WESTMINSTER

Staff Report

TO: The Mayor and Members of the City Council

DATE: July 30, 2014

SUBJECT: Study Session Agenda for August 4, 2014

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.

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

PRESENTATIONS 6:30 P.M.
1. Alliance Data Business Update
2. Chicken Husbandry and Beekeeping within Residential Zoning Districts
3. 2014 Comprehensive Energy Report

EXECUTIVE SESSION
1. Obtain Direction from City Council re proposed Economic Development Agreement with Alliance Data pursuant to WMC 1-11-3(C)(4), WMC 1-11-3(C)(7) and CRS 24-6-402(4)(e)
2. Obtain Direction from City Council re proposed amendment to the Economic Development incentive agreement with Hyatt Place Hotel pursuant to WMC 1-11-3(C)(4), WMC 1-11-3(C)(7) and CRS 24-6-402(4)(e)
3. Receive legal advice from the City Attorney concerning the receipt of notice of intent to circulate a petition under the Colorado Firefighter Safety Act, pursuant to WMC 1-11-3(C)(8) and CRS 24-6-402(4)(b) ***(verbal)***

INFORMATION ONLY ITEMS
1. FPPA Statewide Defined Benefit Plan (SWDB) Member Contribution Rate Election
2. 2014 Second Quarter City Council Expenditure Report

WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY

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

NOTE: *Persons needing an accommodation must notify the City Manager's Office no later than noon the Thursday prior to the scheduled Study Session to allow adequate time to make arrangements. You can call 303-658-2161 /TTY 711 or State Relay) or write to mbarajas@cityofwestminster.us to make a reasonable accommodation request.*

WESTMINSTER

Staff Report

City Council Study Session
August 4, 2014

SUBJECT: Alliance Data Business Update

PREPARED BY: Chris Gray, Economic Development Officer

Recommended City Council Action

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

Listen to representatives of Alliance Data present an overview of the company along with any updates the company has.

Summary Statement

- Alliance Data is considering locating a new customer care call center in Westminster.
- Lance Beck, Alliance Data's Regional Vice President of Customer Care Operations, and Cindy Zhivotovsky, Director of Customer Care in Westminster, will deliver a brief presentation about the new business unit and address any questions the City Council may have.

Background Information

Alliance Data is a leading provider of marketing, loyalty and credit solutions for its clients. The company has 543 employees in Westminster.

Representatives of Alliance Data, will be present Monday night to deliver a brief overview of the company's new customer care call center. After the presentation, the representatives will be available to answer any questions the City Council may have.

Working with new and expanding businesses is based upon the City's goal of a "Dynamic, Diverse Economy."

Respectfully submitted,

J. Brent McFall
City Manager

WESTMINSTER

Staff Report

City Council Study Session Meeting
August 4, 2014

SUBJECT: Chicken Husbandry and Beekeeping within Residential Zoning Districts

PREPARED BY: Grant Penland, Principal Planner

Recommended City Council Action

Staff is seeking City Council direction on whether to pursue modification of the Municipal Code in order to establish specific regulations for chicken husbandry and beekeeping within residential zoning districts.

Summary Statement

For the past several years, cities around the country have been adopting ordinances permitting the keeping of urban chickens at the urging of residents who cite local healthy food production, humane treatment of animals, economy, sustainability, and personal enrichment as a few of the many benefits of raising chickens on their properties. In addition, a number of communities have incorporated standards for beekeeping into their local health, animal control, or land development codes. The sanctioning of beekeeping is often desired by residents for the purposes of honey production for consumption, along with the perceived benefit of pollination services and ensuring an extant bee population.

Concerns regarding chickens raised in an urban area generally encapsulate three particulars: odor, noise, and disease. The major objections to beekeeping are the fear of being stung and the increased potential of the nuisance relating to bee swarms.

It is also important to note that the consideration for allowance of chicken husbandry or beekeeping should take into account the impact on existing City resources, including potential licensing, monitoring and enforcement of these practices.

Expenditure Required: $0

Source of Funds: N/A

Policy Issue

Does City Council wish to explore the allowance of chicken husbandry and/or beekeeping in residential zoning districts?

Alternatives

1) Take no further action and recommend leaving the Municipal Code section regarding animals unmodified.

   This alternative might not adequately address concerns raised by City of Westminster residents regarding their interest in backyard chicken husbandry and beekeeping.

2) Hold an election to determine if the citizens of Westminster desire to allow chickens or beekeeping within residential zoning districts.

   This alternative will allow Westminster citizens to vote regarding the issues. A significant cost is associated with including this ballot measure on the upcoming election.

3) Initiate a Municipal Code amendment to accommodate the ownership of a limited number of chickens in residential zoning districts.

   Should a code amendment be recommended regarding chicken husbandry? An updated code should include a number of items:

   - Limit the number of hens one can own;
   - Roosters should be banned outright;
   - Require predator-proof coops or structures and a minimum (humane) size of the structure should be defined;
   - Insure that the coops, pens, and other animal structures are kept clean, maintaining an acceptable level of sanitary conditions should be required;
   - Establish a minimum distance from residential dwellings; and
   - Prohibit the slaughtering of chickens.

4) Initiate a Municipal Code amendment to accommodate the ownership of bee hives in residential zoning districts.

   Should a code amendment be recommended regarding beekeeping? Staff recommends an updated code should include a number of items:

   - Establish a minimum distance between hives and adjacent buildings or property lines;
   - Limit the number of hives;
   - Require a "flyway barrier" (typically five to six feet high) to prevent bees from flying on to other properties should be required; and
   - Require that hives have access to clean water on-site to minimize the risk of bees flocking to other freestanding water.

5) Allow apiaries (an area with one or more beehives) within City open space, acting similarly to a community garden.

This alternative may satisfy interested citizens' desire for a local source of honey production for consumption, enhance pollination and ensure an extant bee population.

Background Information

Currently, the Westminster Municipal Code regulates keeping of chickens and bees through the Police Regulations of Title VI, which regulates livestock (including both chickens and bees). Section 6-7-12 states, "It shall be unlawful to keep or maintain livestock in residential, business, commercial, and industrial zoned districts, and Planned Unit Developments unless specifically allowed in the PUD, excepting that livestock shall be permitted in parcels zoned O-1 or in parcels of ten (10) acres or more in size in all zoning districts prior to commencement of construction on the parcel. In any case, the number of animals kept in a PUD shall not exceed the number permitted by the provisions of the Official Development Plan. Livestock, excluding fowl, shall have one-half (1/2) acre of pasture available for each animal." Homeowner's Association covenants may also prohibit the keeping of chickens and bees in many subdivisions throughout the City.

Many cities around the country have adopted ordinances permitting the keeping of urban chickens at the urging of residents. These ordinances may either be located in the zoning section or in the animal control title of local codes, and there are some basic provisions common to most of these ordinances: limits on the number of chickens permitted, prohibitions on roosters and slaughtering, setbacks from property lines and neighboring structures, and requirements for safe enclosures and proper sanitation. Communities vary in how many hens are allowed, minimum allowable lot size, whether hens are permitted only on single-family parcels, or if they may be kept on multi-family parcels as well, and other minor elements.

There is little consistency in how chickens are regulated with the exception of roosters. For the most part, roosters are either banned outright in most communities or the potential problems associated with roosters are addressed through a noise or nuisance clause.

Staff researched the municipal codes of 10 front-range communities, as well as contacted the communities for additional insight regarding their regulation of chicken husbandry. Among the 10 Colorado communities, six of the communities specifically allow the ownership of chickens in residential zoning districts. Two of the remaining communities do not allow residents to own and keep chickens in residential zoning districts, one relies specifically on their nuisance regulations to control the allowance of chickens, and one does not address the regulation of chickens in their municipal code. Several of the referenced communities' planning managers were contacted directly, and those communities that have allowed chicken husbandry generally conveyed that no substantive negative impacts have been noted. Attachment A shows a listing of the Colorado communities and how the code is applied with regard to the owning and keeping of chickens.

Common supporting arguments associated with allowing chickens (hens) in residential zoning districts:

- Hens provide a fresh, locally produced, and inexpensive source of food to families at a time when food prices are increasing in relation to increases in fuel, shipping, and packaging costs.
- Hens eat food scraps, dandelions, mice, and insects and may contribute to reductions in the waste stream.
- The hen droppings may be used as a natural fertilizer which may be used in backyard gardens.
- Some people believe that eggs from backyard chickens are more nutritious than factory-produced eggs.

Common opposing arguments associated with allowing hens in residential zoning districts:

- The presence of chickens may attract predators and undesirable critters such as foxes and raccoons into residential neighborhoods putting pet animals like dogs and cats at greater risk of attack.
- Keeping chickens may lead to unsanitary conditions due to owner neglect, increasing the risk of disease transfer through feces as well as the origination of undesirable odors.
- Hens may take flight in short bursts and are capable of clearing a six foot privacy fence.
- There might be an increase in complaints associated with roosters. When individuals buy chicks, they may not be able to distinguish between a hen and rooster. Owners may form an attachment with the roosters that were raised from chicks and express a reluctance to give them up.
- Hens do make some noise which depending on their location, can be heard on the neighboring property which some people find objectionable.

A number of communities have also incorporated standards for beekeeping into their animal control or land development codes. Local beekeeping standards typically restrict the number and location of hives based on the size of the lot or the zoning district where the bees are being kept. Many codes specify a minimum distance between hives and adjacent buildings or property lines, and some require beekeepers to obtain a permit. Some codes also require a "flyway barrier" (typically five to six feet high) to prevent bees from flying on to other properties. Another relatively common provision is a requirement that hives have access to clean water on-site to minimize the risk of bees flocking to other freestanding water (such as neighboring swimming pools or bird feeders). Typically, a permit or hive registration is required, and communities reserve the right to inspect hives if needed.

Staff also researched the municipal codes of 10 front-range communities, as well as contacted the communities for additional insight regarding their regulation of beekeeping. Among the 10 Colorado communities, six of the communities specifically allow beekeeping in residential zoning districts. One of the remaining communities does not allow residents to keep bees on residential lots, one relies specifically on their nuisance regulations to control the allowance of bees, and two do not address the regulation of beekeeping in their municipal code. Several of the referenced communities' planning managers were contacted directly, and those communities that have allowed beekeeping generally conveyed that no substantive negative impacts have been noted. Attachment B shows a listing of the Colorado communities and how the code is applied with regard to the beekeeping.

Common supporting arguments associated with allowing beekeeping in residential zoning districts:

- Bees in residential areas can provide important pollination services to community gardens, home vegetable gardens, and fruit trees.
- It is estimated that honeybees pollinate two-thirds of food crops and in recent years have suffered significant losses. Some experts assert that these losses are caused or exacerbated by the use of pesticides, the stress of constant travel to different farms to pollinate crops, and the lack of plant diversity in rural environments. The continued existence of honeybees might be assisted by hobbyist beekeepers who do not subject their hives to such stressors.
- Some people believe that honey contributes to a healthy lifestyle by providing a minimally-processed sweetener and through its various uses as a homeopathic remedy.

Common opposing arguments associated with allowing beekeeping in residential zoning districts:

- Bees travel in swarms to establish a new hive. Bees can create a nuisance or be seen as a danger if they become aggressive or swarm on neighboring property.

- The increased risk of injury from bee stings and the potential life threatening consequences to individuals who are allergic to bee stings is a typical objection.

There is no unified approach to regulating chicken husbandry and beekeeping in residential districts, but most communities researched have incorporated some level of administrative oversight and legal restrictions regarding these activities within municipal boundaries, primarily to address issues of public health and nuisance concerns.

Staff will be present Monday night to discuss this item further and receive direction from City Council.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment – Chicken and Bee Research – Selected Localities

Chicken Research - Selected Localities

Attachment A

(Compiled 07-21-2014 / DWG)

	Chickens Allowed?		CHICKENS		
City:	**Yes:**	**No:**	**Defined as:**	**Quantity Permitted in Residential Zones:**	**Notes:**
Arvada	**F**		Animals	5 chickens **OR** 2 turkeys **OR** 3 chickens **AND** 2 turkeys	35' setback from coop to residential other than owner's home
Aurora		**X**	Livestock/Poultry	None / Not Allowed	(N/A)
City of Boulder	**X**		(Undefined)	Any number okay, however owner is responsible for any noise, sanitation, or other nuisance caused	Must meet extensive nuisance, noise, rodent control, sanitation regulations
Broomfield	**F**		Livestock/Fowl	Okay in Single Family Detatched, 5 hens per lot, permit fee $25; Also, in Rural Residential, up to 30 hens/roosters per acre ARE permitted	Building permits required for large chicken coops; no slaughtering permitted
Denver	**F**		Livestock/Fowl	Up to 8 ducks and/or chickens with permit; must maintain 16 sq ft permeable area per animal, plus adequate shelter and fencing for protection from weather and predators	Female animals only; kept 15' from neighboring residential structures, and in rear 50% of property; no slaughtering
Federal Heights			(Undefined)	Not Addressed in City Code	(N/A)
Littleton	**F**		(Undefined)	Four hens per Single Family Detached, 15' setbacks to property lines; predator resistant coops required	Must prevent nuisance conditions; no slaughtering
Longmont	**F**		Animals	Four hens per Single Family Detached; 6' setbacks to property lines; Standards for coop construction and feed storage	$30 permit fee, No penalty for attacking animal if stray chicken is killed off its home property
Northglenn		**X**	(Undefined)	None / Not Allowed	(N/A)
Thornton	**X**		Animals	Permitted ONLY in "Residential Estate" (1 acre min lot size) Zoning District; A combined total of 10 ducks, rabbits, and/or chickens per lot	Requires proper fencing/ enclosures, and proper disposal of manure
	(F = Female Animals Only)				

Bee Research - Selected Localities

Attachment B

(Compiled 07-21-2014 / DWG)

	Bees Allowed?		BEES	
City:	**Yes:**	**No:**	**Quantity Permitted in Residential Zones:**	**Notes:**
Arvada	X		Allowable colony density ranges from two colonies on a quarter-acre or less to eight colonies on tracts over an acre.	Hives must meet setback and other requirements or face removal by City
Aurora	X		Allowable colony density ranges from two colonies on a quarter-acre or less to eight colonies on tracts over an acre; unlimited colonies on tracts maintaining at least 200' setbacks in all directions	Hives must meet setback and other requirements or face removal by City
City of Boulder	X		Any, however owner is responsible for any noise, sanitation, or other nuisance caused.	Must meet extensive nuisance, noise, rodent, sanitation regs
Broomfield		X	Permitted only in Rural Residential Zone; 5 Colonies of Bees per Acre	Prohibited in all other Resi Zones
Denver	X		Two hives per Single Family Detatched lot okay; 5' setback to side and rear property	Screening of hives required
Federal Hts			Not addressed in City Code	(N/A)
Littleton	X		Allowable colony density ranges from four colonies on a half-acre or less to eight colonies on tracts over an acre; unlimited colonies on tracts maintaining at least 200' setbacks in all directions; Min Setback 5'	Flyaway fencing required if bees are kept within 25' of property line
Longmont	X		No more than four hives in any one place (otherwise a nuisance)	(N/A)
Northglenn			Not addressed in City Code	(N/A)
Thornton	X		Permitted in Agricultural, Residential Estate, and Eastlake Residential Zoning Districts, along with Single Family Detached lots. May also be kept in non-residential districts in conjunction with a community garden. Allowable colony density ranges from two colonies on a quarter-acre or less to eight colonies on tracts at or over an acre; unlimited colonies on tracts maintaining at least 200' setbacks in all directions; Min. 5' setback, and only allowed in rear yards.	Flyaway fencing required if bees are kept within 25' of property line. City may inspect at any time and remove/destroy non-compliant and/or nuisance colonies

WESTMINSTER

Staff Report

City Council Study Session Meeting
August 4, 2014

SUBJECT: 2014 Comprehensive Energy Report

PREPARED BY: Thomas Ochtera, Energy and Facilities CIP Coordinator

Recommended City Council Action

No action is required by City Council at this time. Staff will be in attendance to make a presentation and to answer City Council's questions.

Summary Statement

The 2014 Comprehensive Energy Report (CER) compiles data and information on the fuels, electricity, water, and natural gas used for citywide operations from all departments, including the enterprise funded departments. This is the second time that this information has been brought together in a comprehensive manner. During the study session, staff will be presenting the information related to this report, and will be available to answer any questions City Council may have.

Expenditure Required: $0

Source of Funds: N/A

Background Information

The City Council approved the Energy Efficiency Conservation Strategy (EECS) in June, 2009, which was approved by the U.S. Department of Energy in September, 2009. Subsequently, American Recovery and Reinvestment Act (ARRA) funds were granted for a number of programs and projects through the Energy Efficiency and Conservation Block Grant (EECBG) allocated to the City. This allowed the hiring of an Energy and Capital Improvements Project (CIP) Coordinator to promote energy conservation and efficiency, and to support the CIP design process toward energy efficiency.

This Comprehensive Energy Report is updated biannually to include new technologies, programs, and continued outreach efforts. The focus of this report is on the energy used internally in City operations by showing the costs and use of energy over the past three years. It also identifies several of the projects and programs the City is planning on undertaking in the next three years.

The 2014 Comprehensive Energy Plan serves three purposes:

1) to verify that the City is meeting the strategic goals of "Beautiful, Desirable, Environmentally Responsible City" and "Excellence in City Services";

2) to demonstrate the myriad of ways in which City staff contributes to energy conservation and energy efficiency through daily processes and programs; and,

3) to serve as an internal and external resource to communicate this stewardship to increase awareness and enhance continued efforts.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment

City of Westminster

2014
Comprehensive Energy Report

Reducing
Energy Consumption Citywide

"...every employee is in one way or other, an energy manager."

Executive Summary:

WESTMINSTER

This 2014 Comprehensive Energy Report (2014 CER) highlights the ways staff is working to manage the energy used in providing Westminster's residents and businesses the high quality services they have come to expect.

This report illustrates the energy use, energy costs, and energy savings for these services citywide over the last three years. Every department in Westminster is a partner in energy conservation.

Our ability to comprehensively measure and analyze energy use in operations increases each year. This report, and future comprehensive energy reports, will offer more detailed data including more specific savings and energy reductions when compared to the last report in 2012. At the same time, the multitude of factors that effect energy, for better or worse, will always make it difficult to point to just one factor or one effort that explains how we are managing our energy. In the end, energy management is an accumulation of good decisions.

Although we have more data in this report, the savings do not come from more detailed data—it comes from the daily decisions of employees who, in a culture of stewardship of taxpayer dollars, mindfully utilize their own energy consumption in the performance of their duties. Some of those stories are captured here.

This is not an exhaustive list of all of the behavior changes and facilities improvements made by staff. Instead, we have attempted to cover a broad swath of efforts in a wide context of situations to demonstrate the growing culture of conservation in the City of Westminster.

In the City of Westminster, every employee is in one way or other, an energy manager.

Acknowledgements

A comprehensive energy report is a collaborative effort. The contributors, editors, and managers listed below took the time to gather and analyze the data presented in an effort to best explain the energy picture for City operations.

Westminster City Council

Herb Atchinson	Mayor
Faith Winter	Mayor Pro Tem
Bruce Baker	Councillor
Bob Briggs	Councillor
Alberto Garcia	Councillor
Emma Pinter	Councillor
Anita Seitz	Councillor

City Manager's Office

J. Brent McFall	City Manager
Steve Smithers	Deputy City Manager
Barbara Opie	Assistant City Manager
Aric Otzelberger	Assistant to the City Manager
Ben Goldstein	Senior Management Analyst

Contributors

Thomas Ochtera	Energy and Projects Coordinator
Debbie Mitchell	General Services Director
Doug Hall	Fire Department Chief
Jody Andrews	Public Works Director
Tom Scribner	Semper Water Treatment Facility
Jeff Bowman	Fleet Division Manager
Rod Larson	Open Space Supervisor
Jerry Cinkosky	Former Facilities Manager
Tim Woodard	Big Dry Creek WTF
Matthew Booco	Fleet Division Specialist
Richard Dahl	Park Services Manager
Kristi Delynko	Public Information Specialist
Glen Mathewson	Building Code Consultant
Andy Walsh	Public Works Senior Engineer

Message from Tom:

I hope you enjoy this 2014 edition of the Comprehensive Energy Report. We have some great stories and new challenges outlined here. But before we jump in, there are a few points about discussing and measuring energy that may not be completely intuitive.

