General Capital Improvement Funds.
- The Management's Discussion and Analysis compares 2002 and 2003 in key areas.
- Additional Budgetary comparison schedules have been provided in the "Other Supplemental Information" section as required.

Clifton Gunderson, LLP also issued a Management Letter. The two points they presented are:

- The Golf Course Fund has a trend of net losses and a deficit cash position. They recommend monitoring the trends in the Golf Course Fund and make changes to become profitable and repay the cash borrowed from other funds.
- Capital Projects are not being closed when substantially completed or put into service. They recommend being more aggressive on closing capital projects.

The City has received an unqualified opinion from Clifton Gunderson, LLP. This means the CAFR represents fairly the financial position of the City.

The 2003 Comprehensive Annual Financial Report has been delayed due to some last minute technical amendments by the City's auditor. City Staff is working diligently to finalize the document and anticipates distributing the Audit and Management Letter to Council on Monday evening.

**Expenditure Required:** \$-0-

**Source of Funds:** N/A

### **Policy Issue**

Section 9.10 of the City Charter requires that an independent audit be made at least annually in accordance with generally accepted accounting principles as they pertain to governments for all funds reported in the comprehensive annual financial report. Such audit shall be made by Certified Public Accountants, experienced in municipal accounting. This audit was performed by Clifton Gunderson, LLP, Certified Public Accountants. Will City Council accept the report as presented?

### **Alternative**

Require staff to make changes to the report. Minor changes could be made to the report without affecting the audit opinion. Major changes may cause the report to not be in compliance with generally accepted accounting principles as they pertain to governments and could result in a change of the auditor's opinion.

### **Background Information**

Every year Finance staff prepares a CAFR. An independent auditor spends about 4 weeks each year determining if the CAFR represents fairly the financial position of the City. The Staff primarily responsible for preparing the 2003 CAFR were Accountants Vicki Adams, Cherie Sanchez, and Sam Trevino; Internal Auditor Karen Creager; and Benefits Specialist Kim McDaniel. Without their dedicated efforts, this report would not have happened in a timely manner.

Staff and representatives from Clifton Gunderson, LLP will attend the June 21st Study Session to answer City Council's questions.

Respectfully submitted,

J. Brent McFall  
City Manager

Attachments- to be distributed Monday evening



## Staff Report

City Council Study Session Meeting

June 21, 2004



**SUBJECT:** Proposed Change in Municipal Code Related to Continuous  
Municipal Service Requirements for Certain Firefighters

**PREPARED BY:** Matt Lutkus, Deputy City Manager for Administration  
Jim Cloud, Fire Chief  
Leslie Annand, Assistant City Attorney

### **Recommended City Council Action:**

Direct Staff to schedule City Council's formal consideration of a proposed Councillors Bill that would permit a break in service for certain recently hired Fire Department personnel without a reduction in their accrual of benefits and time in position.

### **Summary Statement**

- City Council previously approved a non-binding resolution requesting coverage under the Fire and Police Pension Association (FPPA) Defined Benefit System for Fire Department employees who are currently covered under the City's Defined Contribution Plan. The adoption of this resolution provided FPPA with formal notification of the City's intent to pursue conversion to the FPPA Defined Benefit System. In the meantime, City Staff have continued to work with FPPA Staff on the considerable number of details involved in the pension conversion process. The target date for conversion of the Fire Pension Plan to FPPA is September 1. This is the "effective" date or "affiliation" date.
- Employees hired prior to the September 1 effective date will have the choice of three FPPA Defined Benefit System Plans, the defined benefit option, a money purchase plan, and a hybrid plan. For these employees, the employee and City contributions will each be 10% or a total of 20% of salary. Employees hired after the affiliation date will not have a choice among the three plans but rather will participate in the plan selected by the City which, in all likelihood, will be the defined benefit option. For these employees, the employee and the City contribution will each be 8% for a total of 16%.
- In the City's pension plan employee contributions start immediately and the employer's contribution begins in the 23<sup>rd</sup> month, while in the FPPA Plan, employer contributions will begin the first day of employment. Therefore, with the conversion to the new plan, the City would pay an additional amount for the first 22 months of employment and may experience a savings in the longer term because of the reduced employer contribution for new hires, depending on such factors as attrition, benefit and contribution changes, etc.

