



## WESTMINSTER

### Staff Report

TO: The Mayor and Members of the City Council

DATE: October 28, 2009

SUBJECT: Study Session Agenda for November 2, 2009

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

1. Proposed Intergovernmental Agreement between School District 50 and the City of Westminster (Attachment)
2. Community Development Block Grant Program, 2010 Action Plan and Five-Year Consolidated Plan (Attachment)

6:30 P.M.

#### EXECUTIVE SESSION

None at this time

#### INFORMATION ONLY ITEMS – Does not require action by City Council

None at this time

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

Minutes from October 19, 2009 Study Session



WESTMINSTER

## Staff Report

City Council Study Session Meeting  
November 2, 2009



**SUBJECT:** Proposed Intergovernmental Agreement between School District 50 and the City of Westminster

**PREPARED BY:** John Carpenter, Director of Community Development  
Jane Greenfield, Assistant City Attorney

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

Provide feedback to City Staff regarding the proposed Intergovernmental Agreement (IGA) between the City of Westminster and School District 50 pertaining to the new Westminster High School.

### **Summary Statement**

School District 50 is constructing a new Westminster High School at the northwest corner of 68<sup>th</sup> Avenue and Utica Street, due west of existing Westminster High School. The new school is designed to accommodate up to 2,900 students and the building will house the School District 50 administrative offices. The construction of the new school raises several matters relating to annexation, building use tax, needed road improvements, etc. Staff members from the City and the District have been meeting for several months to negotiate a draft Intergovernmental Agreement to address issues related to the new school. A copy of the draft IGA is attached.

**Expenditure Required:** None.

**Source of Funds:** N/A

## **Policy Issue**

Should the City enter into an IGA with SD50 relating to the new Westminster High School?

## **Alternative**

Do not enter into an IGA. This is not recommended since this would leave unresolved issues related to the construction of the new high school.

## **Background Information**

The School District 50 Board made a decision to consolidate Ranum and Westminster High Schools into one new facility. The new Westminster High School is being built on a site which includes the existing Westminster High School building, the District Stadium, the site of the now demolished District offices and an unincorporated parcel purchased by the District to include in the high school campus. The school is now under construction and will open in mid-August 2010.

Staff members from the City and the District have negotiated for over a year in the preparation of an IGA to address matters of mutual concern regarding the new high school. Some of the key provisions of the draft IGA are as follows:

### 1) Construction Use Tax

Contractors constructing any kind of building within Westminster (including public and private schools) are required to pay use tax on materials used in the construction of the building. As Council is aware, the three school districts within Westminster have questioned their obligation to pay use taxes. Regardless, based upon City Code, City Staff has been steadfast in the City's position that use tax must be paid.

School District 50 Staff provided construction bid documentation to City Staff for the new high school. Based on that, Staff estimated that approximately \$1.2 million in use tax would be owed. As part of this agreement, the District agrees to pay \$1.2 million and in exchange the City agrees to design and construct the needed improvements to Utica Street and 68<sup>th</sup> Avenue abutting the new school. Any of the \$1.2 million not needed for the street improvements would be returned to the District.

### 2) Utica Street/68<sup>th</sup> Avenue

Portions of Utica Street and 68<sup>th</sup> Avenue abut the new high school. Curb and gutter exists on the high school side of these streets. Developers of partially developed streets are required to fully improve those streets as a part of their development project.

Construction activity for the new school is damaging Utica Street and 68<sup>th</sup> Avenue. Plus, the streets need to be widened at the main entrance to the school to accommodate left turn lanes. Final curb and gutter and pavement widening is needed on the non-school sides of the roadway.

The IGA provides that the school will pay a total of \$1.2 million to the City for the street improvement project, including an initial \$100,000 which will be used by the City to hire a consultant to prepare street construction drawings. The City will bid out and over see the construction of the street between April 2010 and mid-August 2010. Any funds not needed for the design or construction of this road (including right-of-way acquisition) will be returned to the District at the completion of the project. Based on recent construction activity, Staff believes that the Utica Street/68<sup>th</sup> Avenue improvements will cost less than \$1.2 million. The widened and improved 68<sup>th</sup> Avenue and Utica Street will greatly enhance traffic circulation in this part of South Westminster and to the school.