Weather is a substantial contributor to the use and cost of energy. When you consider the internal energy use of most buildings remains relatively consistent year to year. A large part of the change then, is attributable to the weather.

Typically, utility rate changes can be another significant factor in understanding utility costs. Our rates have been fairly steady at 2.8% annual cost increase during the 2011-13 period. This annual cost is expected to rise to 3.8% per year in the next three years.

As you'll see, the City has managed its energy use and costs over the past three years. However, considering the temperature and precipitation changes (ie: 2012 drought), it might not be accurate to say that we are completely responsible or successful for reducing energy costs in that time. What is safe to say, is that the steps we have taken the past three years (and prior) are a significant part of the reason we have not seen increases across the board.

Part 1. Illustrates the data. These are the actual costs and use of our energy in 2011, 2012, and 2013. Within that data, many examples demonstrate the ways in which each department contributes to energy saving efforts.

Part 2. Describes what we have accomplished in the last three years within our City operations. Some noteworthy examples to look for include:

- Fire Department Energy Management Reduction Successes
- Increased Support for Energy Considerations in Capital Projects
- General Services Fleet Division Energy Management Strategies
- Parks Services Native Grasses Program

Part 3. Looks ahead three years at more projects and programs in the works, and makes a few recommendations on ways in which we can further manage our energy resources.

Although our records show good energy management practices, there is room for improvement. Future efforts should focus on developing existing opportunities, including alternative energy, and maintaining a long-term perspective across all of the departments.

Beyond an explanation of what has happened, this report includes a future-focused section describing new steps we are taking. With the continued support of our administration and City Council, staff will be encouraged to develop these measures with the very specific goal of reducing the long-term economic and environmental impacts to our citizens with the decisions we are making today.

Tom Ochtera
Energy and Facilities Projects Coordinator

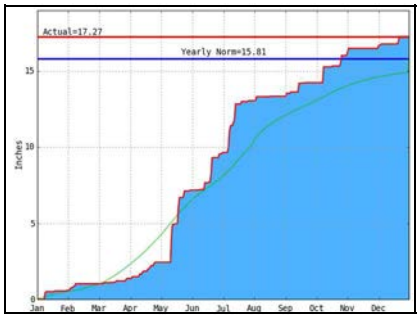
The Weather Report:

Outside air temperatures chart closely with inside energy costs. The colder it gets, the more heaters run. If it is warmer than average, more energy is used for fans, pumps, and air conditioning. Additionally, dehumidifiers, pumps, fans, and other elements that move and condition the air inside facilities use more energy as the temperatures inside and outside increase in difference. In an imaginary world where the outside air stayed a consistent comfortable temperature, we can expect all utilities to decrease in costs through management. Because that is not the case, cost decreases can not always be expected.

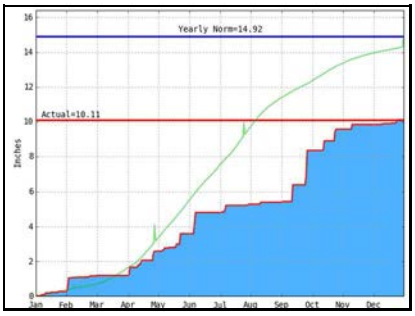
Precipitation

Like air temperature, precipitation also has an effect on annual utility bills by increasing or dereasing the demand for potable and irrigation water. This in turn has an effect on the water utilities production costs. In the graphs below, it is clear that there was a significant lack of rainfall in 2012. The average rainfall is indicated by the blue lines.

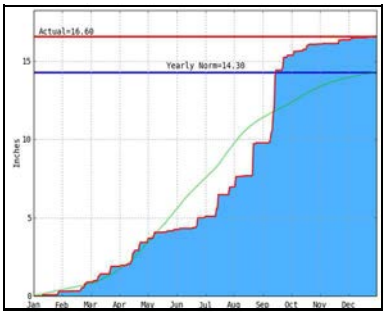
Total precipitation 2011



Total precipitation 2012



Total precipitation 2013

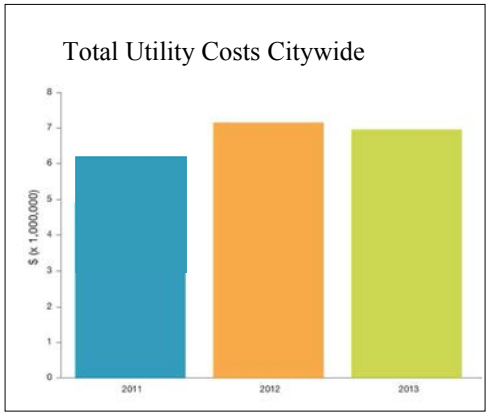


It is important to nest the energy use and cost within the context of annual changes in temperatures and precipitation rates. To summarize, the weather in 2011 saw roughly normal temperatures, but relatively wet conditions. In 2012, temperatures were higher than average, but much dryer as well. In 2013, the weather was generally mild with average rainfall. From this we can expect increased utility costs and use between 2011 and 2012, and a decrease in costs and use from 2012 to 2013.

Part 1. At a Glance: City of Westminster

Citywide Actual Costs & Use:

Year	Total Cost ($)	Use (MMBtu)
2011	$ 6,241,407	184,922
2012	$ 7,155,183	180,083
2013	$ 6,961,228	187,676



The chart and graph above depict the total utility picture for the City and includes electricity, natural gas, water and sewer costs. This does not include any liquid fuels for vehicles or equipment. The weather played a significant role in increasing costs between 2011 and 2012.

The differences between costs and use may not trend the same way year after year. This is primarily a function of the Demand charges on electric bills, significant weather fluctuations, utility rate changes, and seasonal adjustments to the price of utility fuels (coal and natural gas). It is precisely for this reason that the information presented in this report tracks both of these (costs and use) separately.

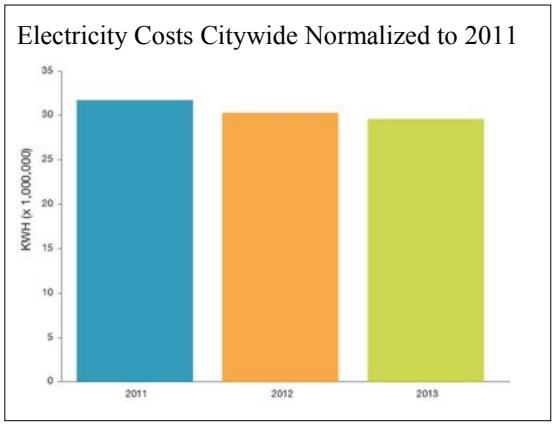
The City uses a broad strategy of energy management that primarily seeks to reduce energy use. This approach is most effective at helping to reduce costs. In addition to this strategy, certain behavioral and process changes (mostly driven by time-of-use) can reduce our costs without effecting the volume of energy used.

Citywide Normalized Energy Use:

Another way to show energy costs across the City that removes the variable weather factors from the explanation. In some ways, this is a better indicator of the factors that are in our control. "Normalizing" uses a typical weather year (2011) and assumes that every year has the exact same weather as that baseline year.

For example, if it was 75 degrees on June 1st in 2011, then using a different 75 degree day in 2013, we can better compare our efficiency. It is similar to a runner repeatedly running around the same track to gauge how efficient their running really is.

The graph to the right shows the City's energy use if every year were exactly like 2011. From this perspective, the City continues its five year trend of reducing energy use.



One note on MMBtu:

In this report, we have made every attempt to explain things simply, while remaining accurate. One of the challenges is to describe the energy used in a consistent manner. Water use is measured in thousands of gallons (Kgal) or millions of gallons (Mgal); natural gas is measured in British Thermal Units (Btu), Therms (THM) or Dekatherms (DKTHM); electricity in watts, kilowatt hours (kWh) and Demand (KW).

To simplify the different unit descriptors, we have rolled them into one common denominator or an equivalent unit for all of the utilities. This is the MMBtu. It is the equivalent of one million Btus, or the energy produced when one million wooden matches are burned to their ends. Ouch! Unless otherwise specified, energy use is described with this term.

The table to the right shows the MMBtu per square foot for many of the City-owned facilities. As you can see, there is a wide range of energy used depending on the facilities use.

One good way to measure a facility is to compare it to another facility of similar use on a per square foot basis.

Another way is to compare a facility to itself over time.

Both of these methods are subject to changing weather conditions, so a general trend of the facilities in aggregate can help mitigate the influence of weather in our understanding of actual performance.

Some of these facilities show a dramatic change in use year to year. In these instances, more verification and investigation is warranted.

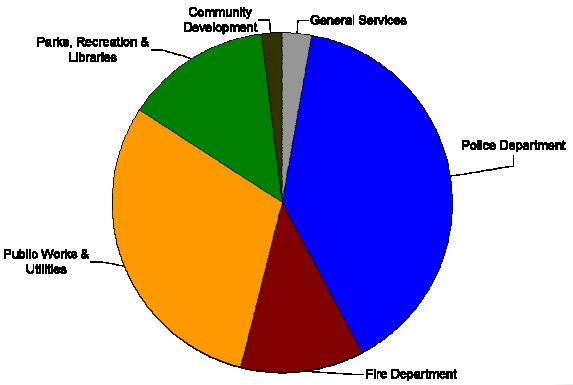
MMBtu per square foot

FACILITY	SQ FT	2011	2012	2013
Bowles House	1,908	0.03	0.05	0.05
City Hall	72,300	0.08	0.08	0.08
City Park Fitness Center	39,626	0.14	0.14	0.14
City Park Recreation Center	66,864	0.38	0.36	0.40
The MAC	33,054	0.08	0.08	0.08
Countryside Recreation Center	9,340	0.04	0.15	0.18
Fire Station # 1	8,292	0.09	0.07	0.06
Fire Station # 2	15,000	0.11	0.09	0.11
Fire Station # 3	5,380	0.11	0.07	0.10
Fire Station # 4	6,444	0.11	0.09	0.10
Fire Station # 5	5,382	0.08	0.07	0.08
Fire Station # 6	6,270	0.06	0.07	0.09
Heritage Golf Course	21,526	0.15	0.14	0.13
Greenhouse	5,940	0.02	0.07	0.12
Irving Street Library	15,000	0.13	0.13	0.13
Legacy Ridge Club House	17,847	0.17	0.17	0.17
Municipal Court	20,320	0.07	0.06	0.08
Municipal Services Center	72,205	0.07	0.08	0.07
Park Operations Center	25,000	0.07	0.07	0.07
Dept. of Corrections	35,493	0.03	0.04	0.04
Public Safety Center	76,000	0.14	0.13	0.12
Sports Center	34,695	0.03	0.03	0.04
Swim & Fitness Center	29,860	0.32	0.44	0.45
Historical Society	2,176	0.03	0.06	0.08
West View Recreation	35,000	0.10	0.08	0.09

Fuels Use and Cost Citywide:

Fleet Operations has automated tracking systems that collect data measuring fuel consumption for every vehicle and small equipment owned by the City.

This pie chart depicts fuel consumption for all City departments in 2012. It offers a snap shot of the proportional use across Departments.



The City uses liquid fuels in a variety of ways that serve our community. From lawn mowers to long haul waste tractor trailers, to snow plows, to fire trucks, the City moves with liquid fuels. While some factors such as weather events, increased police presence, or increased lawn mowing can impact use and cost, year to year, the needs of the community do not change very much. To the right are charts demonstrating actual fuel use, costs, miles driven, and an analysis of cost per mile. It is important to note that the cost per mile in these charts does not represent the total costs to maintain and repair vehicles, but rather, the straight cost of fuel.

Fuel Used (gal)	2011	2012	2013
General Services	10,101	9,422	7,827
Police	134,441	136,526	127,866
Fire	38,480	39,702	40,841
Community Dev	6,242	6,369	6,093
Public Works & Utilities	102,665	95,537	105,648
Parks	47,831	45,230	47,575

Fuel Costs ($)	2011	2012	2013
General Services	$31,123	$26,815	$22,603
Police	$411,184	$387,617	$369,393
Fire	$127,062	$126,692	$128,731
Community Dev	$19,028	$17,982	$17,533
Public Works & Utilities	$334,185	$296,776	$327,756
Parks	$149,263	$131,044	$140,005

Miles driven	2011	2012	2013
General Services	114,283	119,025	104,660
Police	1,780,684	1,801,825	1,687,377
Fire	402,388	363,172	397,147
Community Dev	111,473	114,819	111,418
Public Works & Utilities	1,107,229	1,138,511	1,182,258
Parks	469,399	502,986	492,998

Fuel Cost/mile	2011	2012	2013
General Services	$0.27	$0.23	$0.22
Police	$0.23	$0.22	$0.22
Fire	$0.32	$0.35	$0.32
Community Dev	$0.17	$0.16	$0.16
Public Works & Utilities	$0.30	$0.26	$0.28
Parks	$0.32	$0.26	$0.28

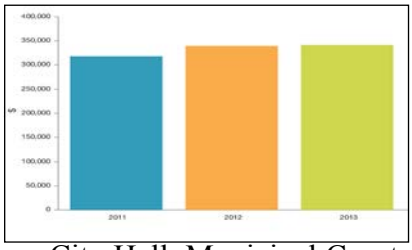
Fuel Pricing: The City has an aggressive strategy to manage fuel pricing. As a volume purchaser of fuels both gasoline and diesel, the Fleet Division negotiates pricing based on the expected blocks of fuel we will purchase. This maximizes the value to our community. For example, the price citizens pay per gallon for gasoline is currently about $3.42 or 3.61 for diesel. Below are the prices the City paid. The change from year to year is about 1%.

	Unleaded	Diesel
2011	$2.86	$3.16
2012	$2.82	$3.21
2013	$2.84	$3.18

At a Glance: General Services Department:

Year	Total Cost ($)	Use (MMBtu)
2011	$318,124.01	19,934
2012	$339,318.13	19,688
2013	$341,427.04	19,947

Total Utility Costs Citywide:



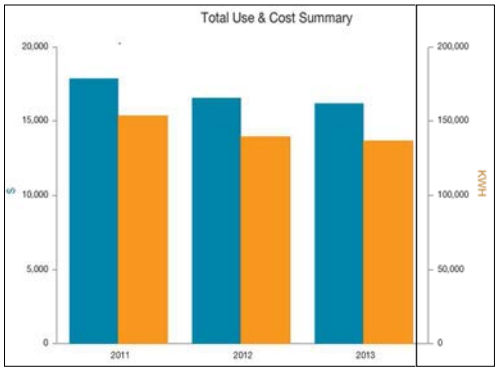
The General Services Department includes major facilities such as City Hall, Municipal Court, Municipal Services Center (MSC), and the leased Department of Corrections facility. These are office-type facilities with consistent internal energy needs throughout the year. Most of these the utility bills at these facilities are effected (30-40%) by weather factors. The rest is in plugged in loads and other equipment which often remains relatively consistent; that is, with the exception of the Municipal Services Complex on 88th Avenue.

The Municipal Services Complex houses much of the "warm" storage of our Utilities and Streets Divisions large equipment as well as the Fleet Division and their sixteen bay vehicle maintenance facility. These vehicles must be maintained at above freezing temperatures no matter the temperature. With the addition of the Fleet Division and Building Operations and Maintenance Division, there are very different uses effecting this one site.

There is one electric utility meter for several buildings at the MSC. It adds a challenge to the understanding of energy consumption at this location—the savings opportunities as well as the current costs.

Focus on Municipal Court: Electricity at the Municipal Courthouse

The last three years have been good for electrical use at the Municipal Courthouse. As an older building, built in 1961, it is not as efficient as our newer buildings.
Despite that, electric use has gone down for the past three years. The chart below shows the electric bills at the Municipal Courthouse. That building has saved over 16,000 kilowatts on the past three years, and is on track to continue that trend in 2014.

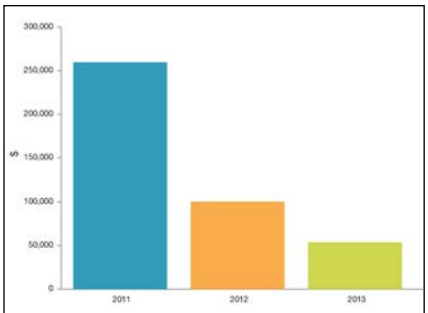


It is a team effort. Carol Barnhart and her staff closely maintain the thermostats, lights, office equipment and are diligent in daily management of their energy. Building Operations & Maintenance has replaced much of the heating and cooling equipment (2-3 times over 53 years) and added completely new insulation and a roof in 2009. With over thirty pieces of equipment to maintain (not including electrical systems), this is not a small job.

As a "vintage" building, it lacks the kind of careful building envelope design of more recent facilities. The Courthouse is primarily made of concrete that can act like a battery in cold or warm temperatures- holding onto the outside air temperature longer and carrying those temperatures deep into the building's interior. That is a constant challenge.

At a Glance: Community Development

Year	Total Cost ($)	Use (MMBtu)
2011	$259,388.93	8,378
2012	$100,600.53	1,849
2013	$ 53,960.61	872



Total utility costs for facilities held by Community Development

The Department of Community Development (CD) and the Westminster Economic Development Authority (WEDA) have reduced their energy bills significantly.

From 2011-2013, CD utility charges have mostly resulted from the City's temporary ownership of acquired properties for future development, prior to their demolition. The strategy CD uses for these amazing results is a bit different— they did most of that energy reduction by demolishing the buildings. Well, that's one way to do it!

In 2010, the City acquired significant parts of the Westminster Mall prior to its demolition. During that period, the City was responsible for the utility bills. Once the demolition was completed in 2012, most of the utility costs went with it.

Community Development has also shifted responsibility for the cost of the utility bills to some of our partnering organizations such as the South Westminster Arts Group and the Germinal Stage Theatre Company. The City now donates a sufficient flat rate to these organizations for utilities and asks them to be responsible for their own energy use. Making the occupants responsible for their own utility consumption is a sound energy management strategy.

Community Development Stewardship: Asphalt Recycling for Mall Site

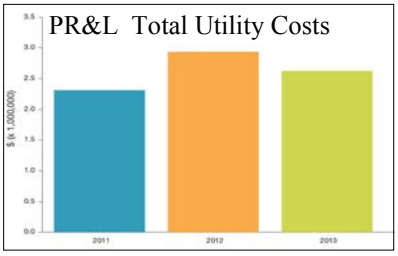
As an example of environmental stewardship and resource management, after the demolition of the Westminster Mall, several large asphalt parking lots remained. In coordination with the Ames-Granite joint partnership that is doing work on US36, approximately 1.7M square feet of asphalt was removed from the Mall site.

The asphalt was usable material as sub-grade (beneath the road) for the lane-widening project. Westminster did not have to pay for this removal. In addition, the material was recycled (reused) reducing our carbon footprint.

This project saved the City approximately one million dollars and diverted a significant amount of material from local landfills. These partnerships are unique one-time opportunities and they demonstrate the forward-thinking approach that Community Development project managers take toward stewardship of community resources.

Focus on: Parks Recreation and Libraries

Year	Total Cost ($)	Use (MMBtu)
2011	$2,310,559	63,043
2012	$2,935,171	65,255
2013	$2,624,150	69,218



The Parks Recreation and Libraries Department uses a wide range of energy sources, from the photovoltaic solar array on the Westview Recreation Center, to natural gas in the pool boilers, to gasoline to power the lawn maintenance equipment. This broad range of energy sources creates more opportunities for innovation.

Unlike the general office-type facilities, recreation facilities have vastly different energy needs. The pool facilities are especially energy intensive with heating of pool water and the challenge of large spaces such as gymnasiums. What may not be obvious, is that these pool facilities also have building code regulations that requires a constant outside fresh-air exchange, all year round. Conditioning that air is expensive.

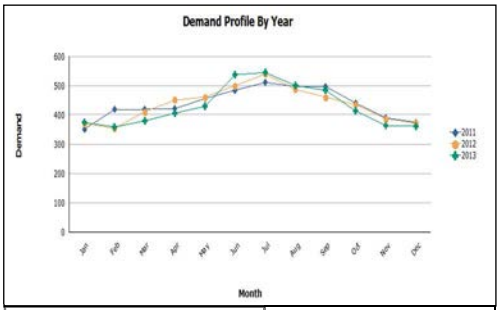
In the Chart above, you can see the mild uptick in energy use for the past three years. Staff have developed several energy efficiency projects to address these (See page 21 for "Energy Audit") . The good news is there was a corresponding decrease in costs. This is attributable to a reduction in Demand on the electric bills.