Staff Report – Proposed Change in Municipal Code Related to Continuous  
Municipal Service Requirements for Certain Firefighters

June 21, 2004

Page 2

- Given the long-term financial benefits to both the City and employees, it makes sense to structure the enrollment process so that 19 recently hired employees, including the last group of 14 employees hired in March, enter the program at 8%/8% employee/City contribution rate versus the 10%/10% rate. To accomplish this, these recent hires would be asked to resign just prior to September 1 and would be hired back on September 1 so they and the City could benefit in the lower contribution rate. The proposed ordinance would allow this resignation/rehire action to take place on a special one-time basis without any reduction in the continuous municipal service calculation used to determine leave accrual and other employee benefits.

Expenditure Required:     \$16,000 Reduction in the cost of conversion to the  
  FPPA Defined Benefit System

Source of Funds:            General Fund

Staff Report – Proposed Change in Municipal Code Related to Continuous  
Municipal Service Requirements for Certain Firefighters

June 21, 2004

Page 3

**Policy Issue(s)**

Should City Council provide for an exception to the Personnel Management System section of the Municipal Code related to the accrual of the continuous municipal service used to calculate certain benefit levels and time in position?

**Alternative(s)**

City Council could decide not to change the Municipal Code section related to continuous municipal service. This would decrease the incentive for recently hired firefighters to participate in this resignation/rehire step and thus decrease the savings to these employees and the City.

**Background Information**

In 2003, the State General Assembly passed, and the Governor approved, legislation that allowed cities and fire districts that had previously opted out of the Fire and Police Pension Association (FPPA) Defined Benefit System to join the plan. In order for this affiliation to occur, 65% of the eligible participants in that department must vote in favor of joining the plan. In addition, the governing body of that organization, and, as a formality, the FPPA Board, must approve each department's plan entry. Once approved, all eligible plan participants, with the exception of the Chief, must participate in the new plan. For existing members of the department, three plan choices are available and the contribution rates are 10% for both the employee and the employer for a total contribution rate of 20%, beginning the first pay period after the affiliation date. The employees hired after the affiliation date and their employer each contribute 8% for a total 16% combined contribution. In addition, if members who are currently in the statewide FPPA Plan give their approval, employees will be required to contribute an additional 1% of their salaries toward a 401(h) medical retirement benefit.

A City Task Force comprised of representatives from Fire, General Services, Finance Departments and the City Attorney's Office have been meeting on a regular basis to address multiple issues related to the City's conversion of the City's Fire Pension Plan to the FPPA Pension Plan. This review has included a thorough analysis of the FPPA Plan (previously reviewed with Council); working with the FPPA Staff to develop the necessary disclosure statement, ballot language and procedures involved in the election process; and developing and scheduling education meetings for eligible Fire employees.

Employees hired prior to the affiliation date will have three choices of plans: an FPPA defined benefit plan, a money purchase plan or a hybrid plan that is a combination of the previous two. Employees hired on or after the affiliation date will be limited to one plan that is selected by the City. This in all probability will be the defined benefit option since the desire to make the change to FPPA is based largely on a preference for this type of plan.

Contribution levels for the new plan for the City and employees hired after September 1 will decrease to 8% from the City's contribution rate of 10.25% and the employee's contribution rate of 10%. However, employer contributions will start on the first day of employment versus in the 23<sup>rd</sup> month in the current City Defined Contribution Plan. The result of these changes will be that the City will pay more on the front end for the conversion to FPPA. Over a period of years, currently estimated at seven to nine, the City will recoup these dollars through the lower contribution rate. Such a scenario

Staff Report – Proposed Change in Municipal Code Related to Continuous  
Municipal Service Requirements for Certain Firefighters

June 21, 2004

Page 4

assumes that the State Legislature will not increase minimum employer contribution levels in the future.

In the course of discussions on the conversion, it became clear that employees who were hired recently and who ultimately decide to choose the defined benefit option from FPPA, will pay far more for this same benefit than will employees hired after the September 1 affiliation date. Moreover, the City will pay significantly more over the course of these employees' careers than they would for those employees hired after the affiliation date. The Task Force determined that allowing the recently hired firefighters to resign and then having the City rehire them immediately after the plan affiliation, will benefit the City and the employee over the length of these employees' careers.