- 3) Utica Street Right-of-Way  
The District owns a strip of land about 15-feet in width located south of 70<sup>th</sup> Avenue on the west side of Utica Street. The District will donate this land to the City at no cost to use as needed for the widening and improvement of Utica Street.
- 4) Open Space Purchase  
The District owns approximately one acre of excess land mostly south of 68<sup>th</sup> Avenue at Utica Street. The parcel slopes to the south to Hidden Lake and includes some land which is under the lake. The District agrees to sell the land to the City to be used for open space. An appraisal will be prepared which will establish the selling price of the property. This acquisition will forever preserve a “view window” across Hidden Lake to the south and west.
- 5) Annexation  
As stated earlier, a portion of the site for the new high school includes an unincorporated lot (4315 68<sup>th</sup> Avenue). The District agrees to submit a request to annex this property (annexation petition) to the City. The City agrees to annex the property within three months of the date of the annexation petition.
- 6) 70<sup>th</sup> Avenue ROW  
The District also agrees to provide land, if needed, for rights-of-way to construct 70<sup>th</sup> Avenue east of Utica Street when that “missing link” of 70<sup>th</sup> Avenue is built in the future.
- 7) Raleigh Street Vacation  
The City agrees to vacate Raleigh Street south of 70<sup>th</sup> Avenue where it abuts School District 50 property on both sides. This area is a part of the high school site.
- 8) Utility Considerations  
The District agrees to complete certain improvements to the City’s raw water line, domestic water line and detention pond.
- 9) Deferred Parking  
The District agrees to provide additional parking spaces for the school complex if the Auxiliary Services Center (bus barn) is vacated and the School District has adequate funds to complete redevelopment of the Auxiliary Services Center.

A copy of the draft IGA is attached for Council’s review. The exhibits associated with the draft agreement will be attached to the final IGA anticipated for official Council action on November 9, 2009. Staff will be in attendance on Monday night to answer any questions.

Respectfully submitted,

J. Brent McFall  
City Manager

Attachment

# INTERGOVERNMENTAL AGREEMENT

## Between the City of Westminster and Adams County School District #50

This Intergovernmental Agreement (“Agreement”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2009, by and between the **CITY OF WESTMINSTER**, a Colorado home rule municipality, hereinafter called the “City,” and **ADAMS COUNTY SCHOOL DISTRICT NO. 50**, a Colorado school district, hereinafter called the “School District.” The City and School District may be referred to collectively or separately as “Parties” or “Party” or “Jurisdiction.”

### RECITALS

WHEREAS, the City and the School District are both political subdivisions of the State of Colorado; and

WHEREAS, the people of the state of Colorado have authorized political subdivisions to cooperate with each other and contract in matters set out in this IGA through the Colorado Constitution, Article XIV, Section 18(2)(a), Article XX and Article XI, Section 7; and

WHEREAS, the purpose of Part 2 of Article 1 of Title 29, C.R.S. is to implement the aforesaid provisions of the Colorado Constitution and authorizes the Parties to enter into intergovernmental agreements; and

WHEREAS, pursuant to Sections 22-32-110 and 124, C.R.S. the School District has the authority to plan for, construct, and operate public school services for the residents of the City; and

WHEREAS, Section 29-1-203(1), C.R.S. provides, inter alia, that governmental units may cooperate with one another to provide any function, service or facility lawfully authorized to each of the contracting units, including sharing of costs; and

WHEREAS, the School District has commenced construction of a new Westminster High School, administrative offices, and related athletic and parking facilities (collectively hereinafter, the “School”) generally located north of 68<sup>th</sup> Avenue, south of 70<sup>th</sup> Avenue and east of Utica Street, on land presently owned or occupied by the School District, a portion of which land remains in unincorporated Adams County; and