Perspective:

The average annual utility bill for the City Park Recreation Center is $400,000. The City Park Fitness Center next door, at two-thirds the size, costs about one quarter of that. The picture above demonstrates the proportional difference between the two facilities. The top image is the proportional energy costs, the bottom is the proportional size. Variation in the type of use is the major differentiation.

Repeated Electric Demand Reduction at City Park Recreation Center:

In the chart to the right, the Demand for City Park Recreation Center is listed. Demand is a measure (and subsequently charged) for how much electricity is used at one time. On our utility bill, we are charged this additional cost (about $12) for every unit of Demand which typically makes up about one half of the total bill. In the graph, a flatter/lower line is better. Weather, such as hot summer days, is the ongoing challenge.

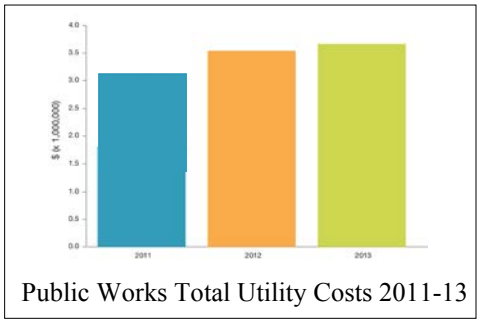


Year	Total Demand
2011	5264
2012	5233
2013	5161

As an example of how our conservation measures are paying off, electric Demand at the City Park Recreation Center was reduced by 100KW from 2011 to 2013, saving about $16,000 over the three year period.

By Department: Public Works & Utilities

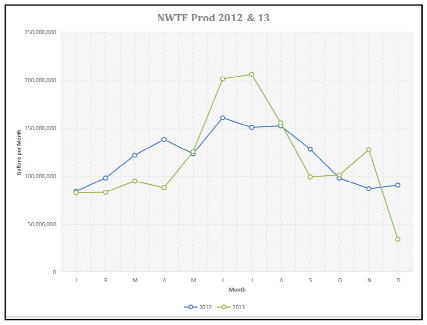
Year	Total Cost ($)	USE (MMBtu)
2011	$3,157,161	83,602
2012	$3,539,734	84,870
2013	$3,665,576	89,082



Public Works Total Utility Costs 2011-13

The Public Works and Utilities Department is highly influenced by the community's demand for water, often driven by annual precipitation. Because of this, there was a sharp increase in demand from a "wet' 2011 to the "dry" 2012. The change on the graph may seem dramatic, but remember that costs are a multiplier of demand, so changes in demand are magnified from an energy cost increase perspective.

From 2012 to 2013, however, there was no significant increase in the demand (or production of) water, but there was an increase in costs of about $125,000 in 2013. In this case, the increase was related to a few factors that changed the standard procedures typically in place. Through the use of our energy tracking software, we are able to identify the facilities that have seen the greatest cost increases, identify the factors, and address them.



One of the facilities identified is the Northwest Water Treatment Facility (NWWTF) which experienced a $35,000 power cost increase in 2013 over 2012. This facility uses a membrane system to filter water and is much more energy intensive than the Semper Water Treatment Facility. For this reason, the Northwest Plant was designed to be a back up and provide extra capacity for the City's water infrastructure. In 2013 the energy cost increase at this facility was due to several factors.

- **Testing of the NWWTF capabilities to fully back up the Semper plant.** Because of the membrane filter design, several variables contribute to the plant's ability to process water. To better understand the system capabilities in the event of a need to rely on NWWTF for 100% of the City's needs, tests of the system were conducted. These tests required increased pump times and pressures that increased the utility costs. This increased use (measured in water production) is depicted in the graph above.

- **Membrane filter degradation.** Because of the physical nature of the membrane filtration system, the filter media are expected to gradually degrade over time. This degraded capacity to filter causes the need for increased filter flushing, water pressures, and pump energy. Because of this, every year the facility will use more energy to produce the same amount of water until the filters are replaced. Beginning in 2016, the PW&U Department has a plan to replace the filters on a cyclic schedule to insure the filters are maintained in good condition.


Filter racks at Northwest

- **Additional Information Technology infrastructure.** In 2012, the City enhanced the IT infrastructure at the NWWTF. This addition increased the energy use at the facility and contributed to the increased costs as well. Some of the actual extra power required is unexpected, and is under investigation.

By Department: Public Works & Utilities:

The Big Dry Creek Wastewater Treatment Facility (BDCWWTF) also saw significant increased use and cost compared to past years. This facility treats a constantly changing waste stream, and maintains 100% compliance with environmental regulations related to the quality of the treated water discharged into the environment. In order to do this, staff closely monitors the effluent during every stage of treatment. In 2013, the energy cost increase at this facility was about 12% or $60,000 due to several factors.

Blower room at the Big Dry Creek Treatment Facility

- In the spring of 2013, the plant was dealing with treatment issues that required an increased use of the high powered air blowers. These air blowers provide oxygen to the biomass in order to create a desirable environment for the microbes/biomass that metabolize the wastewater. This strategy, in conjunction with other temporary process changes, allowed the facility to maintain regulatory compliance standards. After the adjustment, the plant returned to the reduced energy norms.
- The BDCWWTF uses one of its treatment byproducts, methane, as a fuel source to keep the facility and digesters warm in the winter. In late 2013, sub-freezing temperatures froze the methane piping system causing operators to switch to utility provided Natural Gas instead. Once conditions improved, the reliance on natural gas returned to normal.

Blower aeration at Big Dry Creek Waste Water Treatment Facility creates conditions favorable for proper waste treatment

In Perspective:

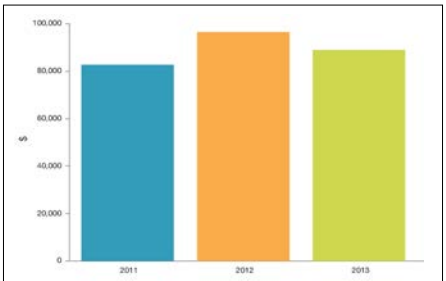
The Public Works and Utilities Department is committed to reducing its energy use in all areas of its operations. Staff will strive to find ways of meeting the City's water and wastewater needs while keeping energy reduction a top priority.

In the future, the Department will use quarterly energy-use reporting and a strategy of continuous improvement to continue its downward pressure on energy consumption. In addition, staff will work from the 2013 Ameresco Preliminary Energy Audit to develop and implement appropriate and effective energy conservation projects across the Department.

At a Glance: Fire Department: Fire Stations

Total Utility Costs 2011– 2013

Year	Total Cost ($)	USE (MMBtu)
2011	$82,668.21	8965
2012	$96,383.89	8422
2013	$88,894.92	8554



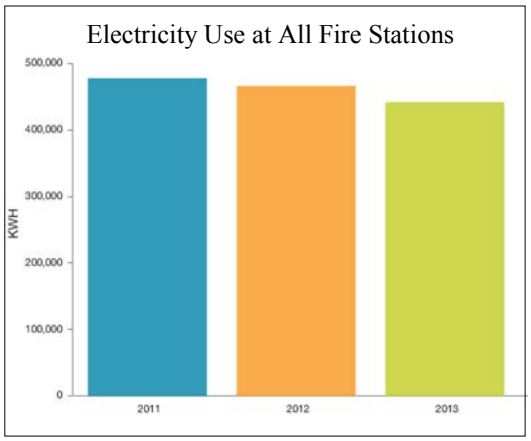
Fire Stations Utility Costs 2011-13

The information on the chart and graph above represents the six fire stations. Fire stations are unique facilities in the City due to their kitchens, sleeping quarters, and twenty-four hour use. Their specialized equipment bay must also be maintained in a tempered condition to maintain equipment in a ready state.


Fire Department: Firefighters and energy managers

The average fire engine gets 3-5 miles per gallon. Emergency driving conditions such as hard starts and stops, challenge the equipment making them expensive to maintain. Fire Station Engineers are cognizant of their use, even as they perform their primary duties of serving the community.

Fire Department Electric Use Decreases Three Years in a Row



Year	Use (kWh)
2011	477,606.00
2012	465,717.00
2013	441,686.10

Beginning in 2012, the Fire Department, under Chief Doug Hall's direction, began a campaign to actively manage their energy use at all six fire stations. It was a task shared by all of the firefighters in the stations. By changing operational procedures and remaining diligent and aware in their own use of energy, all of the fire stations contributed to a significant decreased use and cost.

In addition to the direct reduction in electric use, during the energy management utility review, two stations were able to change their actual electricity Xcel Energy rate which is continuing to save the City thousands of dollars.

In the graph to the left, the actual electricity costs for the fire stations are shown. They were able to save about 42,000 kilowatts or about $10,000 over a typical year, when other City facilities saw increases. Great work!

Doug Hall: Fire Department Chief and an energy manager

Fire Chief Doug Hall is partially responsible for the energy conserving successes in 2012 and 2013. As a Department Head, Chief Hall takes his role as an energy manager very seriously. We sat down with Doug to better understand how he fulfills this duty:

Doug, as a Department Head, how do you see you role as an energy manager?

It is my job to establish the vision and set the strategic expectation in how the department will move forward in participating with this program. To accomplish this, I delegate to appropriate staff the responsibility to establish performance expectations.

How have you encouraged your staff to manage their energy use at the stations?

Station Captains and Lieutenants have this noted as a performance expectation in their respective annual performance appraisals. I also communicate the departmental program objectives to all department employees. We also provide all supervisors periodic reports of the progress made in achieving established objectives.

What kind of changes have you seen?

Fire Department employees are more aware of energy management practices. When visiting stations, I have observed fewer lights are left on when employees are out of the station and/or rooms. Also, I no longer observe the air conditioning on while exterior doors are propped open.

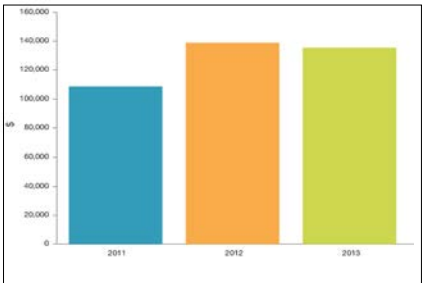
How does energy management connect with your Department's mission?

One of the objectives associated with the Fire Department mission is to continually evaluate Fire Department activities, programs, and services to ensure each is delivered as efficiently, effectively and with as much equity or value as possible. Continually focusing on better energy management contributes to the desired objective, and ensures continued success will be realized.

"...every employee is in one way or other, an energy manager."

At a Glance: Public Safety

Year	Total Cost ($)
2011	$108,555.74
2012	$138,783.77
2013	$135,450.63



Public Safety Center Energy Costs

The Public Safety Center (PSC) houses the entire Police Department offices, and the administrative portion of the Fire Department. As a stand alone office building of 76,000 square feet and in use 24/7, it is a good benchmark for a high-use lower impact facility. In the fall of 2012, the Public Safety Center, and more specifically in the Fire Administration part of that building, energy was further managed through scheduling changes to the Building Automation Systems that puts portions of the building into comfort setback modes that relax temperature and fresh air requirements.

Total Fuel Costs

The Police Department is unique in that most of the time more than three-quarters of their staff is on the road. In this department, the vehicles are the offices. More than any other department, fuel use is a significant factor in Public Safety. The chart to the right breaks those services down.

2011, 2012 & 2013 Combined	Cost	Fuel Use	Miles	Cost/ mile
Professional Services	$11,212	3,835	94,836	$0.12
Neighborhood Services	$53,213	18,225	235,726	$0.23
Records, Evidence	$1,103	378	8,847	$0.12
Investigations	$106,871	36,696	739,819	$0.14
Communications	$1,836	629	9,080	$0.20
Patrol Admin	$972,481	333,328	3,998,471	$0.24
Traffic Services	$21,478	5,741	183,107	$0.12

Police: Interceptors replacing Crown Victoria and decreasing costs:


Interior of the Ford Interceptor

It's the iconic cop car: The Ford Crown Victoria. But after about two decades, Ford stopped making the Crown Victoria Police model, leaving police departments across the nation to switch to new police cars. In Westminster, that is the Ford Interceptor. The new car handles better than the rear-wheel-drive Crown Vic because it's forward-wheel drive and on-board computers adjust the suspension, compensates for any loss of traction and adjusts if the car is going too fast around curves or corners. The Interceptor is smaller and a tight fit for officers, prisoners and all of the equipment. One feature of the new car is that many of the parts, including tires, wheels, suspension, engine and transmission, are the same, making part buying and use easier. The radiator and cooling hoses are made of aircraft-quality silicone, and rarely need replacing. Fleet division measures maintenance, fuel use and repair costs to create a cost-per-mile for each vehicle. Below is a comparison of two actual vehicles in our fleet - the Crown Victoria and the Interceptor.

	Mileage	Engine size (liter)	Horsepower	MPG city	MPG Highway	Cost/mile	Cost/year
Crown Vic	57,286	4.6	250	17	24	$0.39	$12,822
Interceptor	57,614	3.5	280	14	21	$0.28	$9,276

Perspective: Test Your Energy Knowledge:

A Tale of Two Buildings: City Hall is about 72,000 square feet, while the Public Safety Center is slightly larger at 76,000 square feet. These two buildings are close to the same size, similar uses, and nearly the same location. So they should have a similar utility bill, right?

Question 1: What is the annual difference in utility costs in 2013 for these two buildings? Hint: this isn't the total cost, just the difference between the two buildings.

A. $44
B. $440
C. $4,400
D. $44,000

Question 2: True or False: The utility bills at City Hall (the smaller building) are less than the Public Safety.

The correct answers are:

1. D. $44,000
2. False – Public Safety is bigger and cheaper.

Surprised? Here's why:

Building envelope: This is the area of the building that touches the outside weather. For example, City Hall has a lot of windows that have very poor insulation properties. In addition, City Hall has a large overhang on the north and west sides which creates a lot more surface area than if the building went straight to the ground. Typically, the building's envelope is the single biggest factor in the energy used in that building. Unfortunately at City Hall, there is another, even larger factor.

Mechanical System Design: You may know that the water side of City Hall's HVAC design is very efficient. Conversely, the air side (where the cooling/heating water conditions the air temperature) is very poorly designed. Equipment is located in a manner that creates often conflicting conditions where some equipment negatively impacts other equipment, often heating and cooling the same air at the same time. This is likely the biggest factor in higher energy costs at City Hall.

Building Uses: For much of the four day work week, City Hall is jam packed with activity. More people, more energy used. At the Public Safety Center, while portions of it operate 24/7, much of the building is not used to that extent.

Weather: We have already established that weather is a factor in all our buildings. If the building envelope is the most important factor in a building's performance, it is because weather is the primary influence. With a poor envelope that gets worse with age, a hot summer multiplies the impacts to the cooling system by both increasing the heat inside the building and reducing the effectiveness of the cooling system through leakage.

Consider this: The design decisions that went into these two buildings continue to drive the energy costs on a daily basis. We can not go back and redo the design; we must manage with what we have. That $44,000 per year difference between the two buildings equates to additional patrol vehicles, replacement computers, Parks programming opportunities, or any of the other hundreds of better uses of taxpayer money. In every case, the cheapest energy is the energy that is not used.

The Past Three Years:

In the 2012 Comprehensive Energy Report, just as in this report, we projected a three year look ahead into the projects and programs we were working on. To start this section on the past three years, let's take a look at the plans we had and see how we did in accomplishing them.

The Power of Utility Bill Tracking:

In 2012, we had just implemented utility tracking software that promised to streamline our bill payments, capture and report energy use data, and maintained a database of historic energy use. Today, that system is delivering on all three of these areas. The bill payment portion has been working well with less billing errors, quicker response on the errors that do occur, and a streamlined payment system that has significantly reduced staff time across all departments. The energy use and reporting modules are also working well as evidenced by the more accurate and complete data contained in this report. This software runs on the internet so every employee, supervisor, and department has access to this information. It was a part of the success of the energy management plan at the Fire Department, as the Fire Station Captains were able to log in to see how they were doing. Education and staff training on how to access and utilize this system is still ongoing across all departments.

Increased Building Automation Systems in Facilities:

In 2012, the energy management strategy included increasing the number of buildings that could be controlled through a Building Automation System (BAS). BAS allows Building Operations staff to remotely effect building interior conditions for comfort, troubleshooting, and important trends in equipment use. The following facilities are currently using BAS: City Hall, Pubic Safety Center, City Park Fitness, City Park Recreation Center, Municipal Services Center, Irving Street Library, and the Department of Corrections (leased building). Having this system in place reduces the need for additional trips by our technicians, increases the comfort of occupants, and allows for increased use of temperature setbacks that save energy. Since 2012, BAS was installed at the Heritage Clubhouse. Other buildings were slated to have building automation added, but due to the Energy Performance Contract Phase III not occurring (see Ameresco Preliminary Energy Audit, Page 21), these buildings have yet to have this feature added. The strategy remains, and other facilities will be added as funding allows.

The existing BAS in our major facilities, such as City Hall, are also scheduled to be upgraded in upcoming years. These upgrades take priority as they are necessary to maintain the best working environment in these facilities.

Biodiesel in Fleet Vehicles:

In the 2012 report, we reported that biodiesel would be investigated as a portion of the Fleet fuel program. This option has been investigated and was determined to not make financial sense due to the high cost of these fuel types, infrastructure costs like tanks and balancing valves, and the inconsistent local supply.

GPS tracking :

Global Positioning Systems in fleet vehicles was also promised to be investigated in the 2012 CER. This project was implemented in 2014. You can find more details relating to this project on page 29.

The Past Three Years:

Investigation of Alternative Energy Opportunities Citywide:

In 2012, City Council requested an investigation into the alternative energy opportunities citywide. This included Renewable Energies (RE), such as solar photovoltaic, solar thermal, and wind generation; Alternative Energies (AE), such as combined heat and power, compressed natural gas fueling, and micro-turbines.

A quick but thorough investigation of alternative energies citywide revealed a short list of opportunities. Westminster, the geographic, natural resources, and physical conditions are very limited. The following section lists the alternatives that are no longer being investigated; including a brief explanation of the technology, its constraints, and the rationale for it's dismissal. Some of these opportunities may be available in the future if certain conditions change.

The Approach: Financial Sense And Environmental Benefit:

When evaluating alternative energies, several factors are considered. Two of the most important are the long-term financial and environmental impacts. Financially speaking, a project is considered viable if the costs to implement and maintain the proposed system is either less expensive than the traditional system or slightly more expensive but renders significant environmental benefit over time. Similarly, it is considered environmentally viable if it creates reduced greenhouse gas emissions or other reduced environmental impacts while maintaining a reasonable return on investment. In all cases, energy efficiency is paramount. Using less energy contributes to both economic and environmental benefits.

Large Wind Generation:

When you look west from City Hall, the National Renewable Energy Laboratory's (NREL) National Wind Technology Center is directly in view. This facility is a testing laboratory for new and innovative large wind generating turbines. With this unique facility so close by, it might seem intuitive that Westminster may be a candidate for big wind generation. But in fact, the laboratory was selected for this location precisely because it has poor wind conditions. If you look closely at the photo below, you can see a notch or gap in the mountains at the foothills called Coal Creek Canyon. On a typical day, the winds from the west come howling down the canyon some of the time, and later reverse itself and blow back into the mountains. NREL uses this facility to test wind blades under these extremely harsh and changing conditions. Large wind generation requires steady, strong winds to make economic sense and longevity.

For this reason, large wind generation does not make sense for Westminster.

The natural notch in the front-most mountains create the gusty, changing winds that support scientific turbine research

Micro-hydro Generation: This is an alternative way to create electricity. We are familiar with old saw mills that can generate electricity. Here, the idea is similar, except the wheel is inside a pipe and that turning wheel creates electricity. This technology has been in use in City of Boulder water utilities for decades. There, the eight micro-turbines are used to produce electricity as the water comes down the mountain in Boulder Creek. Unfortunately, there is an inadequate elevation change from Standley Lake to Semper Water Treatment Plant to have any need to reduce the pressure or turn a turbine adequately.