There are currently 19 firefighters who were hired between February 1, 2003 and March 31, 2004, who would be given the option of resigning their positions on or about August 30 with an agreement that they be immediately rehired on September 1, 2004. This would cause them to be treated as new hires under the FPPA System and thus eligible for the lower 8% contribution rate.

The proposed ordinance ensures that the employees would not be negatively impacted from a personnel policies and benefits standpoint by participating in the resignation/rehire process. With the ordinance, benefits that are accrued based on credits referred to as continuous municipal service such as general leave accrual, and eligibility of extended leave would not be impacted by this process. Without the ordinance, employees who had a break in service would have to begin accruing their continuous municipal service on the date of rehire. In addition, one of the criteria used for firefighter promotion to Firefighter II level is time in service. Again, with the passage of the proposed ordinance, the months of employment prior to the resignation/rehire step will continue to be accrued as part of the employee's tenure as if a break in service had not occurred. When the concept of this ordinance was reviewed with the key FPPA staff members, they did not raise any objections to Staff proceeding with implementing such a proposal.

The only downsides for the 19 employees affected by the ordinance are that any pre-existing medical conditions that they have prior to the September 1 affiliation date could affect their long-term disability coverage under the FPPA LTD Plan. Secondly, as a new employee hired after the affiliation date, they would only have the one choice of a defined benefit pension plan as opposed to having the three plan options that are available to other employees hired prior to September 1, 2004. If all 19 employees opted to resign and be rehired on September 1, the initial savings to the City would be \$16,000 per year.

City Staff who have been involved in the conversion planning will be present at Monday evening's study session to answer any questions that Council may have.

Respectfully submitted,

J. Brent McFall  
City Manager

Attachment

BY AUTHORITY

ORDINANCE NO. \_\_\_\_\_

COUNCILLOR'S BILL NO. \_\_\_\_\_

SERIES OF 200\_\_

INTRODUCED BY COUNCILLORS

---

A BILL

FOR AN ORDINANCE GRANTING AN EXCEPTION TO LEAVE PROVISIONS BASED ON  
"CONTINUOUS MUNICIPAL SERVICE" AND WAIVING RESTRICTIONS ON  
REEMPLOYMENT FOR CERTAIN FIREFIGHTERS IN CONNECTION WITH THE  
IMPLEMENTATION OF THE PROPOSED NEW PENSION PROGRAM FOR FIRE DEPARTMENT  
PERSONNEL

WHEREAS, pursuant to Colorado Revised Statutes, § 31-31-1101, the City of Westminster ("City") may elect to cover its Police and Fire Department members under the FPPA Defined Benefit System administered by the Fire and Police Pension Association ("FPPA") in lieu of maintaining coverage under the City of Westminster Fire Pension Plan and Police Pension Plan; and

WHEREAS, the Westminster City Council has determined that it would be in the best interests of the members of the Fire Department to be covered under the FPPA System and has authorized staff to proceed with the preliminary steps toward conversion; and

WHEREAS, both the City's and firefighter's contribution amounts to FPPA are lower, 8% instead of 10%, for employees hired after the effective date of conversion (projected to be September 1, 2004); and

WHEREAS, the City would like to offer 19 firefighters, hired between February 1, 2003 and March 31, 2004, the option of resigning their positions on or about August 30, 2004 and being immediately re-hired on September 1, 2004 so that they are eligible to be treated as "new-hires" under the FPPA system and, thus, eligible for the lower contribution rate of 8%; and

WHEREAS, certain employee leave privileges, such as general leave accrual, vacation leave and eligibility for extended leave, are based on an employee's "Continuous Municipal Service," and section VII of the City's Personnel Policies and Rules provides that all the accrued rights, privileges or benefits of previous City employment are null and void upon separation; and

WHEREAS, the City does not want to penalize the 19 firefighters with regard to the privileges and benefits of employment that are based on length of employment with the City as a result of their voluntary resignation and re-hire.



THE CITY OF WESTMINSTER ORDAINS:

Section 1. Notwithstanding any provision of the City Code or the City's Personnel Policies and Rules to the contrary, any firefighter hired between February 1, 2003 and March 31, 2004 shall be deemed to have been in the continuous service of the City for the total period of time accumulated both before and after September 1, 2004. In addition, the City Manager is hereby authorized to waive the restrictions on reemployment that are contained in Section VII of the Personnel Policies and Rules for this group of firefighters.

Section 2. This ordinance shall take effect upon its passage after second reading.