WHEREAS, the School District desires to annex that portion of its property to the City of Westminster in order that the School may receive all urban services offered by the City; and

WHEREAS, the City desires certain improvements to the roadway system serving the new School so as to benefit the School’s users and to mitigate the impacts of the new School on the surrounding neighborhood; and

WHEREAS, the City and the School District desire to jointly fund the aforementioned improvements and enter into an agreement to facilitate the construction of improvements to the surrounding roadway system serving the School; and

WHEREAS, the District has engaged one or more contractors who have in turn retained subcontractors (collectively hereinafter, the “the School Contractors”) to construct the School and any improvements associated therewith; and

WHEREAS, the City and School District agree that it is in the best interests of their respective constituents to enter into this Intergovernmental Agreement to address the respective obligations of the Parties hereto regarding the annexation of the unincorporated parcel and the construction of the School and related roadway improvements; and

WHEREAS, under Westminster Municipal Code Title IV, a use tax is levied on the privilege of using, storing, distributing, or otherwise consuming in the City any article of tangible personal property ; and

WHEREAS, the City and the School District disagree as to whether or not the City may impose a use tax on the construction materials used for schools; and

WHEREAS, as the Contractor is responsible for the payment of use taxes on said construction materials, the City and the School district acknowledge that this cost would be passed on to the School District; and

WHEREAS, the City and the School District wish to resolve any differences between them regarding payment of use taxes in connection with the School District’s construction of a new Westminster High School and related facilities;

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, as well as the mutual agreements made by the Parties set forth herein, the Parties agree and contract as follows:

## **AGREEMENT**

### **SECTION 1. 68<sup>th</sup> Avenue/Utica Street Improvements**

**1.1** As a separate construction project at the new School, the City shall design and construct the following roadway improvements (the “Roadway Improvements”):

- a. The Roadway Improvements shall consist of widening the roadways abutting the School to the west and south to accommodate left turn lanes into the three principal entrances to the School.
  
- b. The Roadway Improvements shall be designed and completed in a sequence not to unreasonably interfere with:

- i. the operation of the current Westminster High School at 4276 W. 68<sup>th</sup> Ave., Westminster;
- ii. construction of the School; or
- iii. opening and operations of the School commencing August 15, 2010.

c. The Roadway Improvements shall include all geotechnical, surveying, engineering design or other work necessary to evaluate and reconstruct 68<sup>th</sup> Avenue between Osceola Street and Utica Street, and Utica Street between 68<sup>th</sup> Avenue and 70<sup>th</sup> Avenue. This shall include full depth subgrade and pavement replacement as determined by the City, based on the reports submitted from the mutually agreed upon design engineer and/or their subcontractors.

d. The Roadway Improvements shall include streetlights and curb and gutter on both sides of 68<sup>th</sup> Avenue and Utica Street, to the extent that existing curb and gutter is not usable.

e. To the extent that the Roadway Improvements require widening of W. 68<sup>th</sup> Avenue and Utica Street, such widening shall not encroach upon School District property where public right-of-way (including the land to be donated to the City pursuant to paragraph 1.2(h)) is available and shall not impede the School District's planned or actual use of the property.

f. The Roadway Improvements shall not include sidewalk on the south side of 68<sup>th</sup> Avenue. The School District may install 8-foot wide sidewalk on the street sides abutting the School site.

g. The School District and the City shall co-operate in co-ordinating their respective construction activities regarding the sidewalk and Roadway Improvements so as to facilitate the efficient and cost-effective installation of both. The City and its contractor shall ensure that the School District has access to W. 68<sup>th</sup> Avenue for its own construction purposes at all times during construction of the Roadway Improvements.

h. The School District shall provide access across its property adjacent to W. 68<sup>th</sup> Avenue and Utica Street to the City and its contractor in order that the City may complete the Roadway Improvements in a timely manner, provided that such access shall not interfere with School District activities on the property and the City or its contractor shall be responsible for any damage to School District property resulting from such access.