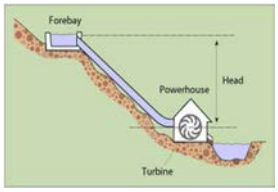
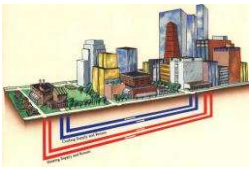


Diagram of a Micro-hydro generator

Combined Heat and Power: Combined Heat and Power (CHP) is a technology that burns (typically alternative) fuel and uses that fuel to create both heat and electricity. This alternative generation type requires either a nearby need for high temperature gas or an abundant local fuel source. A few of these power generating plants began to operate during the pine bark beetle epidemic with varying degrees of success. Another way to utilize this opportunity is by burning methane such as at the wastewater treatment facility. Neither of these opportunities for heat-use or local fuel are currently existing in Westminster in significant amounts to offset the investment.

Typical packaged CHP generators

Geothermal Cooling Besides City Hall: As part of the Geothermal project (See page 33) staff has investigated the viability of using similar technology at other City facilities. City Hall uses a cooling technology called the "heat pump" that allows the use of water to cool the air indirectly but efficiently. No other City-owned facility uses this equipment type. Unless this type of HVAC equipment is installed in the building when first constructed, it is usually not worth changing the equipment at a later date as it requires substantial system-wide changes.



District Energy at Westminster Center: District Energy (DE) is a way to combine the heating and cooling systems of several buildings using a central plant. It is a common design at most college campuses, and is considerably more energy efficient than typical stand-alone buildings. The use of a District Energy system was contemplated for the Westminster Center as it reduces first-costs to developers, creates long-term energy savings, and offers more useable space to tenants.

A rough-order investigation by an outside leading engineering firm revealed a good ROI overall, but cited phasing issues as one challenge. In addition, there is thought to be little local interest in the incentives it creates for developers, and securing a private DE developer is an unknown. A DE system would likely require significant up front investment by the City with a long-term payback period; and would add another challenge to an already complex project.

On-Site Solar Photovoltaic (PV): As part of the Ameresco Preliminary Energy Audit (see next section) staff investigated several solar PV opportunities across the City. Sites exist, with some constraints such as proximity to an adjacent energy-using facility; and further investigation into the financing also appeared positive for the City from day one when combined with Xcel Energy's Solar Rewards incentives. These Solar PV opportunities failed to materialize however due in part to the Xcel Energy incentive program which ended while location constraints were being identified and vetted. Without the Xcel incentives, the solar power costs significantly more than grid-purchased power. If Xcel incentives or pricing changes, these opportunities will be reinvestigated.

Ameresco Preliminary Energy Audit

In 2013, a third phase Energy Performance Contract was contemplated with Ameresco, Inc., a leading Energy Services Company offering energy performance contracting. Performance contracts were successfully conducted for Westminster in 2007 and again in 2010. These contracts implement energy-efficiency projects by leveraging the savings from each project as the primary financing mechanism. The first step in the process involves conducting a preliminary energy audit on City facilities. The scope of the study included three parts:

- Energy Audit of General Fund facilities.
- Energy Audit of Public Works facilities.
- Investigate solar PV opportunities citywide for location and economic feasibility.

The study revealed relatively little savings opportunities. Several are worthwhile, but not with a good enough margin to recover costs through the savings. This challenged the financing model of guaranteed energy savings offsetting capital, profit, and financing costs.

The lack of opportunity was not a surprise, we knew the savings would be limited as this is our third performance contract. The on-site solar PV opportunity that existed at the time would have added revenue to the project— enough to cover the gap. However, because the savings opportunities were relatively small (and the solar incentive program was closed) the next step audit was not pursued.

There is good news here. The energy audit revealed that, according to an independent party, our facilities and water utilities are in good shape energy-wise. That said, several projects were determined to be valuable, and staff has included those projects for self-implementation as future CIP projects if funds become available. These project recommendations are the blueprint for future energy efficiency projects.

AMERESCO
Green • Clean • Sustainable

City of Westminster Employee Solar Discount: Solar Benefits Program

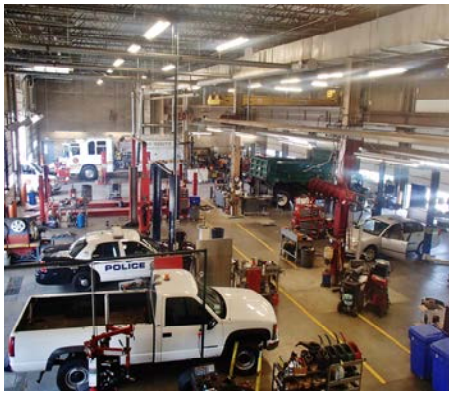
May-November 2013

In partnership with the City and County of Denver, Boulder County, State of Colorado, Colorado Executive Board and other municipalities, the City of Westminster took participated in a program to use volume purchasing benefits to offer City employees discounted pricing for solar panels on their homes- whether those homes are in the City of Westminster or not. The program was later expanded to include friends and family in partnering organizations. The program resulted in the cheapest per kilowatt installed costs across the State of Colorado.

For Westminster, the program resulted in 4 installed systems creating 33.2 kW of solar power for employees and a total of 350kW across the partnership. This program is currently planning to be expanded as described on page 36.

A Look Back: Fleet Alternative Energy Fuel Study

In 2013, an extensive investigation into the opportunities in the Fleet Division for the use and service of alternative fueled vehicles was completed. A copy of the complete study is available upon request.



Inside the Fleet Division facility, technicians repair several different types of complex equipment

Conducted by an outside consulting firm, Anteres Group Inc., the study analyzed the following factors:

- current and future fleet vehicle needs
- alternative fuel prices and local availability;
- infrastructure and technical training;
- prices for current and likely future traditional fuels;
- existing grants and other financial incentives.

Fuels investigated included:

- compressed natural gas (CNG)
- electricity
- liquid propane (LPG)
- biodiesel
- bio-fuel (ethanol)
- hybrid technologies

Recommendations from the Study:

This study concluded the current costs to fuel and maintain the Westminster Fleet are below the average when compared to other similar sized fleets. In other words, we are doing a good job of maintaining low costs.

It also concluded that the use of alternative fuels for fleets are not currently practical. In many cases the cost for infrastructure, training, and additional equipment outweighed the costs of traditional technologies by a wide margin when looked at for our particular fleet needs.

In addition, specific future fuel price points were recommended as possible times to reopen the alternative fuel investigation.

Another recommendation from the study supported the continued development of hybrid and hybrid-electric technologies. These vehicles are cheaper to operate overall, and are embedded in the long-term vehicle purchase plan.

Finally, the study also revealed a significant opportunity for reducing idling times across the citywide fleet, if the idle time could be measured. This recommendation has been implemented in the GPS project discussed later. (see page 29).

Heritage Clubhouse Heating and Cooling (HVAC) Renovation Project:

The Heritage Clubhouse project included several goals:

- Addressing pre-existing comfort issues due to undersized HVAC equipment and duct-work.
- Addressing the potential of exposed fire-sprinkler pipes freezing in winter.
- Addressing freezing pipes in bathrooms with outside access on the south side.
- Adding a heating/cooling controls system to troubleshoot issues quicker and cheaper.
- Saving energy.

The design team, Farnsworth Group Inc., investigated three options:

- Option 1: Adding additional cooling equipment
- Option 2: Using alternative cooling by utilizing the lake behind the Clubhouse
- Option 3: Replacing the existing system with a high efficient "split-system"—similar to what was already in place but with greater efficiency

The table below captures the lifecycle cost analysis. After the analysis was complete, the answer (Option 3) became obvious: mid-range first costs and greater long term performance. But without this lifecycle investigation, our choice would have been Option 1 as it offered the lowest first-cost. The complete LCA study is available upon request.

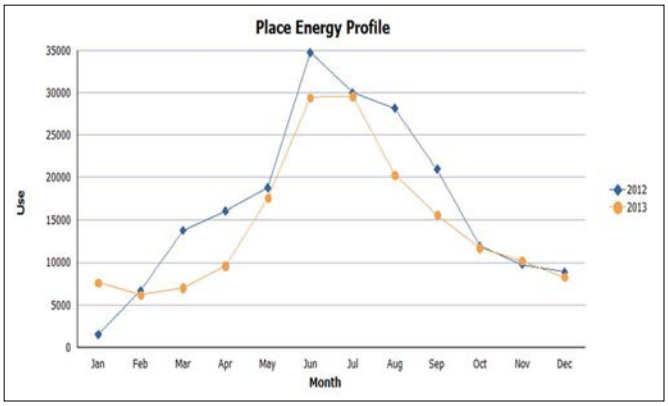
Estimates of Economic Performance of Three Designs *

Options	Capital Cost	Efficiency Cost	Savings	Payback in years	Return Rate	20 years LCA
Option 1: Typical Upgrades	$175,769	$0	$0	N/A	0%	$887,027
Option 2: Heat Pumps	$309,847	$134,078	$11,799	11.4	8.75%	$823,763
Option 3: Split System	$215,096	$39,327	$11,650	3.4	29.40%	$731,939

* Option 3 has proved to be less efficient than projected by about 4% due to a necessary change in design while construction was underway. See below.

The project was a success. We were able to upsize the existing HVAC system, install additional heaters for bathroom piping, air-monitoring in the cart barn, and enable controls to monitor the possibility of freezing pipes in the attic.

Although the project promised a greater return than was actually achieved, it is likely to be the result of late-construction changes due to the building's physical constraints. This required additional equipment to be installed and reduced the 3.4 year payback to about 7 years which is still better than Options 1 and 2.



The graph above shows electricity used before and after the project. The work was substantially complete in February 2012. This is a 16% decrease over the previous year. The weather is likely to be a beneficial factor of about 4%.

Focus on Community Development: Westminster Designated as a "Solar Friendly Community"

The Solar Friendly Communities project helps citizens go solar by working to make rooftop solar permitting:

- easier for local governments,
- faster for solar installers
- and less expensive for residents.

By bringing down costs, they encourage the spread of a locally powered, job-creating energy source that has no fuel costs and produces no pollution.

Westminster's Building Division of the Department of Community Development submitted an application to be designated as a Solar Friendly Community, based mostly on our existing practices that encourage this alternative energy source. Designation is earned through a point-system of best practices and awarded as designated, silver, gold, or platinum.

In July of 2014, Westminster learned it had achieved enough points in the Solar Friendly Communities certification program to be designated as a platinum level Solar Friendly Community. Westminster has earned 1400 points of 1600 possible in the 12 steps of the Solar Friendly Community program and thus becomes the first community to earn platinum recognition through this program. Way to go!

Thank You! City Council helped in this successful review process by providing clear support for solar power for our residents in the Strategic Plan, an element of the evaluation criteria.

Westminster's Roadmap to a Solar Friendly Community:

There are 12 best-practices toward Solar Friendly Community Designation. They include:

1. On-line checklist resource for residents.
2. Limited paperwork with standard permit template.
3. Streamlined permit review process.
4. Quick-permit approval process established.
5. Clear and reasonable charges for permitting.
6. Limited reasonable City inspections.
7. Standard certification, licensing requirements for installers.
8. Provide specific installation requirements checklist.
9. Specific installation inspection times.
10. Citywide tracking of installations available to the public.
11. Adopt ordinances that encourage solar installations.
12. Educate residents on financing options and benefits.

Solar powered Weather station and irrigation Controller at 94th and Lowell

The old weather station and controller. The weather station is mounted to the pole.

Background: The existing irrigation meter and weather station are powered through electricity supplied by Xcel Energy. The weather station provides wireless signaled controls to thirty-five irrigation controllers in that geographic area of the City. The existing system needed to be removed as a portion of the 2012 Small Drainage Improvement project at 94th and Lowell Ave.

The new solar powered weather station and controller. (weather station not shown)

Because the existing system had to be removed for an extended period of time and because the weather station controls several irrigation meters in the area, a solar powered, non-grid tied system was sought. This would enable the system to be powered independent of Xcel's system to maintain the landscaping.

Marty Chase, Contract Maintenance Specialist and an energy manager

Based on estimates, the solar controller costs less than the cost to relocate the meter, and later reconnect to the electrical grid. In addition, the cost of the monthly electricity and the base billing charges add up. With no connection to the grid, the solar-powered irrigation controls add nothing to the City's utility bills.

Although the savings contribute in a small way, (estimated $3,000 over the ten year analysis) it represents the benefits of investigating alternative project solutions. It also demonstrates the effort on the part of Marty Chase, Contracts Maintenance Specialist, to manage energy and costs on behalf of the City.

The COW has Goats!

The City's newest seasonal employees, a herd of goats, are doing what they do best, eating noxious weeds. The practice of using sheep and goats to clear out unwanted brush is called targeted grazing, and many government agencies, municipalities and private landowners are using it to keep vacant lots, steep back yards, parks and rights-of-way clear of brush. They've proven to be a low-impact, low-cost way to control noxious weeds.

These goats are part of the Herd; feeding in Big Dry Creek Open Space.

Animal mowing actually retards re-growth because the animals' digestive systems sterilize the seeds. The use of grazing animals is the least-toxic solution for weed management. Goats are extremely efficient at eradicating weeds, and are more environmentally sustainable than using pesticides and chemicals. Using goats also eliminates fuel costs and the fumes from gas-powered mowers. Plus they're much cuter than a lawn mower.

Westminster's goats are currently grazing on greener pastures outside of Westminster, but they will return next spring to continue doing what they do best: eating noxious weeds and saving Westminster energy and money. And we're not Kidding!

LED Streetlights: Update

Staff has been evaluating the possibility of transitioning the street lights to more efficient technologies, in an effort to reduce energy consumption and better manage the nearly $2.5 million a year spent on energy and maintenance for the operation of street lights in the City. LED technology is of particular interest.

The City has approximately 8,000 street lights, and most of these are owned by Xcel Energy. These lights are primarily 150 – 400 watt high-pressure sodium bulbs, which require replacement every 2-3 years. LED lighting technology would use approximately 40-60% less energy and require replacement of the lights only every 10 years. This has the potential to significantly reduce the current costs of energy and maintenance for street lighting. However, Xcel Energy does not currently offer this light product.

In 2010, after partnering with other front range municipalities, staff from several City departments helped to successfully established a Energy-only Street Light (ESL) and Metered Street Light (MSL) rates through the Public Utilities Commission.

In 2011 Staff also pursued test sites for LED lighting installations and are researching the possible acquisition of the City's street lighting network where practical.

In 2012, a lighting standard for Westminster City streets was completed and adopted. This includes a requirement that streetlights use LED technology and are turned over to the City upon construction completion.

In 2013, the first permanently installed LED lights were installed on 98th Ave between Sheridan and old Wadsworth Blvd. Additionally, the City is in the process of installing over 200 LED lights on US36 as part of the Managed Lanes Project.

Take Home Vehicle Policy Review:

Historically, there were several City fleet vehicles that were considered "take home vehicles" for certain emergency positions including weather events. This policy was reinvestigated in 2013 and each vehicle was reviewed using these three criteria:

1. Distance from work to home (added mileage accruing)
2. Likely need to drive in emergency including special use vehicles such as small snow plowing pick up trucks
3. Costs versus mileage reimbursement if a weather emergency occurs

The review decreased the number of take home vehicles citywide by fourteen– further saving the City fuel and maintenance costs by decreasing the miles these vehicles travel. In lieu of take home vehicles, staff are reimbursed for mileage when emergencies do occur.

Focus on: City Manager's Office: Stewardship Fund and Lifecycle Cost Analysis

Cross-Departmental Teams Support Lifecycle Analysis

In 2010, all design and engineering Requests for Proposals over $50,000 were updated to include lifecycle cost language in the selection of firms and their expected design considerations. This helps to insure that lifecycle analysis is completed early in the conceptual design phase.

In 2013, staff from City Managers Office, City Attorneys Office and General Services Departments revised the contracts to include all design and engineering contracts themselves– above and below $50,000— to add further assurance that LCA would remain a consideration throughout the design phase after contracts are in place. The requirement itself only applies to projects with on-going energy consumption after project completion. However, staff are also using this total costing technique to inform decisions on material selection and service contracts, once in place.

This long-term focus on costs, and investigation into design alternatives creates a mechanism for transparency in decision-making and an increase in innovation.

Future Focus: Public Works: Pressure Zone 4 Water System Improvements

Water Pressure Zone 4 is located in the west-central portion of the City, east of Standley Lake, and serves approximately 1,460 customers. This section of the City is served by only one pump and it currently does not have a backup pumping source. This represents a vulnerability to the City's ability to provide adequate water service to its citizens.

In 2011, a preliminary option for providing backup water to Zone 4 was to build an additional pump station. However, in 2012 the Utilities Engineering group of Public Works and Utilities investigated an innovative alternative to build a 9,000 foot pipeline from existing pump station facilities in a separate pressure zone. This interconnect pipeline accomplished the goal of providing redundant water supply with none of the electric or maintenance costs associated with a new pump station.

Construction of the interconnect pipeline began in October of 2013 and is anticipated to be completed in September of 2014, affirming that Public Works and Utilities is committed to providing energy efficient projects and saving the City long term costs.

The new interconnection pipe (shown here) is expected to be complete in September 2014.

Parks Services Increase Wild Grass Areas and Reduces Energy Costs:

A tremendous amount of energy goes into the maintenance and upkeep of Westminster's parks, from gasoline to fuel vehicles and equipment, to the water and pressure needed to irrigate acres of grass. In addition, the local environment is trending toward lower precipitation that puts pressure on public water supplies, especially when a substantial amount of these resources are used to irrigate turf on public and private lands. Parks, Recreation and Libraries is the largest single user of the City's potable water distribution system even though it only accounts for 3.1% of all water deliveries by customer category.

In 2010, City Council approved the Resource Management Plan (Tiered Maintenance for Parks) which is based on an evapo-transpiration (ET) irrigation management system to maintain the 640 acres of bluegrass parks. In addition, Park Services has begun converting some areas of bluegrass to a drought tolerant/native seed mix that would reduce water and maintenance needs. Three pilot parks were selected and converted to native grasses. This allowed staff to gauge best management practices and better understand public response to such a change.

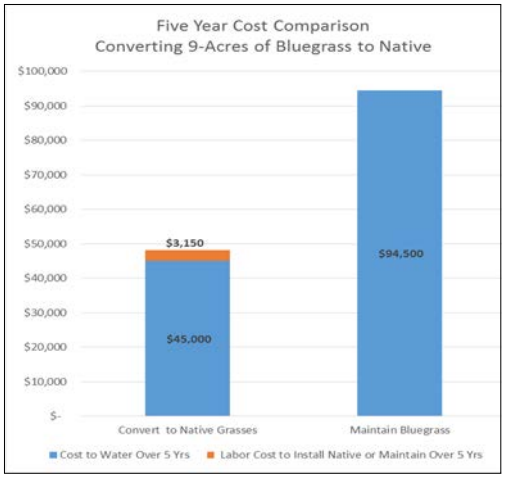
A Little Perspective: In 2005, the Department of Parks, Recreation and Libraries used 215.9 million gallons of irrigation water at a cost of $863,675, and in 2012 this number grew to 319.3 million gallons and $1,362,975. Between 2005 and 2012, water costs rose by $700/acre due to increased water rates (18%) and additional fees, while the park system grew by 65 acres (5 parks). Additionally, weather patterns that were "out of the norm," such as the 2012 drought, contributed to increased water consumption.

Westfield Village Park - 2013

Armed Forces Tribute Garden - 2013

Legacy Ridge Golf Course - 2013

In 2014, to reduce irrigation costs, three pilot projects were launched converting bluegrass areas to native and drought-tolerant grasses. Pilot parks for this conversion process include Kensington, Oakhurst Phase II and England Park. Staff estimates it will take two to three years to establish conversion areas to their fullest potential. When compared over a 5-year time period, the water costs of native/drought tolerant grass is substantially less than bluegrass once the native grasses are established (after year three).

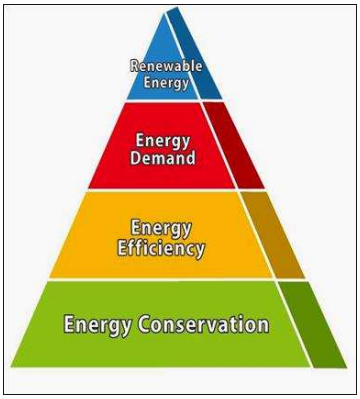


These areas must be closely monitored for weed control and seed mix success. Over-seeding on a yearly basis and supplementing with swaths of wildflowers will also improve the overall look of the conversion area. In addition to the status of the land, Staff will also track any concerns or comments received from residents. Without Parks Services aggressive conservation measures, the City would have continued to spend increasing funds to irrigate bluegrass areas in parks.