Section 3. The title and purpose of this ordinance shall be published prior to its consideration on second reading. The full text of this ordinance shall be published within ten (10) days after its enactment after second reading.

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED PUBLISHED this \_\_\_\_ day of \_\_\_\_\_, 200\_\_.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED this \_\_\_\_ day of \_\_\_\_\_, 200\_\_.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

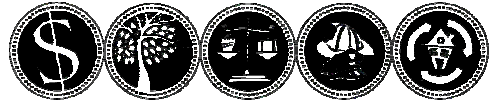


# WESTMINSTER

## Staff Report

City Council Study Session Meeting

June 21, 2004



SUBJECT: Proposed FY2003 Carryover into FY2004

PREPARED BY: Steve Smithers, Assistant City Manager  
Barbara Opie, Assistant to the City Manager

### Recommended City Council Action:

Review the proposed list of carryover items from FY2003 funds into the FY2004 budgets of the General, Fleet, General Capital Improvement, Utility, Conservation Trust and Open Space Funds and direct Staff to proceed forward with an ordinance appropriating FY2003 carryover funds as outlined.

### Summary Statement

- Certain items and services that were budgeted in FY2003, but were not received or provided until FY2004, are being requested for appropriation. The total of these items for all funds is \$17,824,811. Further detail on these items is provided in the background section of this memo.
- The City Council annually reviews and appropriates carryover funds from the previous year's budget into the current year budget for the following:
  - those items and services included in the previous year's budget but not received or provided until the current year's budget,
  - budget incentive funds into various departments' budgets based on savings from the prior year, and
  - existing or new capital projects and key operating priorities for which funds are needed and carryover funds are available.
- The funding for the items recommended in this memo comes from unexpended 2003 funds in the various funds identified.
- Staff is again not recommending budget incentive funds into various departments' budgets based on savings from the prior year for 2004 due to the current tight economic times. No incentive funds were appropriated in 2002 or 2003; however, in 2001, these incentive funds totaled approximately \$435,000 for all funds.

**Expenditure Required:** \$17,824,811

**Source of Funds:** General, Fleet, General Capital Improvement, Utility, Conservation Trust and Open Space Funds

## **Policy Issue**

Should the City appropriate carryover funds as outlined below?

## **Alternatives**

- 1) City Council could decide not to appropriate any of these funds at this time. This is not recommended as many of the carryover requests are for items and services that have already received City Council approval during the FY2003 Budget process as priority expenditures for the City.
- 2) City Council could choose to approve the carryover appropriation, including existing or new capital projects for which funds are needed and carryover funds are available. Staff recommends appropriating carryover funds for the operating and capital improvement projects noted in this memorandum.

## **Background Information**

City Council is requested to direct Staff to prepare an ordinance to appropriate FY2003 carryover funds, as described below, into the General, Fleet, General Capital Improvement, Utility, Conservation Trust and Open Space Funds. This appropriation takes place annually once the audit is substantially completed for the prior year.

For a third year, Staff is not recommending the appropriation of any budget incentive funds. In prior years, budget incentive funds were provided to departments by an approved formula previously adopted by Council Resolution whereby each department is allowed to retain a certain portion of budget savings calculated by the Finance Department after the completion of the audit. The program was established to promote and reward prudent budget management by City Departments. However, in light of the current tight economic times, Staff believes it more prudent to utilize these carryover funds to fund key capital projects and other operating priorities that would not be funded otherwise.

In prior years, part of the carryover funds is brought back for appropriation later in the summer for Capital Improvement Program (CIP) projects. Staff has reviewed possible capital projects to determine the best use of remaining carryover funds. All of the carryover, including capital projects, is recommended for appropriation at this time due to the time sensitive nature of these projects noted below.

### RE-APPROPRIATION OF ITEMS APPROVED IN 2003

Certain items ordered in 2003 were not received until 2004. In addition, certain services, authorized in 2003, were not fully performed by the end of the year. Under standard accounting procedures, these remaining funds must be re-appropriated in the new year to complete the desired purchase or service. Staff recommends the funds described below be re-appropriated in 2004.

In addition, Staff has identified certain key operating expenses for carryover funding that were not budgeted for in 2004.