The next three years:

Over the next three years, energy management strategies are aimed at continuous improvement within the City's operations, forward-thinking lifecycle analysis of several upcoming projects, and developing programs available to the wider Westminster public. It is important to understand the approach we are taking.

The Approach: The Energy Pyramid



Investing in projects to reduce our reliance on traditional fuels is good. It saves money and reduces our impacts on the environment. But not all investments are equal in value. The energy pyramid puts these potential investments onto a spectrum that demonstrates higher and lower yielding investments (both financial and environmental).

Conservation relates to the building envelope for existing and new projects. This strategy seeks to use less energy through better insulation. Steps taken for this reason benefit all the other strategies.

Efficiency typically describes equipment, technology and process changes that reduce energy use. Unlike conservation which is a passive approach, efficiency tends to reduce the ongoing use of utilities through better design. Preventative maintenance is included in this category.

Energy Demand addresses the time and quantity of electricity used at a given facility. In many cases, changes in schedule can reduce costs even without reducing the amount of energy used. The opportunities for these strategies are limited however because of established norms, like business hours and occupant comfort.

Alternative and Renewable strategies include solar PV, wind, biofuels, and other energy generating opportunities. These strategies are often more expensive and have longer financial returns, but the environmental benefits are many times greater, because it reduces our reliance on polluting technologies and foreign resources.

Fleet Vehicle GPS:

The Fleet Alternative Fuel Study identified a significant opportunity to lower costs and reduce carbon emissions by reducing the idle time for City vehicles. Operationally this can be a challenge, but with a Global Positioning System (GPS) monitoring on board, the technology exists to measure and report on idle times. This provides a new tool for managers to better maintain costs by reducing unnecessary waste.

A GPS Program measures idle times when vehicles are running but not moving for a significant amount of time. It then transmits this data, via satellite, for continuous tracking in near real-time. Public and private organizations who have implemented GPS in their fleets have witnessed a marked reduction in unnecessary idle times through user awareness. For Westminster, this would mean annual savings in the tens of thousands of dollars each year.

In 2013-14, with input from all Departments, staff implemented a GPS system in 180 of the fleet vehicles according to vehicle type and use, for the maximum reduction in idle times. This system is newly implemented and data is being continuously collected. In future Comprehensive Energy Reports, more detailed information will be offered.

The purchase and installation of the GPS units had several ripple effects that, although not necessarily saving energy, they are saving money for our community. A few of these are listed below.

GPS Ripple Effects: Driver Safety

A GPS system collects data on a range of items including speed, stops, power on/off, traffic conditions, weather and, of course, idle time. This date stamped information is useful in managing many aspects of risk and liability such as:

- employee driver safety;
- provide admissible evidence in the event of litigation
- monitor driver habits, performance, and location
- reduce insurance liability
- reduce service response times
- reveal operational efficiencies

As demonstrated in other organizations, we believe that this increased awareness about the driving habits of the drivers on these vehicles will continue creating a culture of safety throughout City departments. In the long run, we expect this will decrease the number of claims, accidents, and protect the City from unsubstantiated or misinformed claims.

GPS Ripple Effects: Grant Funding the GPS Program:

A partnership with the Regional Air Quality Council staff enabled staff to secure Federal Congestion Mitigation Air Quality grant funding that reimbursed the City for 70% of the costs for the purchase and installation of the GPS devices on fleet vehicles.

In addition, the City's portion of the remaining 30% was offered through in-kind contributions such as staff time in planning and training– soft costs the City already manages, saving the City about $55,000. And that is before any fuel has been saved! There is an on-going maintenance fee for the software that is expected to be many times less than the fuel savings when compared to pre-GPS usage. More air quality and fuel-savings programs are currently planned with Regional Air Quality Council as described in upcoming pages.

GPS Ripple Effects: DOT Inspection Compliance:

The Department of Transportation has regulations in place to insure pre and post trip vehicle safety inspects. These are typically daily quick inspection of the vehicle by the Commercial Drivers Licensed (CDL) drivers themselves. Signed inspection reports are required by federal traffic safety law.

While investigating the various features of GPS products, staff became aware of electronic systems that monitor and track each of these inspections using the same GPS communication technology. Further investigation revealed that this would enhance our drivers compliance with the DOT inspection regulations and better protect the City and its employees through electronic reporting stored on an on-line database.

The Electronic Vehicle Inspection Report (EVIR) system is an addition to the GPS system originally contemplated and saved the City an additional 75% compared to acquiring two systems separately. Now implemented, the EVIR system streamlines required inspection, monitoring, and reporting for all City-owned CDL vehicles.

GPS Ripple Effects: Preventative Maintenance Savings:

Every vehicle has a computer "brain" that operates the vehicle and maintains optimal conditions in the engine. As any "check-engine" indicator, it can flag potential and real issues with the vehicle. One other feature of the GPS program is the ability to communicate these vehicle conditions in near real time.

If a check-engine light goes on in the cab of a truck, a message can be sent directly to the operations personnel to warn of the malfunction, such as a clogged air filter, elevated temperatures, or fan failures. Fleet staff is then able to order the part and schedule the repair; in some cases, before the driver is even aware of the problem. This is expected to save money by reducing staff down-time and decreasing repair time. Actual results will be provided as data is gathered.

Solar PV Arrays Purchased From Main Street Power Company

The City does not currently own any Solar PV assets. As you may know, the City has four medium sized arrays on four of our larger facilities. Since their installation in 2009, the City has been paying a third party, Main Street Power Company, Inc., to buy the electricity generated from the arrays at prices cheaper than Xcel Energy. The agreement is called a Power Purchase Agreement, and after the sixth year, the system becomes available for purchase by the City.

Preliminary analysis indicates there would be significant net savings greater than the capital and financing costs for acquisition. Staff is setting aside CIP funding for the potential purchase of these systems in 2015, and will inform Council of the details of the purchase when they are known.

Building Operations: LED Lighting Retrofit Program

The Building Operations Division is embarking on a five-year ongoing light replacement program at all City facilities. The program, using incremental amounts of operational funds, will slowly shift funds from existing ballast and lamp replacements to new LED lights, using a building-by-building group-lamping strategy. This maximizes staff time, Xcel rebates, and volume purchasing discounts, while reducing the need for extra inventory. In the end, it is paid through cost-savings over current maintenance practices. Don't be surprised when you see new lights at recreation centers and fire stations in the next year.

Focus on Fleet Division:

Jeff Bowman, Fleet Division Manager, is responsible for several of the energy savings projects in this report. We sat down with him to find out what motivates his efforts:

Jeff, tell us about the General Services Fleet Division: We have about 10 staff members, working staggered shifts Monday -Friday, from 6 am – 5 pm. Annually, we manage 350,000 gallons of fuel, 550 vehicles and equipment, generating 3,300 work orders for repair and maintenance a year.

What experience did you bring to Fleet when you were hired? After working for the City of Colorado Springs and Colorado Springs Utilities for 21 years combined, I learned many lessons related to fuel quality, and alternative fuels. Being a military city, Colorado Springs was very focused on fuel use, as it related to global resources and the importance of keeping a steady fuel supply for its military citizens. Diesel fuel consumption was very high, so an aggressive bio-diesel program was put into place in the early 2000's. At that time, diesel fuel was 10% soybean oil based. There was a steep learning curve regarding fuel quality early in the program.

The program almost failed with one negative delivery event, but higher fuel scrutiny & clear quality expectations, along with tank cleaning and vehicle filter management resulted in approximately 1M gallons of biodiesel used, saving 100,000 gallons of petroleum.

What are the best ways we can reduce our fuel consumption at work? Reduce idling and manage our trips effectively. We watch tire pressure closely and change air and fuel filters, because a well-tuned vehicle is necessary for fuel efficiency. The rest of the responsibility is up to our drivers.

How do you see your role as an energy manager? I look for opportunities for fuel-savings, without impacting City operations. That opportunity could be selecting certain vehicle types like an electric Volt; extending a vehicle's life cycle or modifying how a vehicle is used.

Partnering with the Police Department, we have extended the life of the vernerable Crown Victoria through a complete rebuild program, saving the energy related to the manufacture of a new car! In essence, these vehicles are getting two lifecycles and we expect over 210,000 miles before they are finally retired. Without this partnership, the program would have never gotten off the ground.

The City also has 19 Toyota Prius' on the road at an average cost of $.10 per mile compared to the Malibu at nearly $.27. Less than half price!

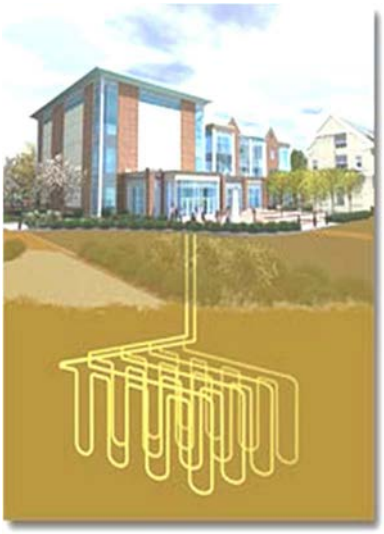
Jeff Bowman, Fleet Division and energy manager.

How does your team help with the effort? To manage an asset, it must be measured accurately. The Fleet Staff tracks vehicle information with accurate work orders and fuel data, so the "cost per mile" can be measured and improved upon. That, along with the good maintenance program already mentioned, is how we do it.

What are you most looking forward to in the next three years? With the recent implementation of GPS, fuel use can be managed even more effectively. Unnecessary idling is a waste of a very expensive resource. The ability to review how a vehicle is operated can have huge energy savings. I hope to see engine idle time reduced to just 10% of the total engine run time. In many cases, the vehicle is their office. We need to balance energy management and driver comfort.

Building Operations: Cooling with the Earth at City Hall

One half of the cooling system for City Hall works to remove the heat from the building. The other half moves air around to keep the building cool. The heat removing system needs to be replaced because it will no longer meet modern plumbing codes. After calculating the costs to build and maintain alternative designs, Staff has concluded that a geothermal option is the best choice.



Geothermal (ground heat exchange) systems use natural cooling available deep inside the ground to maintain comfortable conditions inside buildings. This same system will help reduce heating bills and deliver warmer water to the system in the winter. The heat expelled into the ground over the summer is then reabsorbed in the winter.

Currently, staff is working with engineers to design this system. It is a challenge because we are working toward reusing almost all of our existing equipment in a new way. Once in place, the expected utility and maintenance total costs will be about $230,000 less than the typical system in the first 20 years or $10,000 (and increasing) per year. After the geothermal cooling loop was identified as the best choice, other ripple effects became apparent. Some of these stories are captured below.

Cooling Loop Ripple Effects:
Parks and Utilities Divisions' Xeric Garden at City Hall

The future geothermal well-field at City Hall will cover approximately three-quarters of the north lawn of City Hall, and necessitate re-landscaping in this area. Parks Recreation and Libraries staff were asked to look at a cohesive plan to update the site. Upon completion of the ground-source system, this area is envisioned as a people-friendly demonstration garden showcasing a variety of xeric (low water-use) options for homeowners and businesses alike.

The Public Works and Utilities Department has been interested for several years in pursuing a demonstration xeriscape garden to help educate the public regarding options other than traditional high water-use turf grasses and landscape. This seems like an opportunity for the City to demonstrate our commitment to water conservation and public education, as well as making a large portion of the overall site more inviting for public use. Staff and funding from General Services, Public Works & Utilities and Parks Recreation and Libraries are all contributing to this project, and grant opportunities are expected to be utilized.

Cooling Loop Ripple Effects: Water Savings:

One of the most common and cheapest ways to cool large buildings such as City Hall, is through a cooling tower (pictured here). This device takes the heat away from the building by evaporating water into the air. Sounds environmentally friendly, right? Consider this: the commercial scale "swamp cooler" is designed to evaporate water into the air as efficiently as possible, often measured in gallons of water evaporated per minute. Per minute! Remember that this is not water that is recycled , but is truly evaporated into thin air and no longer in our water table.

A common cooling tower on a roof.

For a building the size of City Hall, that would amount to 550,000 gallons of water evaporated into the air per year. That is enough to fill the Westminster clock tower two times. By selecting a system which uses the earth's cool temperature to cool City Hall, we are saving that much water from leaving our local water system. The new geothermal loop will be a closed loop system that circulates water nearly a mile through the loop. If this system had been in the original design for City Hall, it would currently be about one-third of the way through its expected life.

Ice melt systems use warm water piping under the slab to maintain above-freezing temperatures.

Cooling Loop Ripple Effects: Future Ice Melt System at City Hall

Ice melt systems (a.k.a. heated sidewalks) are not known to be energy saving systems, and the one planned for the walkways on the City Hall front plaza is no different. Having the new system will increase the energy used at City Hall somewhat, but the ice melt system will also make the cooling loop more efficient in the summer. How is that possible?

In the summer, the cooling loop will pull heat from City Hall (hot in the summer) and place it deep into the ground. The ground absorbs that heat and slowly dissipates it. By the end of the summer, all of the City Hall heat is deep (400 feet deep!) in the ground. Normally, we would use that warmer water as preheated water going into a heating boilers in winter, or simply let that heat dissipate into the ground.

But we will have an ice melt system which will use every last bit of heat left over from heating the building and melt the snow. By the time that water returns down the first well, it will be very cold. So cold, in fact, that it will pull more heat out of the earth– making the cooling system even cooler (and more efficient) at the beginning of the summer cooling season. In addition, daytime solar gain will heat the ice melt loop which will be brought into the building. This reduces, and possibly eliminates the need for the heating boilers most winter days.

Ripple Effects: Simultaneous design brings more savings

The design for both systems is expected to be designed under one design contract with Beaudin-Ganze Engineers, Inc.

This allows the design team to use the efficiencies of the ice melt loop to reduce the number of wells needed. The cost for design is also reduced when compared to the cost of two designs.

Beaudin-Ganze is headquartered in Golden, CO and has received national awards for their geothermal designs.

Future Focus: Solar Gardens For Both Heritage and Legacy Ridge Golf Courses - Irrigation Powered By the Sun

A Solar Garden is a community shared solar array with grid-connected subscribers. Homes and businesses, even if shaded by trees, can receive a bill credit as if the panels were on their own roof using "virtual net-metering". The subscribers may purchase a portion of the power produced by the array and receive a credit on their electric bill. Utility customers, including residences, businesses, local governments, non-profits, and faith-based organizations, can all subscribe to the sun.

Westminster recently agreed to partner with Sunshare, Inc. to become one of the first local governments in the Denver metro area to subscribe to solar gardens. Headquartered in Denver, SunShare, Inc. is the nation's largest solar garden provider. More specifically, in the next several months, both Heritage and Legacy golf course irrigation systems will soon become fully powered by the sun. Other Parks facilities, Christopher Fields and Wolff Run Parks, will also have their nighttime baseball field lights fully powered by sun energy– virtually.

Purchasing this electricity indirectly through the utility grid will cost the City less than traditionally-sourced grid-power at these same locations.

There are a few variables that may change the rate of return in the long run, so this program comes with a few risks, but these variables are to our advantage in most scenarios. The savings is modest, but can be expected to increase as utility rates increase in the future. It demonstrates the City's commitment to reduce costs and support of alternative energy.

Community Development: Westminster Station Planning

Community Development has the challenging task of creating development projects that are successful for the residents, the businesses, and development community, while maintaining reasonable costs to the City. Add to that list, an important aesthetic need to create welcoming amenities while reducing maintenance costs and managing energy use. For the future Westminster Station at 71st Avenue and Federal Boulevard, staff is carefully balancing these sometimes competing needs through lifecycle analysis.

Some of these selections can be seen in the use of street and pedestrian lights; the solar PV infrastructure in the future parking garage; and even in the coatings on bridge panels and railings.

Analysis revealed that we can significantly add to the life of the metal through a change in the coatings on the original installation. In some cases a primer and finish coat can add 50% to the life of the metal for a 10% increase in first costs. The savings comes from the reduced need for ongoing maintenance.

Although it is very hard to quantify, the continuous efforts of Community Development to select designs that will benefit the community through careful long-term analysis and comprehensive planning will minimize costs to maintain these facilities.

Future Focus: Solar Benefits Volume Purchasing Discount Extended to Westminster Residents

Currently, the Public Utilities Commission (PUC) and Xcel Energy are considering changes to the residential solar programs in Colorado. If approved, the changes will set the stage for future residential solar cost increases across Xcel Energy territory. The sooner residents take advantage of current prices, the more likely they are to receive the benefits before expected price-increases.

In the future, we are working to expand the successful Solar Benefits program to all City of Westminster residents as well as City employees. Similar to last year's group-purchasing discounts, it is expected to offer some of the lowest cost residential solar installations available in Colorado and across the country to Westminster residents. This program is in the early stages of discussion. If it moves forward as expected it will further boost Westminster's status as a Solar Friendly Community.

Golf Courses: LED Lights are leading the way

Brian Carlson, Heritage Golf course Manager, was tired of having to spend so much time and money on light bulb replacements. His staff spends an average of an hour a week replacing some of the over thirty different lamp types at that facility.

After discovering the cost benefits of the LED light and their long burn hours (expected to be five to ten years), he quickly calculated the return on investment in LEDs. Currently, thirty-two can-lights have been changed, but more changes are expected in the future. Paid in part with the Stewardship Fund, this upgrade will allow Brian's staff to get back to what they are supposed to be doing – serving their customers.

One of these lights is 34 watts and the other is 9 watts. Can you guess which one? (see answer at bottom).

DOC Devices on Diesel Fleet Trucks:

A diesel oxidation catalyst, or DOC, is an after-market device, installed along the engine exhaust system that uses a chemical process to break down pollutants from a diesel engine. It turns the gases into less harmful components, similar to how a kitty litter box works.

In this case, we are removing significant amounts of Greenhouse Gases such as Sulfur dioxide, nitrogen oxide from the exhaust gas (above the EPA requirements). These devices do not change gas mileage and as such, are not benefiting fuel costs, but they are a benefit to the air.

DOC devices are going to be installed on appropriate diesel vehicles. They are expected to be 100% grant funded, costing the City nothing. This is through a partnership with the Regional Air Quality Council, and helps meet their emission reduction targets and Council's Strategic Goals. Several high-use diesel vehicles are targeted for the installation of a DOC in the next few years.

Answer: The light on the left is 9 watts.

The Next Three Years:

General Services Future Focus: Community Recycling Center

In 2012, the City Council reviewed plans to consolidate the City's five drop-off recycling locations into one large centralized recycling center located at the old England Water Treatment Facility in South Westminster. Initial estimates for the project showed that the site could operate on a cost neutral basis as a result of segregated collection of materials and subsequent revenue generated from selling those materials.

Further analysis has indicated that the initial construction costs of the site will be significantly higher, perhaps as much as double the initial estimate. This increase in construction cost was largely driven by a requirement to have an on-site restroom facility for staff and volunteer. The ongoing operational cost estimates also increased as a result of more accurate staffing projections based on information gathered from other similar facilities currently operating in the area. Initially, it was believed that the Westminster facility could be operated solely by volunteers.

The recycling center is currently scheduled to open in early 2017 as the project was delayed due to significant road and bridge projects in the area. However, in light of the significant revision in the initial and ongoing cost estimates, the project will be re-examined by the Environmental Advisory Board and City Council.

A resident at the Lakewood Recycling Center

On the Horizon: WURP Site Water Infrastructure Kicks Off

The area of the City that includes Westminster Center already has enough water infrastructure to kick off the development. But at some future point, the needs of the greater area will exceed this system. Knowing that, Water Utilities is already working on plans to increase the capacity of Water Pressure Zone 3, and service to the future Westminster Center. Staff, with the design team at Burns & McDonnell, is working to right size the pumps, pipes, and additional water treatment facilities. By developing design alternatives and the lifecycle costs for these considerations, the PW&U Department ensures the best value to its customers.

Public Safety and Fleet: Volt Pilot Project

The Problem: Conventionally fueled vehicles produce high levels of pollution. This region currently lacks geographically dispersed charging points and wide-spread adoption of electric vehicles. Incentivizing electric vehicles and charging stations helps mitigate range concerns of the motoring public while improving the region's air quality.

The Program: Started in 2012, it is a joint program between the Regional Air Quality Council and Colorado Energy Office to reduce harmful air pollutants and encourage the diversification of the transportation fuels mix in Colorado. They have awarded funding to many local governments and non-profits within the seven-county metro area. The program provides grant funding for electric vehicles and recharging stations.