### **GENERAL FUND:**

Central Charges – Five items totaling \$5,011,377 as follows:

1. \$50,000 for legal services for various economic development projects, including but not limited to Barbara Banks' work on development agreements, 144<sup>th</sup> Avenue interchange and Mandalay Gardens. The original budget in 2004 is \$20,000 but funds have been borrowed from other Central Charges

accounts to cover approximately \$50,000 worth of legal services approved by City Council during 2004 (such as work contracted for economic development retail projects and personnel board matters). These funds will re-supply the account and provide for legal funds for the balance of 2004.

2. \$20,000 for the US 36 Mayor and Commissioners Coalition (US 36 MCC) lobbyist costs. This coalition hired a contract lobbyist in 2003 and has authorized the continuation of this lobbyist in 2004 to assist in the pursuit of federal financial support for multi-modal transportation initiatives along the US 36 corridor. This amount is Westminster's pro-rata share of the lobbyist's costs for 2004.

3. \$150,000 for special projects and studies that may arise during the year per City Council and staff requests. These dollars represent savings in Central Charges 2003 operating budget that are proposed to help offset additional costs associated with economic development activities, special projects and studies, etc., that may arise through the balance of 2004.

4. \$4,754,574 for the re-purchase of land from the Catellus Land and Development Company. On March 10, 2004 the City re-purchased 21.83 Acres of land from Catellus Land and Development Company for \$4,754,574. The purchase must be appropriated for accounting purposes. No cash will be expended, as the "payment" will be made by reducing the receivable for the land purchase.

5. \$36,803 for the remaining contract amount associated with the South Westminster project (for the demolition of the former Aspen Care Facility, now known as the Harris Park Townhomes). The Westminster Economic Development Authority (WEDA) has repaid this amount to the General Fund in the Council Action taken in May 2004 that finalized the intergovernmental agreement between WEDA, Westminster Housing Authority (WHA) and the City.

General Services – Two items totaling \$21,675 as follows:

1. \$5,000 for new office furniture purchased at year-end 2003 but not delivered until January 2004. This furniture is associated with the new Human Resources Analyst hired per the public safety tax ballot measure.

2. \$16,675 for the purchase of the high output projector for the Council Chambers. Work commenced with the wiring in 2003 but the actual installation has been delayed due to other priorities. This will enhance the presentation options available in the City Council Chambers at City Council and other public meetings.

Finance – One item totaling \$7,500 for the annual cost allocation update by the City's consultant. This work is completed on an annual basis but the funds were cut from Finance's budget to balance the 2004 budget. This work is utilized to evaluate cost recoveries, fee charges, etc.

Community Development – Five items totaling \$80,400 as follows:

1. \$46,000 to complete the update to the Comprehensive Land Use Plan (CLUP) initiated in the late fall of 2002 but not completed until summer of 2004.

2. \$5,000 to complete the revisions to the existing Landscape Regulations. Work on the Landscape Regulations did not initiate until November 2002 and due to workload issues, not conclude until summer of 2004. The Landscape Regulations were initially anticipated to be done by City Staff, however, with the extended drought conditions, professional assistance was necessary to incorporate additional information regarding water-wise landscaping to the Landscape Regulations.

3. \$4,200 for annexation maps requested by the Police Department in 2003 but not completed. Several locations around the City are unincorporated and cause confusion surrounding jurisdiction lines for the Police Department; work is being conducted to annex those properties and these funds are for the preparation of annexation maps and descriptions.
4. \$6,000 for Traditional Mixed Used Development (TMUND) guideline revisions. The guideline revisions were approximately half completed in 2003 and carried forward into 2004 for completion. (e.g., Bradburn Village is a TMUND)
5. \$19,200 for continued urban renewal area work, including appraisals, site conceptual design, and implementation throughout the City.

Police Department – Two items totaling \$37,213 as follows:

1. \$28,774 in grant money awarded in December 2003 from the Local Law Enforcement Block Grant Fund. The grant will be utilized for the purchase of vehicle communications equipment and OSHA-approved motorcycle helmets. The grant was awarded too late in 2003 to expend the funds per the grant parameters.
2. \$8,439 for the High Intensity Drug Trafficking Area (HIDTA) overtime reimbursement for the fourth quarter 2003 from the North Metro Drug Task Force. These funds were not included in the fourth quarter supplemental appropriation because the checks were received after that supplemental was completed. These funds are proposed to be utilized in the Investigations section overtime account.