The Pilot Project: Housed at the Public Safety Center the vehicle is being driven by Police Commander Gene Boespflug. His job requires extended availability during off-hours and this vehicle will spend some time at his house being charged from his own outlet.

The Future: If the pilot program goes as expected, several more electric vehicles will be planned at the Public Safety Center.

Perspective: Community Programs and Alternative Energy in the Denver Region:

Perhaps one of the hardest questions to ask is how are we doing on community energy efficiency programs compared to other municipalities in our region. The answers are hard to quantify because of the lack of local data. From anecdotal information, there is good news and bad news.

The good news is that we have State legislated mandates for increased renewable energy in Xcel Energy territory of which covers 98% of Westminster. The Renewable Portfolio Standard (RPS) (2004 and updated) now requires 30% of electricity sold by Xcel to come from renewable energy sources by 2020, with 3% from distributed generation.

The bad news is that in comparison, Westminster's participation in the level of programing that some nearby municipalities have is low. For example, the City of Lakewood is developing a public-private, community-wide sustainability plan. Lafayette is piloting an community energy planning program partnering with Xcel Energy. Manitou Springs has committed to 100% Solar Garden powered city facilities. Boulder's wastewater facility produces 1.2 M kWh electricity each year burning its waste methane. Fort Collins' Fort ZED program seeks to create a net zero energy district.

With our existing facilities portfolio, we are doing an excellent job of upgrading City owned facilities with more insulation, efficient equipment, and design considerations. According to the Energy Pyramid, we are focusing on the right things. In addition, the lifecycle cost analysis the City is completing for future development will most profoundly effect our future use. We

Conclusion

The information and stories captured here convey what we believe to be true — the City of Westminster has an energy management strategy that is widespread, impactful, and long term. Continued stewardship, practiced at every level, creates consistently increasing excellence in our facilities for the community, while reducing the costs for maintaining those assets.

We are doing a good job, but there is more to do. More alternative energy installations like vehicle recharging, planning for the Westminster Center, and more community access to energy resources and information are some of the possibilities.

Staff continues to work to keep costs for City services and amenities low. The continued support from City Council and all City departments, and the focus on energy reduction and life cycle costing demonstrates real and consistent evidence of that stewardship.

WESTMINSTER

Staff Report

Information Only Staff Report
August 4, 2014

SUBJECT: FPPA Statewide Defined Benefit Plan (SWDB) Member Contribution Rate Election

PREPARED BY: Debbie Mitchell, General Services Director
Doug Hall, Fire Chief
Tammy Hitchens, Finance Director

Summary Statement

This report is for information only and requires no action by City Council. Staff will be recommending that City Council vote to increase the employee contribution rate by ½% per year over 8 years for a total increase of 4% to the Fire and Police Pension Association's (FPPA) Statewide Defined Benefit Plan (SWDB) as Westminster Fire Employees voted to increase their FPPA contributions to the SWDB plan.

- During the month of June 2014, active members in FPPA's Statewide Defined Benefit Plan (SWDB) voted on two proposals with respect to increasing the employee contribution rate.
- FPPA presented the following proposal: To increase the employee contribution rate ½% per year implemented over 8 years, for a total increase of 4% after 8 years.

- FPPA presented a contingent proposal in the event that the primary proposal did not pass: To increase the employee contribution rate by ½% per year over 4 years for a total increase of 2% after 4 years.

- The FPPA board created a task force of the membership to research and recommend to the board whether an election should be held on an increase in the employee contribution rate.
- In order for the employee contribution rate to increase, the proposal must be approved by at least 65% of the voting active members in the SWDB Plan and a majority (50%+1) of the voting employers who have active members in the plan.

- In June 2014, over 65% of the active members in the SWDB Plan voted in favor of the primary proposal to increase the employee contribution rate to the SWDB Plan by 4%, phased in at ½% per year over 8 years.

- Employers vote by submitting to FPPA a resolution from City Council indicating whether or not the Employer supports the proposed change to the employee contribution rate. The resolution must be submitted to FPPA by August 22, 2014.

Background Information

The Statewide Defined Benefit Plan administered by the Fire & Police Pension Association was created by the Colorado legislature in 1980. The Pension Reform Commission found that various local plans were poorly funded and created FPPA to take over the investment management of these local plans. The contribution rate was set at 8% for employees and 8% for employers. These contribution rates remain unchanged to this date.

In 2003, legislation was enacted to allow departments that opted to leave the SWDB plan to re-enter the SWDB Plan. In 2004, firefighters at the City of Westminster voted to re-enter FPPA. As a result, firefighters employed by the City at the time of re-entry have an additional contribution rate set at 4%, of which 2% the employee contributes and 2% the City contributes. Firefighters hired after 2004 at the City of Westminster have an 8% employee contribution rate and the City contributes 8%.

In 2010, the Colorado legislature passed legislation to allow a member election to increase the member contribution rate in the SWDB Plan. The FPPA board of directors believed this change could protect the SWDB plan from potential future benefit reductions in the event of another financial crisis. <u>This legislation did not provide any authority with respect to the employer contribution rate.</u>

In 2011, FPPA established a task force to review the employee contribution rates and report back to the board with a recommendation. As part of the task forces' work they reviewed the history of the SWDB Plan's funding status and actuarial history of the SWDB Plan.

Historically, the SWDB Plan had not had an unfunded liability until most recently. In fact, over the years, the SWDB Plan generated a surplus. The surplus provided protection in the event of an economic downturn. The financial meltdown in 2008 took away the surplus, but the plan remains in better shape than many other public pension plans.

Year	Funded Ratio %
2013	97.9%
2012	96.4%
2011	102.9%
2010	100.0%
2009	101.0%
2008	119.4%

The SWDB went below 100% funding status in 2012 due to an actuarial study in which the nominal investment return assumption was reduced from 8.0% to 7.5%. The investment return assumption was reduced to reflect lowered expected investment returns due to the current low interest rate environment. In addition, the mortality assumptions were revised to reflect improvements in generational mortality; where younger members of the Plan are expected to live longer in retirement than current retirees. These assumption changes, plus some other minor changes, had an immediate downward impact of approximately 6% on the funded ratio of the SWDB Plan.

While the SWDB Plan and base benefits remain well funded, there is little excess to pay for benefit adjustment increases (commonly referred to as COLA's or cost-of-living-adjustments) for current and

future retirees. There will need to be substantial recovery in the financial markets to provide future benefit adjustments without contribution increases. The base benefit provided in the SWDB Plan does not have any form of automatic adjustment for inflation. COLAs are a factor because inflation over time erodes the buying power of a pension without benefit adjustment increases.

In the event the SWDB Plan were to become actuarially unsound, the FPPA Board has the authority to:

- Eliminate any surplus held to pre-fund future discretionary benefit adjustments
- Reduce or eliminate plan amendments voted in by the membership
- Reduce or eliminate the Separate Retirement Accounts (SRA)
- Increase the normal retirement age incrementally up to age 60 (Current normal retirement age is 55.)

FPPA does not anticipate needing additional contributions to maintain the actuarial soundness of the plan. However, additional contributions will provide additional security to the basic benefits provided, increase the likelihood of meaningful benefit adjustment increases (COLAs), and greatly reduce the likelihood of needing to engage in the safeguards mentioned above.

Based on the review, the Task Force presented the following proposal: To increase the employee contribution rate ½% per year implemented over 8 years, for a total increase of 4% after 8 years beginning in January 2015.

In March and April of this year, FPPA conducted several regional meetings to inform FPPA members of the proposed change to the contribution rates. After several FPPA member meetings, the FPPA Board agreed to present a contingent proposal.

The Task Force still recommended the primary 4% proposal and presented a contingent proposal in the event that the primary proposal did not pass: To increase the employee contribution rate ½% per year implemented over 4 years for a total increase of 2%.

In order for the employee contribution rate to increase, the proposal must be approved by at least 65% of the voting active members in the SWDB Plan and a majority (50%+1) of the voting employers who have active members in the plan.

During the month of June, members in the SWDB voted on the two proposals. Of the members who voted, 68% approved to increase the employee contribution rate to the SWDB by 4%, phased in at ½% per year over 8 years. In particular, of those who voted under Westminster fire, 74% were in favor of the 4% increase, phased in at ½% per year over 8 years.

The increase in the employee contribution rate shall not be subject to negotiation for payment by the Employer, per statute C.R.S. 31-31-408(1.5)(b).

Employers vote by submitting to FPPA a resolution from City Council indicating whether or not the employer supports the proposed change. The completed and signed resolution must be received by FPPA no later than August 22, 2014, unless Staff hears concerns, this item will be brought back to City Council for official consideration on whether to increase the employee contribution rate in the SWDB Plan at the August 11, 2014 meeting.

FPPA's Statewide Defined Benefit Plan provides an employee retirement benefit that directly impacts the ability to meet City Council's goal of Excellence in City Services. The review of the proposed member contribution rate election provides an opportunity to enhance employee opportunities.

Respectfully submitted,

J Brent McFall
City Manager

WESTMINSTER

Staff Report

Information Only Staff Report
August 4, 2014

SUBJECT: 2014 Second Quarter City Council Expenditure Report

PREPARED BY: Ben Goldstein, Senior Management Analyst
Melissa West, Administrative Secretary

Summary Statement

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

The attached document is a listing of all 2014 City Council posted expenditures from January 1 through June 30, 2014.

Background Information

The following report is a listing of City Council expenditures by each account for January 1 through June 30, 2014, as posted by July 15, 2014. As of June 30, 2014, 50% of 2014 had elapsed and Council spent 44.6 %, or $113,332.34, of its revised 2014 budget that totals $254,094.

The budget is a planning tool and represents a best estimate regarding actual expenditures. If you have any questions about items included in this report, please contact Ben Goldstein at 303-658-2007 or at bgoldstein@cityofwestminster.us.

The quarterly expenditure report for City Council ties to the Strategic Plan Goal of Visionary Leadership and Effective Governance and Excellence in City Services as Staff and Council work together to continually find greater efficiency in City operations.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment

2nd Quarter 2014 City Council Expenditure Report
(as of June 30, 2014)

			(ACCT: 10001010.60800.0000)		
EXPENDITURE		**DATE**	**DESCRIPTION**	**PAID TO:**	
($499.72)		1/12/14	2013 YE Salary Accrual Reversal	Council	
$3,498.06		1/12/14	Salaries	Council	
$3,498.06		1/26/14	Salaries	Council	
$3,498.06		2/9/14	Salaries	Council	
$3,498.06		2/23/14	Salaries	Council	
$3,498.06		3/9/14	Salaries	Council	
$3,498.06		3/23/14	Salaries	Council	
$3,498.06		04/06/14	Salaries	Council	
$3,498.06		04/20/14	Salaries	Council	
$3,498.06		05/04/14	Salaries	Council	
$3,498.06		05/18/14	Salaries	Council	
$3,498.06		06/01/14	Salaries	Council	
$3,498.06		06/15/14	Salaries	Council	
$3,498.06		06/29/14	Salaries	Council	
$44,975.06		TOTAL		*% of account budget expended year-to-date*	*48.67%*
$92,400.00		BUDGET	2014 APPROVED BUDGET	*% of total City Council budget*	*36.36%*
$47,424.94		BALANCE			
COUNCIL ALLOWANCE			**(ACCT: 10001010.61100.0000)**		
EXPENDITURE		**DATE**	**DESCRIPTION**	**PAID TO:**	
$1,081.50		1/3/14	Council Allowance	Council	
$1,081.50		1/12/14	Council Allowance	Council	
$1,081.50		2/9/14	Council Allowance	Council	
$1,081.50		2/23/14	Council Allowance	Council	
$1,081.50		3/9/14	Council Allowance	Council	
$1,081.50		3/23/14	Council Allowance	Council	
$1,081.50		4/6/14	Council Allowance	Council	
$1,081.50		4/20/14	Council Allowance	Council	
$1,081.50		5/4/14	Council Allowance	Council	
$1,081.50		5/18/14	Council Allowance	Council	
$1,081.50		6/1/14	Council Allowance	Council	
$1,081.50		6/15/14	Council Allowance	Council	
$1,081.50		6/29/14	Council Allowance	Council	
$14,059.50		TOTAL		*% of account budget expended year-to-date*	*54.17%*
$25,956.00		BUDGET	2014 APPROVED BUDGET	*% of total City Council budget*	*10.22%*
$11,896.50		BALANCE			

2nd Quarter 2014 City Council Expenditure Report
(as of June 30, 2014)

MILEAGE REIMBURSEMENT		(ACCT: 10001010.61200.0000)		
EXPENDITURE	**DATE**	**DESCRIPTION**	**PAID TO:**	
$99.68	2/12/14	Council Mileage	H. Atchison - Jan 2014	
$79.64	2/27/14	Council Mileage	A. Garcia - Feb 2014	
$285.32	3/4/14	Council Mileage	H. Atchison - Feb 2014	
$158.16	04/08/14	Council Mileage	H. Atchison - Mar 2014	
$273.80	05/12/14	Council Mileage	H. Atchison - Apr 2014	
$84.56	06/11/14	Council Mileage	H. Atchison - May 2014	
$981.16	TOTAL		*% of account budget expended year-to-date*	*32.71%*
$3,000.00	BUDGET	2014 APPROVED BUDGET	*% of total City Council budget*	*1.18%*
$2,018.84	BALANCE			
MEETING EXPENSES		**(ACCT: 10001010.61400.0000)**		
EXPENDITURE	**DATE**	**DESCRIPTION**	**PAID TO:**	
$32.64	1/5/14	1/6 US36 Annual Legislative Breakfast - A. Garcia	36 Comm Solutions	
$90.00	2/11/14	1/10 - H. Atchison 20th Ann. Boots & Business Luncheon	Denver Metro Chamber of Commerce	
$50.65	2/12/14	Meeting wwith A. Otzelberger, Rob Murkel & Heather Balser	H. Atchison	
$171.60	2/16/14	2/14 ADCOG Executive Committee Breakfast	The Grille at Legacy	
$642.00	2/19/14	City Council Dinner Meeting with Adams/Jeffco Bd of Commissioners	The Grille at Legacy	
$14.99	02/19/14	H. Atchison & B. McFall meeting with Xcel Energy	Einstein Bagels	
$20.50	2/25/14	ACMCYA Reception Paper Goods	Walmart	
$43.38	3/12/14	ACMCYA Reception Desserts	Costco	
$80.00	3/19/14	Annual ACED Luncheon (H. Atchison)	Adams County	
$1,189.98	3/25/14	3/20 Council Dinner w/ Dist 12, Dist 50 and Jeffco School Boards	Heritage Grille	
$180.00	3/31/14	4/3 A Night at the Red Rocks Benefit (A. Seitz, E. P	Jefferson Center for Mental Health	
$22.55	4/3/14	Reimbursement for Legislative Lunches; Thorpe/Tochtrop	H. Atchison	
$33.26	4/3/14	4/2 Metro Mayors Caucus Bfast Snacks	Costco	
$59.00	4/8/14	Reimbursement for Spouse Ticket for 4/23 DRCOG Awards Event	H. Atchison	
$747.48	4/14/14	4/11-13/14 Strategic Planning Retreat	Heritage Grille	
$60.00	4/17/14	5/2/14 Law Day Event	Adams County Bar Association	
$150.00	4/18/14	4/15/14 The Future is Now: I-25 Corridor; B. Briggs, A. Seitz, E. Pinter	Naiop Colorado	
$14.99	4/22/14	DH Budget Retreat	Einstein Bagels	
$24.34	4/24/14	Lunch Mtg with Julie Novak	H. Atchison	

2nd Quarter 2014 City Council Expenditure Report
(as of June 30, 2014)

($80.00)		5/6/14	Reimbursement of tickets purchased for May ACED Luncheon because EcoDevo purchased Table	Adams County	
$21.68		4/24/14	4/4 Meeting with Chaz Tedesco	H. Atchison	
$44.08		4/24/14	4/8 Meeting with R. Ahrens, Broomfield and B. Muckle, Louisville	H. Atchison	
$34.28		4/24/14	4/16 Meeting with Steve Smithers	H. Atchison	
$39.00		4/29/14	4/29 Good News Breakfast, H. Atchison, B. Briggs, A. Seitz	Jefferson County	
$35.00		5/14/14	5/16 Annual Breakfast B. Briggs	Childrens Outreach Project	
$80.00		5/19/14	4/30/14 ADCOG Dinner	City of Brighton	
$53.05		5/22/14	5/8/14 RTD Breakfast Meeting Reimbursement	H. Atchison	
$66.00		5/22/14	5/12-13/14 Indianapolis Trip Parking	H. Atchison	
$3,920.45		TOTAL		*% of account budget expended year-to-date*	*24.43%*
$16,048.00		BUDGET	2014 APPROVED BUDGET	*% of total City Council budget*	*6.32%*
$12,127.55		BALANCE			

2nd Quarter 2014 City Council Expenditure Report
(as of June 30, 2014)

CAREER DEVELOPMENT		(ACCT: 10001010.61800.0000)		
EXPENDITURE	**DATE**	**DESCRIPTION**	**PAID TO:**	
$50.00	1/30/14	H. Atchison Membership Dues	ICSC	
$275.00	2/25/14	2/13 A. Garcia 13th Annual New Partners for Small Growth Conference	act New Partners Conference	
$450.00	2/25/14	2/13 E. Pinter 13th Annual New Partners for Small Growth Conference	act New Partners Conference	
$196.56	3/12/14	2/22-23/14 DRCOG Board Retreat - $97.44 Lodging; 99.12 mileage	H. Atchison	
$1,088.56	3/12/14	2/26-28/14 US 26 Lobbying Trip Wash DC	H. Atchison	
$85.00	3/12/14	B. Baker Effective Governance for Elected Officials Workshop	CML	
$2,916.64	3/27/14	NLC Conf. - Reg $830; Lodging $1499.95; air $218.20; meals $161.55; Misc. $206.94	A. Seitz	
$2,288.66	4/3/14	Registration 770.00; Lodging 899.97; Airfare 376.20; Transportation 78.75; Mileage 35.95; Meals 38.78; Parking 69.00 (A. Garcia)	NLC	
$722.18	5/4/14	4-21-22/14 WURP Trip to Oliver McMillan	H. Atchison	
$1,204.98	6/5/14	5/18-22/14 ICSC Conf. - Reg. 570.00, lodging 182.25,	H. Atchison	
$9,277.58	TOTAL		*% of account budget expended year-to-date*	*19.25%*
$48,205.00	BUDGET	2014 APPROVED BUDGET	*% of total City Council budget*	*18.97%*
$38,927.42	BALANCE			

2nd Quarter 2014 City Council Expenditure Report
(as of June 30, 2014)

TELEPHONE			**(ACCT: 10001010.66900.0000)**		
EXPENDITURE		**DATE**	**DESCRIPTION**	**PAID TO:**	
$20.00		1/12/14	H. Atchison iPad Data Plan - January	Verizon	
$20.00		1/13/14	A. Seitz iPad Data Plan - January	Verizon	
$20.00		1/19/14	B. Baker iPad Data Plan - January	Verizon	
$20.00		1/19/14	E. Pinter iPad Data Plan - January	Verizon	
$20.00		1/26/14	B. Briggs iPad Data Plan - January	Verizon	
$20.00		1/26/14	A. Garcia iPad Data Plan - January	Verizon	
$20.00		1/27/14	F. Winter iPad Data Plan - January	Verizon	
$20.00		2/12/14	H. Atchison iPad Data Plan - February	Verizon	
$20.00		2/13/14	A. Seitz iPad Data Plan - February	Verizon	
$20.00		2/16/14	B. Baker iPad Data Plan - February	Verizon	
$20.00		2/19/14	B. Briggs iPad Data Plan - February	Verizon	
$20.00		2/19/14	E. Pinter iPad Data Plan - February	Verizon	
$20.00		2/26/14	A. Garcia iPad Data Plan - February	Verizon	
$20.00		2/27/14	F. Winter iPad Data Plan - February	Verizon	
$20.00		03/12/14	H. Atchison iPad Data Plan - March	Verizon	
$20.00		03/13/14	A. Seitz iPad Data Plan - March	Verizon	
$20.00		03/19/14	B. Baker iPad Data Plan - March	Verizon	
$20.00		03/19/14	E. Pinter iPad Data Plan - March	Verizon	
$20.00		03/26/14	B. Briggs iPad Data Plan - March	Verizon	
$20.00		03/26/14	A. Garcia iPad Data Plan - March	Verizon	
$20.00		03/27/14	F. Winter iPad Data Plan - March	Verizon	
$20.00		04/13/14	H. Atchison iPad Data Plan - April	Verizon	
$20.00		04/13/14	B. Briggs iPad Data Plan - April	Verizon	
$20.00		04/20/14	A. Seitz iPad Data Plan - April	Verizon	
$20.00		04/20/14	B. Baker iPad Data Plan - April	Verizon	
$20.00		04/27/14	E. Pinter iPad Data Plan - April	Verizon	
$20.00		04/27/14	A. Garcia iPad Data Plan - April	Verizon	
$20.00		04/27/14	F. Winter iPad Data Plan - April	Verizon	
$560.00		TOTAL		*% of account budget expended year-to-date*	*33.33%*
$1,680.00		BUDGET	2014 APPROVED BUDGET	*% of total City Council budget*	*0.66%*
$1,120.00		BALANCE			
PC REPLACEMENT FEE			**(ACCT: 10001010.66950.0000)**		
EXPENDITURE		**DATE**	**DESCRIPTION**	**PAID TO:**	
$1,470.00		01/31/14	PC Replacement Fee	Cost Allocation/Flex Budget	
$1,470.00		TOTAL		*% of account budget expended year-to-date*	*100.00%*
$1,470.00		BUDGET	2014 APPROVED BUDGET	*% of total City Council budget*	*0.58%*
$0.00		BALANCE			

2nd Quarter 2014 City Council Expenditure Report
(as of June 30, 2014)

SPECIAL PROMOTIONS		(ACCT: 10001010.67600.0000)		
EXPENDITURE	**DATE**	**DESCRIPTION**	**PAID TO:**	
$1,000.00	04/24/14	5/8/14 Union Station Grand Opening Gala; Herb Atchison/Erika, Bob Briggs/Shirley, Emma Pinter/Jonathan; Aniza Seitz/Matt; Faith Winter/Mark; Brent McFall, Alberto Garcia	Ride On Inc.	
$250.00	04/16/14	Golf Tournament	CASA of Adams and Broomfield Counties	
$1,250.00	TOTAL		*% of account budget expended year-to-date*	*35.71%*
$3,500.00	BUDGET	2014 APPROVED BUDGET	*% of total City Council budget*	*1.38%*
$2,250.00	BALANCE			
OTHER CONTRACTUAL SERVICI		**(ACCT: 10001010.67800.0000)**		
EXPENDITURE	**DATE**	**DESCRIPTION**	**PAID TO:**	
$750.00	01/06/14	ACMCYA - Banquet	Adams County	
$600.00	01/30/14	After Prom	Standley Lake HS	
$1,500.00	02/16/14	Annual Gala Sponsorship	Five Star Education Foundation	
$10,000.00	03/12/14	Sponsorship	North Metro Arts Alliance	
$500.00	03/25/14	Golf Tournament	Front Range Community College	
$193.81	03/27/14	Council Display Photos	Creative Framing	
$600.00	03/27/14	4/23 Awards Event	Denver Regional Council of Governments - E. Pinter, B./Shirley Briggs, Erika Atchison, S. Smithers, S. Nurmela, M. Cummins, J. Carpenter	
$59.00	04/22/14	4/23 Awards Event	Denver Regional Council of Governments - A. Seitz	
$8,000.00	05/05/14	2014 Strategic Plan Facilitation	Novak Consulting Group	
$1,000.00	05/21/14	Annual Banquet Sponsorship	Westminster Public Safety Recognition Foundation	
$500.00	05/25/14	Brothers Redevelopment Paint-a-thon	Community First Foundation	
$10,000.00	05/28/14	Sponsorship	Adams County Youth Initiative	
$800.00	06/02/14	Annual Golf Tournament	Hyland Hills	
$34,502.81	TOTAL		*% of account budget expended year-to-date*	*65.24%*
$52,885.00	BUDGET	2014 APPROVED BUDGET	*% of total City Council budget*	*20.81%*
$18,382.19	BALANCE			

2nd Quarter 2014 City Council Expenditure Report
(as of June 30, 2014)

SUPPLIES			(ACCT: 10001010.70200.0000)		
EXPENDITURE		**DATE**	**DESCRIPTION**	**PAID TO:**	
$86.94		01/09/14	Flowers for Mayor Pro-Tem of Federal Heights Funeral from Council - Cherry Blossoms	Valerie White	
$46.16		01/26/14	Photo Prints - Council Photo Display	Walmart	
$107.78		02/11/14	Nameplates for Council Display Photos	Action Awards & Engraving	
$19.98		02/26/14	ACMCYA Reception Cups	Party America/City	
$9.23		03/13/14	Bob Briggs Photo Prints	Walmart	
$311.04		03/26/14	City Council Display Photos	Creative Framing	
$25.41		04/09/14	Office Supplies	Office Max	
$115.20		04/09/14	Office Supplies	Office Max	
$43.93		04/11/14	Flash Drives	Staples	
$55.92		04/13/14	Flash Drives	Office Depot	
($31.96)		04/13/14	Return Flash Drives	Staples	
$9.71		04/22/14	Reimb for Dr. Seuss Book for 5/7/14 Mystery Reader Event (H. Atchison)	Valerie White	
$799.34		TOTAL		*% of account budget expended year-to-date*	*20.24%*
$3,950.00		BUDGET	2014 APPROVED BUDGET	*% of total City Council budget*	*1.55%*
$3,150.66		BALANCE			
FOOD			**(ACCT: 10001010.70400.0000)**		
EXPENDITURE		**DATE**	**DESCRIPTION**	**PAID TO:**	
$32.50		01/28/14	Soda/Tea	Valerie White	
$66.24		01/08/14	1/6 Council Dinner	Garlic Knot	
$60.00		01/14/14	1/13 Council Dinner	Dickeys	
$74.35		01/28/14	1/27 Council Dinner	Los Lagos	
$7.35		02/05/14	2/5 Council Dinner	Double D's	
$84.28		02/05/14	2/5 Council Dinner	Double D's	
$19.15		02/11/14	Chips - Council Dinner/Get Well Cards	King Soopers	
$45.00		02/12/14	2/10 Council Dinner	Subway	
$54.00		02/26/14	2/24 Council Dinner	Wishbone	
$31.98		02/27/14	Council Drinks	Costco	
$55.90		03/05/14	3/3 Council Dinner	Hung Fu	
$20.20		03/11/14	Cookies/Salad	Walmart	
$55.63		03/12/14	3/10 Council Dinner	Garlic Knot	
$39.11		03/16/14	4/14 Council Dinner	Subway	
$60.00		03/19/14	3/17 Council Dinner	Dickeys	
$39.20		03/20/14	3/19 HSB Dinner	Hong Fu	
$80.60		03/26/14	3/24 Council Dinner	Los Lagos	
$24.25		04/02/14	3/31 Council Dinner	Garlic Knot	
$113.74		04/08/14	4/7 Council Dinner	Double D's	
$35.28		04/15/14	Council Dessert/Chips	Walmart	

2nd Quarter 2014 City Council Expenditure Report
(as of June 30, 2014)

$40.00		04/16/14	4/14 Council Dinner	Subway	
$44.43		04/17/14	Costco Reimb. For Perrier/Diet Dr. Pepper	Mary Joy Barajas	
$16.86		04/22/14	4/21 Council Dinner - Mashed Potatoes/Rolls	Boston Market	
$55.00		04/23/14	4/21 Council Dinner	Wishbone	
$62.80		04/30/14	4/28 Council Dinner	Li's Chinese	
$6.34		05/06/14	5/5 Salad for Council Dinner	Walmart	
$49.42		05/07/14	5/5 Council Dinner	Garlic Knot	
$80.60		05/14/14	5/12 Council Dinner	Los Lagos	
$99.37		05/20/14	5/19 Council Dinner	Noodles & Co.	
$31.91		06/13/14	Cookies for Council Dinners	Target	
$50.95		06/13/14	6/2 Council Dinner	Dickeys	
$1,536.44		TOTAL		*% of account budget expended year-to-date*	*30.73%*
$5,000.00		BUDGET	2014 APPROVED BUDGET	*% of total City Council budget*	*1.97%*
$3,463.56		BALANCE			
$254,094.00		**TOTAL 2014 CITY COUNCIL BUDGET**			
$113,332.34		**TOTAL 2014 CITY COUNCIL EXPENDITURES THROUGH 06/30/2014**			
$140,761.66		**BALANCE**			
44.6%		**PERCENT OF BUDGET EXPENDED THROUGH 06/30/2014**			

W E S T M I N S T E R

Westminster Economic Development Authority

TO: The Westminster Economic Development Authority Board Members

DATE: July 30, 2014

SUBJECT: WEDA Post City Council Meeting Agenda for August 4, 2014

PREPARED BY: J. Brent McFall, Executive Director

Please Note: WEDA Study Sessions and Post meetings are open to the public, and individuals are welcome to attend and observe. WEDA was created by the Westminster City Council for the purpose of moving forward with strategic redevelopment of key areas of the City. WEDA Study Sessions and Post meetings are not intended to be interactive with the audience, as this is time set aside for WEDA Board Members to receive information, make inquiries, and to provide Staff with policy direction.

ROLL CALL

PRESENTATIONS
None at this time.

INFORMATION ONLY
1. Westminster Economic Development Authority 2nd Quarter 2014 Financial Update

EXECUTIVE SESSION
None at this time.

Items may come up between now and Monday night. The WEDA Board will be apprised of any changes to the agenda.

Respectfully submitted,

J. Brent McFall
Executive Director

WESTMINSTER

Staff Report

WEDA Information Only Staff Report
August 4, 2014

SUBJECT: Westminster Economic Development Authority 2nd Quarter 2014 Financial Update

PREPARED BY: Barb Dolan, Sales Tax Manager
Karen Creager, Special District Accountant

Summary Statement

This report is for information only and requires no action by the Board. The report represents the unaudited financial position for each of the Westminster Economic Development Authority's (WEDA) Urban Renewal Areas (URAs) as of June 30, 2014.

Background Information

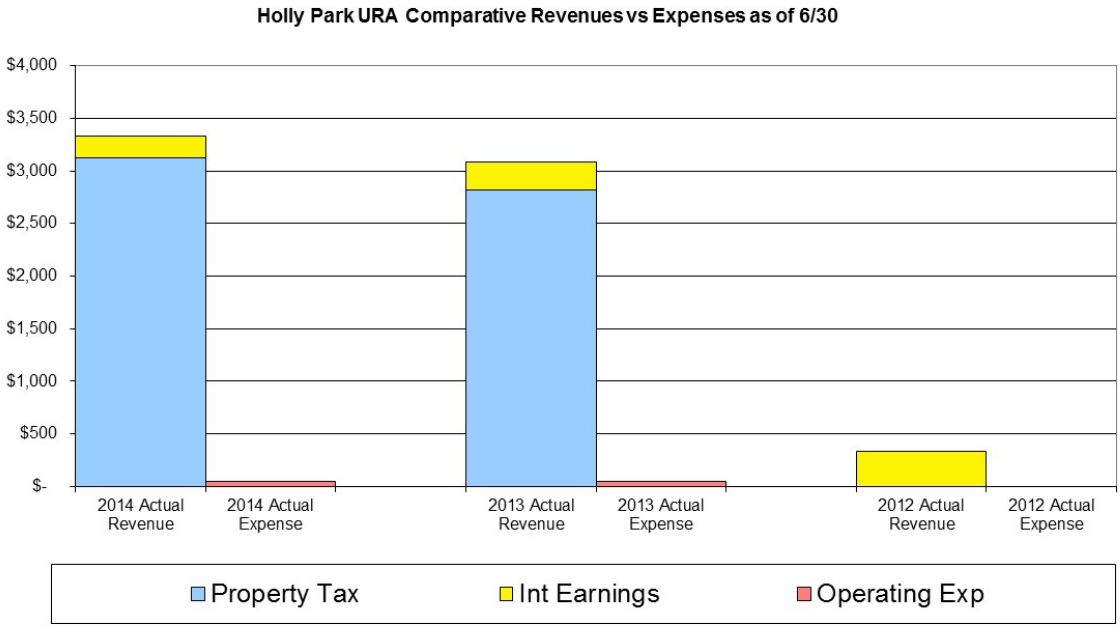
WEDA currently includes seven separate URA's. This report presents the financial activity as of June 30, 2014. Included in the report are the following for each URA:

- Year-to-date comparative graphs showing three years of operating revenues and expenses and debt service, as of June 30; and
- A chart with an at-a-glance look at the changes in revenues and expenses for comparable reporting periods from 2013 to 2014.

Additionally, attached are:

- A chart summarizing the unaudited financial position as of June 30, 2014; and
- A list of all current outstanding obligations of the URAs.

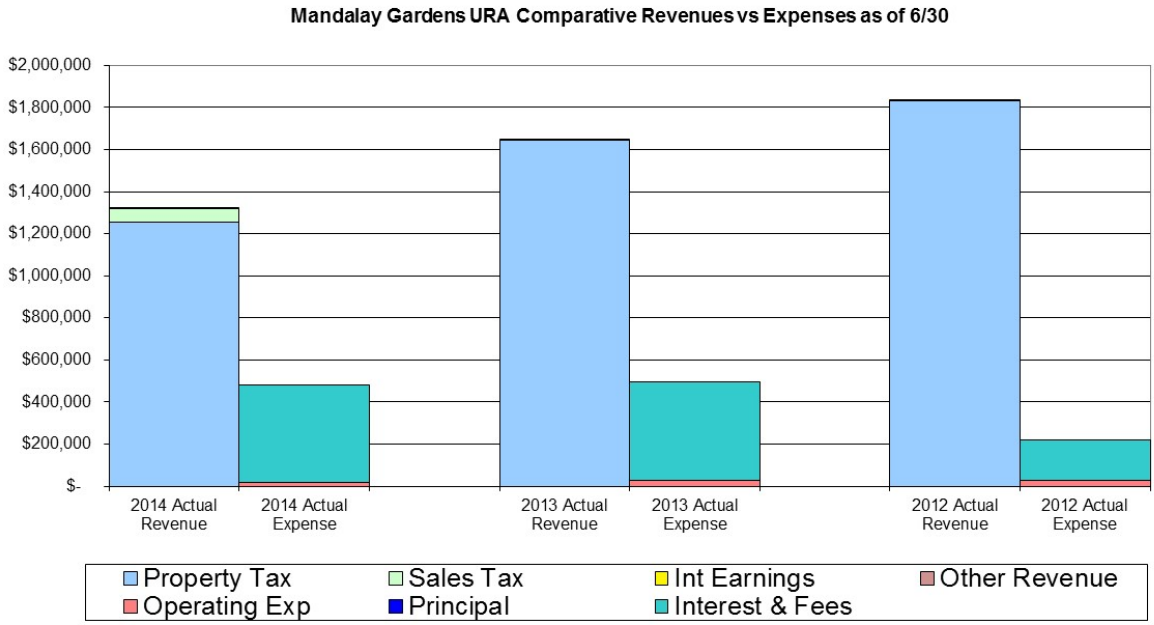
Holly Park URA



Description	2014	2013	Change
Property tax increment	$ 3,128	$ 2,815	$ 313
Interest Earnings	206	265	(59)
Operating Exp	47	42	5

- Holly Park URA was established on February 23, 2004. The URA encompasses approximately 23 acres along the west side of Federal Boulevard between 96th Avenue and 97th Avenue. The main objective of the URA plan is to renovate or redevelop the deteriorated, unsafe and outdated buildings as well as eliminate the unsafe, unsanitary and unhealthy conditions resulting from abandonment of a defunct residential project.
- The General Fund and General Capital Improvement Fund loaned $120,000 and $1,125,000, respectively, to this URA to fund the capital project for the clean-up of the Holly Park property to ready it for resale. It is anticipated that any proceeds received from the future sale of property would be used to repay the loans.
- Tax year 2012 payable in 2013 was the first tax year that this URA's total assessed valuation was above the base valuation. Incremental assessed valuation was unchanged in 2014 from 2013. Therefore, property tax increment is relatively consistent in 2014 from 2013.
- Interest earnings decreased in 2014 from 2013 due to continued spend down of project funds.
- Operating expenses remained constant in 2014 from 2013.

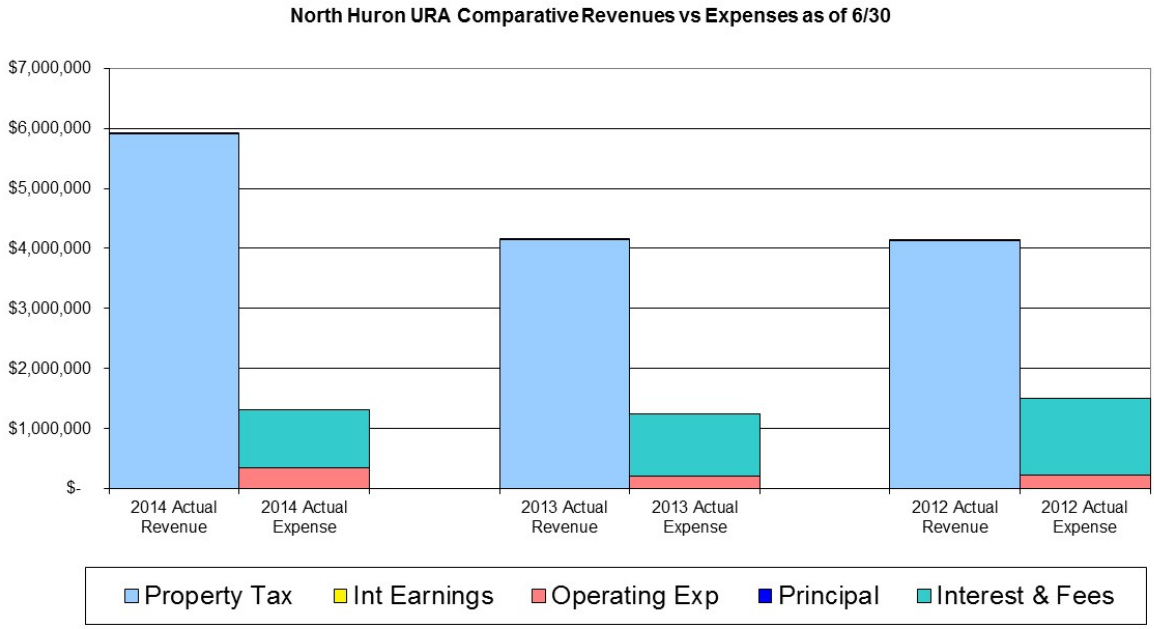
Mandalay Gardens URA (Shops at Walnut Creek)



Description	2014	2013	Change
Property tax increment	$ 1,253,019	$ 1,645,275	$ (392,256)
Sales tax increment	64,478	-	64,478
Interest Earnings	939	1,493	(554)
Operating Exp	18,796	24,679	(5,883)
Interest and Fees	464,287	471,238	(6,951)

- WEDA initiated a redevelopment project in 2003 known as the Shops at Walnut Creek. This redevelopment project is generally bound by US 36, Church Ranch Boulevard, and the Burlington Northern/Santa Fe railroad line. The Shops at Walnut Creek, connected by an attractive underpass to the Westminster Promenade, combines the warmth and familiarity of Victorian-inspired main street America with a multitude of restaurants, shops and a major retailer.
- Incremental assessed valuation decreased in 2014 from 2013 resulting in a decrease in property tax increment collections.
- The sales tax pledge, set at 0% since March 2010, increased in March 2014 to .2% due to the anticipated reduction in property tax increment. Therefore, sales tax increment collections increased in 2014 from 2013.
- Interest earnings decreased slightly in 2014 from 2013.
- Year-to-date operating expenses decreased slightly in 2014 from 2013 due to a decrease in the collection fee paid to the county treasurer, consistent with the decrease in property tax increment revenue.
- Debt expenses consisting of only interest and fees decreased slightly in 2014 from 2013.