Parks, Recreation & Libraries – One item totaling \$3,322 in scholarship funds, received from citizens and recreation program participants, for the Youth Sports Program. These funds are intended to supplement registration fees for individuals needing assistance. These funds will be available for scholarships in 2004.

UTILITY FUND:

Information Technology – One item totaling \$16,100 for a comprehensive system and network security assessment initiated in November 2003 but not completed prior to year-end. The results of this assessment, which included internal and external security audits, are being utilized in network and system fortification efforts and security policy enhancements.

Public Works & Utilities – Four items totaling \$62,000 as follows:

1. \$15,000 to fix operational damage at the Jim Baker Reservoir Outlet Gate that requires the replacement of the entire gate structure.
2. \$12,000 to address severe silting problems identified at the Manhart Ditch Headgate and Facilities. The City is a shareholder of the Manhart Ditch Company and therefore responsible for participating in repair expenses.
3. \$10,000 to complete a coagulant investigation for the reclaimed facility. This coagulant study is critical to the facility operations in addressing issues with phosphorous removal, iron staining, and filter plugging. The work was delayed in 2003 due to problems associated with filter plugging.
4. \$25,000 for the treatment of Eurasian Milfoil in Standley Lake using weevils. Funds were budgeted in 2003 for this work; however, the rapid filling of Standley Lake in the spring of 2003 delayed the application of the weevils.

**OPEN SPACE FUND:**

Central Charges – Two items totaling \$330,000 as follows:

1. \$14,000 for the completion of work by a consultant on the McKay Lake renovation. The project is dependent upon progress made by the developer downstream of McKay Lake and the approval process of the State Engineer, both of which have been delayed negatively affecting the schedule.
2. \$316,000 for the purchase of open space land. The majority of this amount reflects the open space funds that were unspent in 2003 on land purchases that will be required to purchase open space in 2004. All of these funds will be utilized towards the acquisition of open space land.

APPROPRIATION OF NEW ITEMS

Staff recommends utilizing some of the General and Utility Funds' carryover moneys available to help address new spending needs in an uncertain economy. The items listed below are intended to be proactive measures to help minimize the impact on the 2004 and 2005 budgets for needed items.

**GENERAL FUND:**

Central Charges – One item totaling \$9,900 for new chairs for the Council Board Room conference table. These dollars represent savings in Central Charges 2003 operating budget that are proposed to help fund the replacement of these chairs that are worn, damaged and need to be replaced.

General Services – Four items totaling \$46,500 as follows:

1. \$5,000 for replacement furniture in City Hall's main level lobby. These dollars represent savings in General Services 2003 operating budget that are proposed to help fund the replacement of this furniture that is worn, damaged and in need of replacement.
2. \$30,000 for replacement furniture in the Employee Lounge on the lower level of City Hall. These dollars represent savings in General Services 2003 operating budget that are proposed to help fund the replacement of this furniture that is worn, damaged and in need of replacement.
3. \$7,500 for replacement cubicle guest chairs and conference room chairs in General Services located in City Hall. These dollars represent savings in General Services 2003 operating budget that are proposed to help fund the replacement of this furniture that is worn, damaged and in need of replacement.
4. \$4,000 for replacement furniture at the Municipal Court. These dollars represent savings in General Services 2003 operating budget that are proposed to help fund the replacement of chairs in one of the courtrooms.

Parks, Recreation & Libraries – Two items totaling \$21,262 as follows:

1. \$6,262 for new chairs for PR&L staff located in City Hall. These dollars represent savings in the PR&L 2003 operating budget that are proposed to help fund the replacement of these chairs that are worn, damaged and need to be replaced.
2. \$15,000 for recruitment costs associated with filling the vacancy created by the Library Services Manager, who is departing the City in July 2004. These dollars represent savings in the PR&L 2003 operating budget that are proposed to help fund the national recruitment process.

FLEET FUND:

General Services – One item totaling \$10,000 for recruitment costs associated with filling the vacancy created by the Fleet Maintenance Manager, who is retiring in July 2004. These dollars represent savings in the Fleet Maintenance 2003 operating budget that are proposed to help fund the recruitment process.

UTILITY FUND:

Public Works & Utilities – One item totaling \$50,000 for recruitment costs associated with filling the vacancy created by the Public Works & Utilities Director, who retired in June 2004. These dollars represent savings in the PW&U 2003 operating budget that are proposed to help fund this national recruitment process.

CARRYOVER FOR EXISTING OR NEW CAPITAL PROJECTS

Normally, the balance of the carryover funds is brought back to be appropriated later in the summer for Capital Improvement Program (CIP) projects. However, Staff is recommending that the following new or existing capital projects be appropriated now due to the time sensitive nature of these projects. Some of the projects were initiated in the operating budget and now being recommended to continue in the CIP, some are new projects that due to recent economic development opportunities warrant immediate action, and some are existing projects that need additional funding and timing is critical. If City Council directs Staff to proceed in bringing these capital project carryover items forward at this time, there will be no other capital project carryover items discussed later this summer.

GENERAL CAPITAL IMPROVEMENT FUND:

A total of \$3,461,925 is proposed for capital projects as follows:

1. \$50,000 to serve as contingency funding for the Total Enterprise Asset Management (TEAM) and building permits application software projects. These software systems will allow the City to track assets, preventative maintenance, operating costs, workflow and building permits more effectively. Staff was able to negotiate the purchase of both software products from Accela, Inc. within the \$625,000 combined project budget for a greater number of users than originally anticipated at two-thirds of Accela's original Request For Proposals bid. As a result, Staff in numerous departments and Westminster residents will be able to access oversight and customer service aspects of these applications. While the negotiated purchase price of the software, hardware and consulting costs fit within the project budget, very little remains available for contingency. The \$50,000 request for carryover represents 9.4 % in contingency funding for the project.
2. \$108,076 for the Microsoft software upgrade project. Originally, \$250,000 was budgeted within the General Fund for 2004 but per the October 2003 amendment to the 2004 budget, the General Fund moneys were unappropriated as the revenue projections for 2004 were revised downward. The Utility Fund has \$175,000 budgeted in 2004 for this upgrade and these funds are the remaining amount needed to complete this upgrade to the City's Microsoft operating system.
3. \$350,000 for miscellaneous costs associated with the North I-25 Retail Initiative project. These funds will cover appraisal expenses, design and engineering work, legal counsel and financial consultants.
4. \$1,365,000 for the Shops at Walnut Creek temporary funds. These funds are needed to assure that the construction of the public infrastructure improvements are completed in a timely manner. WEDA paid for additional land at the site in order to assure that the RTD Park-N-Ride would be moved to Walnut Creek and that there was adequate land for a future commuter rail station. Staff anticipates bringing to the City Council an IGA with RTD that will set forth the terms for the swap of Walnut

Creek land for the current Park-N-Ride site on Church Ranch Boulevard. The plan then calls for the City to sell this land to recoup the funds expended on the Walnut Creek site.

5. \$85,000 for the BO&M Major Maintenance project. The original 2004 budget of \$200,000 was almost completely utilized for the City Hall HVAC upgrade project. These additional funds will help address ongoing maintenance needs in the more than 30 City facilities maintained by the Building Operations and Maintenance Division.

6. \$1,503,849 for the Huron Street Improvements project. This project will provide for the design and construction of widening of Huron Street north of 129<sup>th</sup> Avenue. These funds are needed to assist in expediting this project, which is key to the development planned in this area.

#### UTILITY FUND:

A total of \$8,274,873 is proposed for capital projects as follows:

1. \$578,000 for the purchase of replacement water in lieu of the change in the water purchase agreement with the City of Thornton. In December 2003, City Council approved a contract amendment reducing Westminster's purchase of water by 1 million gallons a day from Thornton. The operating savings in 2003 are therefore being requested, as discussed with City Council, to be utilized for future water purchases to replace the Thornton water with a long term cost effective source of additional water.

2. \$7,696,873 for the Big Dry Creek Wastewater Treatment Plant expansion/renovation project. This project will expand and renovate the facility to increase the plant capacity from 7.5 to 10 million gallons per day (mgd). These funds will help minimize the amount of the total project that will need to be debt financed. The Big Dry Creek project is currently anticipated to cost in the range of \$24 to \$28 million dollars.

#### CONSERVATION TRUST FUND:

One item totaling \$390,664 for the City Park Maintenance Facility. This project will construct a maintenance and office facility at City Park to relocate Park Services Staff from the overcrowded Municipal Service Center. This move will help address current and future space needs of other departments through the space Park Services is currently occupying at the Municipal Services Center. These funds are proposed to be transferred from the Conservation Trust Fund into the General Capital Improvement Fund where the part of the project is currently funded.