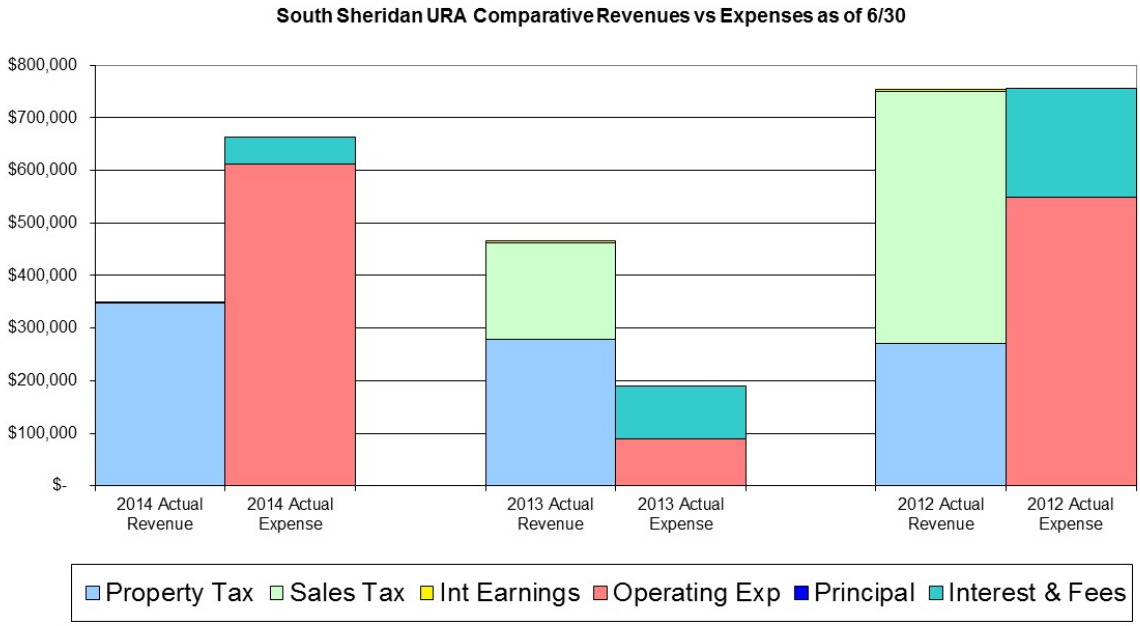
North Huron URA



Description	2014	2013	Change
Property tax increment	$ 5,908,795	$ 4,149,294	$ 1,759,501
Interest Earnings	10,465	15,020	(4,555)
Operating Exp	343,260	217,952	125,308
Interest and Fees	980,639	1,035,709	(55,070)

- WEDA established the North Huron URA on January 26, 2004. The boundaries of the URA are approximately 124th Avenue to 150th Avenue, Interstate 25 to Huron Street. Development in the URA included the interchange at 144th Avenue and I-25, Huron Street improvements from approximately 124th Avenue to 150th Avenue and the public improvements in the URA. These improvements paved the way for a new retail development along the Interstate 25 corridor in Westminster. "The Orchard Town Center" is a 1-million-square-foot, open-air, lifestyle and entertainment center located at the northwest corner of I-25 and 144th Avenue.
- Incremental assessed valuation increased in 2014 from 2013, resulting in an increase in total property tax increment in 2014 from 2013.
- The sales tax pledge has been 0% since March 2010 as funds on deposit with Compass Bank along with anticipated property tax increment are sufficient to meet debt service requirements. Therefore, all sales tax revenue received from this URA was retained by the City.
- Interest earnings decreased slightly in 2014 from 2013 due to fluctuations in the balances of funds at the Trust.
- Total operating expenses increased in 2014 from 2013. The collection fee paid to the county treasurer increased consistent with the increase in property tax increment revenues in conjunction with higher intergovernmental cooperation agreement (ICA) payments in 2014.
- Debt service expenses, consisting only of interest and fees, decreased in 2014 from 2013 as anticipated with the refinancing of the 2012 loan.

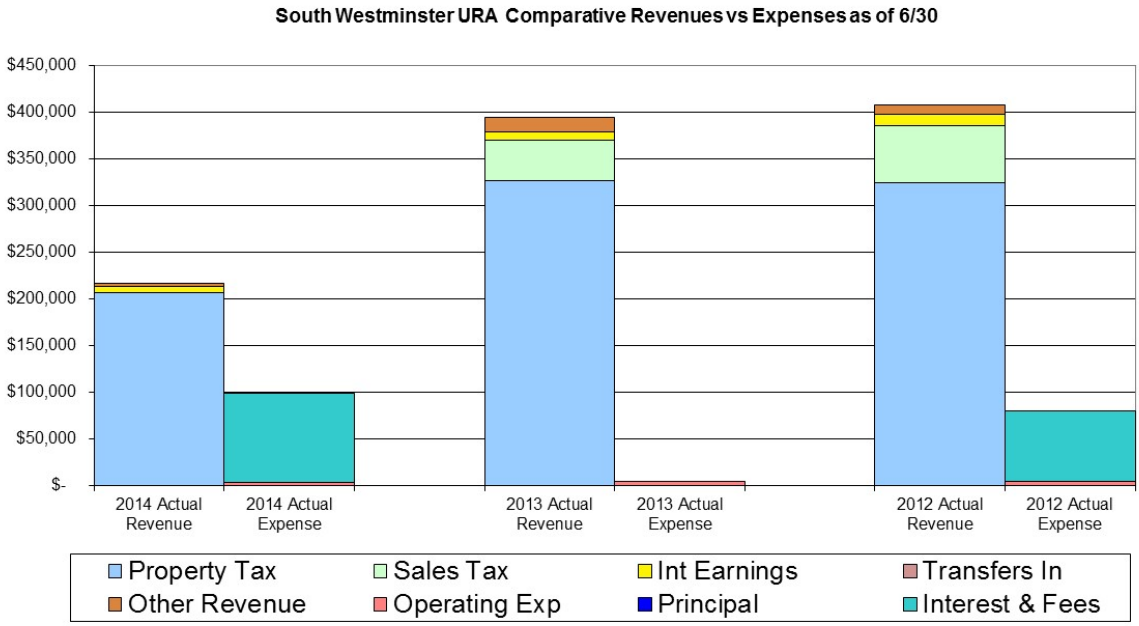
South Sheridan URA



Description	2014	2013	Change
Property tax increment	$ 347,093	$ 279,008	$ 68,085
Sales tax increment	-	183,578	(183,578)
Interest Earnings	2,278	2,771	(493)
Operating Exp	611,706	88,343	523,363
Interest and Fees	51,734	101,005	(49,271)

- The South Sheridan URA was established by WEDA on March 29, 2004. The approximate boundaries of the URA are commercial and vacant land north of 70th Avenue, east of Depew Street, south of 75th Avenue, and west of Xavier Street. The purpose of the URA was to provide funds for land acquisition, demolition of structures, and tenant relocation so as to facilitate redevelopment of the Shoenberg Shopping Center located at the southwest corner of 72nd Avenue and Sheridan Boulevard. The synergy of the new anchor store and overall redevelopment has encouraged development of the Shoenberg Farm and other commercial properties in the immediate area. The South Sheridan gateway to the City is anticipated to play an even more strategic role as a connection to the planned Transit Oriented development and commuter rail station in South Westminster.
- Incremental assessed valuation increased in 2014 from 2013 resulting in higher property tax increment collections in 2014 from 2013.
- The sales tax pledge was 3% in January and February 2011, reduced to 2.3% through February 2012 and reduced again to 1.2% in May 2012. In March 2013, the pledged was decreased to 0% with property tax increment sufficient to meet URA obligations. Therefore, the City now retains all sales tax revenue received from this URA.
- Interest earnings decreased in 2014 from 2013 consistent with the reduced increment sent to the Trust in 2014.
- Operating expenses increased substantially due to an ICA payment in 2014 and an increase in the collection fee paid to the county treasurer, consistent with the increase in property tax increment revenues.
- Debt service expenditures, consisting only of interest and fees, decreased in 2014 from 2013 as anticipated with the loan refinancing in 2012.

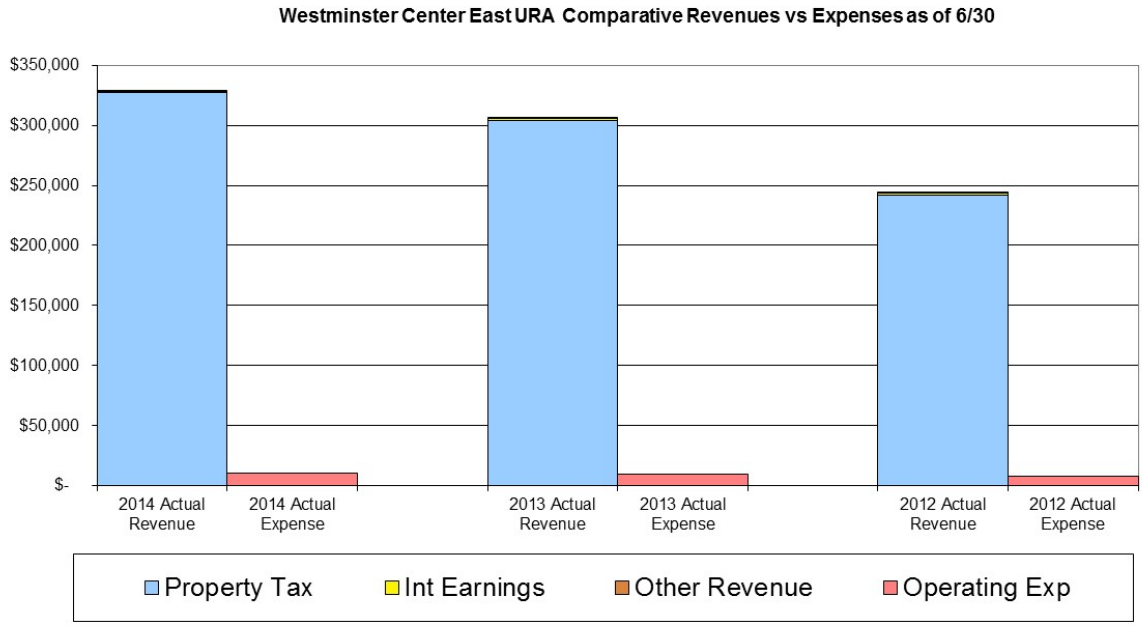
South Westminster URA



Description	2014	2013	Change
Property tax increment	$ 206,729	$ 326,179	$ (119,450)
Sales tax increment	-	43,441	(43,441)
Interest Earnings	6,240	8,529	(2,289)
Other Revenue	4,083	16,331	(12,248)
Operating Exp	3,101	4,893	(1,792)
Interest and Fees	95,975	-	95,975

- WEDA, organized by City Council on September 14, 1987, was established to revitalize and redevelop the City's older commercial areas in the general vicinity of 72nd Avenue and Federal Boulevard. The South Westminster URA was the first URA established under WEDA, and includes two Phases. Phase I of the URA was established in 1988 and ended in 2013. In October, 1992, the South Westminster URA boundaries were expanded with the addition being called "Phase II." In 1996, redevelopment of the Westminster Plaza Shopping Center, anchored by a grocery store, was begun.
- Although incremental assessed valuation for Phase II increased in 2014 from 2013, total property tax increment in the 2nd quarter of 2014 decreased from the 2nd quarter of 2013 due to Phase I ending in 2013.
- Additionally with the ending of Phase I in 2013, sales tax increment decreased in 2014 from 2013.
- Interest earnings decreased in 2014 from 2013 as a result of a lower cash balance in the URA.
- Other revenue decreased due to fluctuating scheduled payments related to the Community Resources and Housing Development Corporation note.
- Operating expenditures consisting of the collection fee paid to the county treasurer decreased slightly in 2014 from 2013, consistent with the decrease in property tax increment revenues.
- Debt service expenses decreased in 2014 from 2013 due to a difference in the timing of the debt payment in 2013.

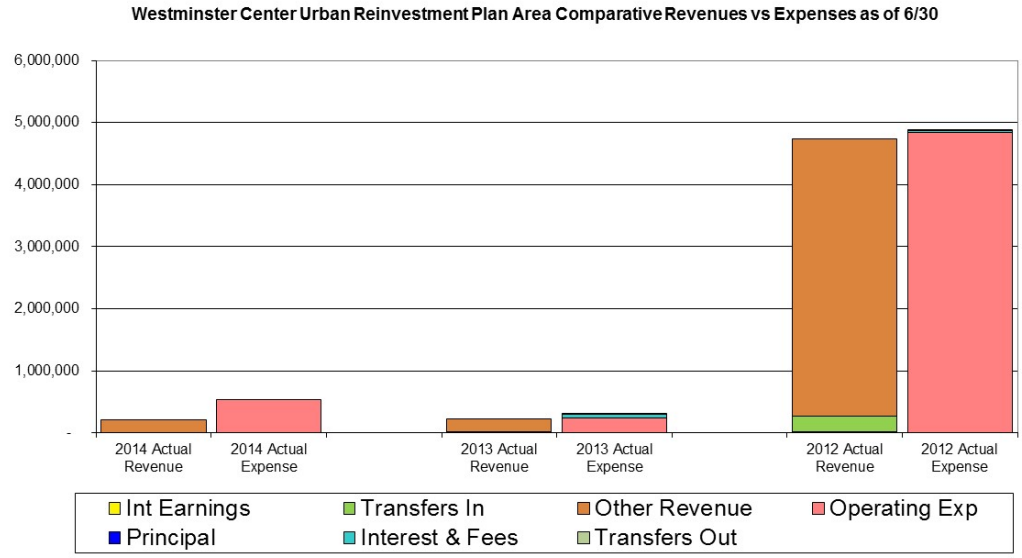
Westminster Center East URA



Description	2014	2013	Change
Property tax increment	$ 327,672	$ 304,080	$ 23,592
Interest Earnings	818	1,493	(675)
Other Revenue	177	156	21
Operating Exp	10,827	9,742	1,085

- WEDA established the Westminster Center East Sub-Area URA on December 8, 2003. The approximate boundaries of the URA are commercial properties north of the Burlington Northern Railroad just south of the Westminster Mall running north to 98th Avenue, west of Sheridan Boulevard and east of Harlan Street. The URA boundaries do include City Center Park at the northeastern corner of 92nd and Yates, but do not include the Westminster Mall. The purpose of the URA is to provide funds to facilitate redevelopment in the City Center Area.
- Incremental assessed valuation increased in 2014 from 2013, resulting in an increase in property tax increment in 2014 from 2013.
- Interest earnings decreased in 2014 from 2013 due to the lower cash balance in the URA.
- Operating expenses increased slightly in 2014 from 2013 due to the increase of collection fees paid to the county treasurer, consistent with the increase in property tax increment revenues.
- This URA has no financed debt obligations.

Westminster Center Urban Reinvestment Project Area



Description	2014	2013	Change
Interest Earnings	$ 5,683	$ 14,945	$ (9,262)
Other Revenue	205,400	205,400	-
Operating Exp	535,186	242,490	292,696
Interest and Fees	-	62,851	(62,851)
Transfers out	-	3,409	(3,409)

- On April 13, 2009, City Council approved Resolution 12, Series 2009 which established the Westminster Center Urban Reinvestment Plan Area and the Reinvestment Plan. The vision for the future Westminster Center is for a new transit-oriented mixed-use neighborhood including residential, retail, entertainment and employment uses, all adjacent to a new commuter rail transit station as well as the existing Westminster Center Park-n-Ride. This site will provide the City with a unique opportunity to create a focal point, a district center for the community. The new mixed-use neighborhood will serve the needs of current and future Westminster residents to live close to new workplaces and have the opportunity to use convenient transit as part of their everyday lives. It will be a place to live, work, play, visit, entertain and be entertained, and will serve as a source of great community pride for the existing City residents and the new residents that it will attract.
- The Westminster Center Urban Reinvestment Plan was amended on October 27, 2013 to authorize the utilization of tax increment financing to finance the projects undertaken in furtherance of the plan. Staff anticipates that the URA will be receiving property tax increment for tax year 2014 that is received in 2015.
- Interest earnings decreased in 2014 from 2013 due to spend down of project cash.
- Other revenue consisting of rents remained constant in 2014 from 2013.
- Operating expenses for this URA include expenses for the redevelopment of the former Westminster Mall site. Expenses increased in 2014 from 2013 due to increased operating costs. It is important to note that land purchase expenses are reclassified as "inventory – land held for resale" for financial reporting purposes as part of the year-end audit work. Amounts reclassified as "inventory - land held for resale" is $4,200,000 for 2012 and the cumulative total of inventory to-date is $29,250,523. The amount reclassified for 2012 is included in the operating expense category in the graph above.
- Debt service expenses decreased in 2014 from 2013 due to the Sears loan payoff in 2013.
- Transfers-out decreased in 2014 from 2013 due to the difference in the timing of an interfund billing in 2014 from 2013.

This financial update supports the City Council's Strategic Plan Goals of Vibrant and Inclusive Neighborhoods, Dynamic, Diverse Economy and Excellence in City Services by communicating to the Board the changes in the revenues and expenses in the URAs in order to monitor the development and redevelopment efforts in the City.

Respectfully submitted,

J Brent McFall
Executive Director

Attachments
- WEDA Unaudited and Unadjusted Financial Statements for period ending 06/30/14
- WEDA Obligations at 06/30/14

Westminster Economic Development Authority
Obligations as of June 30, 2014

	URA	Outstanding Balance as of 1/1/14	2014 Activity Add	2014 Activity (Delete)	Outstanding Balance as of 6/30/14
Debt-Principal only					
2009 WEDA Bonds	South Westminster	$ 2,720,000	$ -	$ -	$ 2,720,000
2012 WEDA Loan	N Huron	56,189,000	-	-	56,189,000
2012 WEDA Bonds	Mandalay	26,360,000	-	-	26,360,000
2012 WEDA Loan	South Sheridan	6,780,000	-	-	6,780,000
Total Debt		$ 92,049,000	$ -	$ -	$ 92,049,000
Interfund loans					
Gen Capital Improv Fund	Holly Park	$ 1,125,000	$ -	$ -	$ 1,125,000
General Fund	Holly Park	120,000	-	-	120,000
Utility Fund	South Westminster	1,425,000	-	-	1,425,000
Total Interfund loans		$ 2,670,000	$ -	$ -	$ 2,670,000

Westminster Economic Development Authority
For the period ending June 30, 2014

	Holly Park	Mandalay Gardens	North Huron	South Sheridan	South Westminster	Westminster Center East	Westminster Center Urban Reinvestment Area	Total
Revenues								
Property Tax	$ 3,128	$ 1,253,019	$ 5,908,795	$ 347,093	$ 206,729	$ 327,672	$ -	$ 8,046,436
Sales Tax	-	64,478	-	-	-	-	-	64,478
Interest	206	939	10,465	2,278	6,240	818	5,683	26,629
Miscellaneous	-	-			4,083	177	205,400	209,660
Total Revenues	3,334	1,318,436	5,919,260	349,371	217,052	328,667	211,083	8,347,203
Expenses								
Operating	47	18,796	343,260	611,706	3,101	10,827	-	987,737
Capital Project -proj exp	1,392	-	2,606,580	-	-	-	535,186	3,143,158
Interest & Fees	-	464,287	980,639	96,029	51,680	-	-	1,592,635
Total Expenses	1,439	483,083	3,930,479	707,735	54,781	10,827	535,186	5,723,530
Revenues Over(under) Exp	1,895	835,353	1,988,781	(358,364)	162,271	317,840	(324,103)	2,623,673
Beginning Fund Balance	(342,479)	4,153,623	16,225,800	1,978,831	95,317	91,709	30,667,987	52,870,788
Ending Fund Balance**	$ (340,584)	$ 4,988,976	$ 18,214,581	$ 1,620,467	$ 257,588	$ 409,549	$ 30,343,884	$ 55,494,461

**Ending fund balance includes the following reserved amounts that can be spent only as indicated in the line description below:

Nonspendable: Inventory	$ 850,000	$ -	$ -	$ -	$ -	$ -	$ 29,250,523	$ 30,100,523
Restricted: Debt Service	-	4,960,258	13,231,264	1,276,968	257,588	-	-	19,726,078
Restricted: Capital Improvements	-	-	4,967,319	-	-	-	-	4,967,319
Committed: Urban Renewal	46,755	-	-	-	-	-	910,391	957,146
Assigned: Urban Renewal	-	28,718	15,998	343,499	-	409,549	182,970	980,734
Unassigned	(1,237,339)	-	-	-	-	-	-	(1,237,339)
Total Fund Balance	$ (340,584)	$ 4,988,976	$ 18,214,581	$ 1,620,467	$ 257,588	$ 409,549	$ 30,343,884	$ 55,494,461