One additional item is proposed for carryover funds that will be discussed in executive session with City Council. If Council supports the proposal, that item would be added to the carryover ordinance.

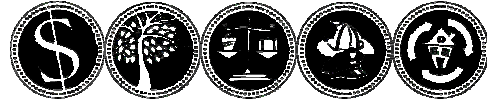
Staff will be in attendance at Monday's Study Session to answer any questions.

Respectfully submitted,

J. Brent McFall  
City Manager



City Council Study Session/Council Meeting  
June 21, 2004



SUBJECT: West 115<sup>th</sup> Avenue and Eaton Street Traffic Circle

PREPARED BY: Michael Normandin, Transportation Engineer

**Summary Statement**

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

- A temporary traffic circle was installed at the intersection of 115<sup>th</sup> Avenue and Eaton Street as part of a traffic-calming project in the Arrowhead Subdivision (see attached map). The Arrowhead Traffic Calming project also included a raised pedestrian crossing in front of Ryan Elementary School and two speed humps on Eaton Street. This traffic-calming project went through the normal traffic calming process, which included a vote by the neighborhood. The temporary traffic circle was in place for a substantial amount of time to determine acceptability by the neighborhood.
- In mid-April, 405 Neighborhood Acceptance Ballots were mailed to the residents of the Arrowhead Subdivision to determine if the temporary traffic circle should be removed. 161 (40%) ballots were returned with 127 (79%) votes for the removal of the traffic circle and 34 (21%) votes to retain the traffic circle. The City's policy for neighborhood traffic-calming balloting requires a minimum of 30% return with 60% of the returned ballots in favor of the particular question on the ballot.
- In early May, the temporary traffic circle was removed and the traffic control at 115<sup>th</sup> Avenue and Eaton Street was restored to the initial condition. The initial condition consists of a two-way stop condition with the 115<sup>th</sup> Avenue traffic stopping for the Eaton Street traffic.
- Requests were made by the residents to convert the traffic control at the intersection to a four-way stop and to evaluate the feasibility of expanding the existing 20 MPH School Speed Limit to include the subject intersection. City Staff evaluated the four-way stop and the results indicate that the intersection does not satisfy any of the criteria. City Staff plans to move forward with the installation of a 20 MPH School Speed Limit Flasher in advance of the intersection so that the intersection will be included within the existing 20 MPH School Speed Limit Zone.

**Background Information**

In the summer of 2002, a temporary traffic circle was installed at the intersection of 115<sup>th</sup> Avenue and Eaton Street as part of a traffic-calming project in the Arrowhead Subdivision. The Arrowhead Traffic Calming project also included a raised pedestrian crossing in front of Ryan Elementary School and two speed humps on Eaton Street. This traffic-calming project went through the normal traffic calming process, which included a vote by the neighborhood. In February of 2004, temporary rubber curbing was installed at the approaches to the traffic circle in an effort to simulate the geometric conditions typically seen at a traffic circle location.

In April 2004, a neighborhood vote was taken, which indicated that the residents desire was to remove the traffic circle. The traffic circle was removed in mid-May and the 115<sup>th</sup> Avenue and Eaton Street intersection was restored to the initial two-way stop condition. Requests were made of City Staff to evaluate the intersection for a potential four-way stop condition. The results of the four-way stop study indicate that the intersection does not satisfy any of the multi-way stop criteria.

The criteria for a multi-way stop include the evaluation of accident history and the number of vehicles, pedestrians and bicycles entering the intersection. The multi-way stop criteria in the Manual on Uniform Traffic Control Devices indicates that the vehicular volume for the major street (Eaton Street) approaches, average at least 300 vehicles per hour for any eight hours of an average day. The combined vehicular, pedestrian and bicycle volume entering the intersection from the minor street (115<sup>th</sup> Avenue) approaches must average at least 200 units per hour for the same eight hours. It is important to note that the volume and pedestrian counts collected at this intersection did not satisfy the minimum requirements outlined above for any hour of the day.

City Staff is providing this information to City Council as it is highly likely that the Arrowhead residents will be inquiring about the status of the 115<sup>th</sup> Avenue and Eaton Street intersection.

Respectfully submitted,

J. Brent McFall  
City Manager

Attachment(s)