**1.2** The School District owns a strip of land approximately 15 feet in width located south of 70<sup>th</sup> Avenue and west of Utica Street. The District will donate this strip of land to the City to add to the existing Utica Street ROW. This dedication may occur on the subdivision plat described hereinafter in subsection 3.4.

**1.3** The City shall coordinate the design and construction documents for the Roadway Improvements to accommodate the proposed topography, vehicular driveways and general improvements of the School site perimeter. The City shall be responsible for contracting the project and providing construction supervision. The City shall provide all design, engineering and construction documents to the District for its review prior to the City's commencing work. Construction of these Roadway Improvements shall be completed no later than August 31, 2010.

**1.4.** The City shall obtain bids and award one or more contracts to construct the Roadway Improvements from qualified contractors in accordance with its normal practices.

**SECTION 2. Reimbursement of Construction Costs.**

**2.1** The School District shall reimburse the City for its costs to construct the Roadway Improvements in a total amount not to exceed one million, two hundred thousand dollars (\$1,200,000), payable as described below:

a. The School District shall pay the sum of one hundred thousand dollars (\$100,000) within seven days of execution of this agreement to provide funding to the City for design and engineering work for the Roadway Improvements. Such sum shall be credited to the School District's total obligation under this section 2.1.

b. The School District shall pay the sum of one million one hundred thousand dollars (\$1,100,000) to the City at the time that the City awards the contract for construction of the Roadway Improvements but in no event later than March 31, 2010.

c. After completion of the Roadway Improvements, if the City's costs of completing the Roadway Improvements total less than the sums paid by the School District in subsections a. and b. above, the City shall reimburse the School district for the difference.

**2.2** This Section 2 shall not apply to use tax due from the Contractor or its subcontractors from their use of construction equipment in the City pursuant to §4-2-10, W.M.C. The Contractor and its subcontractors are required to declare such construction equipment and remit any use tax due on or before the date the construction equipment is located in the City pursuant to §4-1-7(C), W.M.C.. The City shall collect use tax due, if any, on construction equipment from the Contractor and its subcontractors directly in the same manner as other taxes as provided by the City's Code.

**2.3** Provided that the aforesaid payments are timely remitted, the City shall not commence, or if commenced shall hold in abeyance, all remedies for the enforcement or collection of use taxes, including those described in Title IV of the Code, and shall neither exercise such actions against the School Contractors nor their successors, assigns, agents, employees, officers, attorneys, shareholders, divisions, directors, and representatives; *excepting however*, that if the same or the School District fails to timely remit the aforesaid payments, the City may immediately commence such actions without further notice or review.



**2.4** The provisions of Section 2 of this Agreement are intended for the sole purpose of resolving the issue of use tax on the School project without further delay, and shall not be construed as a waiver by the City of its authority to demand full payment of use tax upon construction by the School District within the City or as a waiver by the School District of any issue it may raise in defense thereof.

**SECTION 3. Annexation of 4315-68th Avenue.**

**3.1** The School District shall promptly prepare and file a Petition for Annexation to the City of Westminster. The area to be included in the annexation map shall include the property located at 4315 68<sup>th</sup> Avenue and the abutting right-of-way for 68<sup>th</sup> Avenue as shown on the attached Exhibit A.

**3.2** The City shall take all steps necessary to expeditiously complete the annexation requested by the School District, and shall act on the annexation ordinance no later than three (3) months after a complete Petition, meeting all City and state requirements, is filed.

**3.3** The School District shall dedicate any additional right-of-way along 68th Avenue or Utica Street needed for construction of the improvements described in Section 1, above. This dedication may occur on the subdivision plat described hereinafter.

**3.4** Upon the completion of the annexation to the City of Westminster, the School District shall complete a subdivision platting or replatting of its property affected by this agreement, and shall include on the plat all right-of-way and utility easement dedication contemplated by this agreement.

**3.5** At such time in the future that the City so requests, the School District shall dedicate, at no cost to the City, a portion of land for the Right of Way of the 70<sup>th</sup> Avenue alignment between Utica Street and Raleigh Street, as depicted on Exhibit B, attached hereto, so long as such dedication does not interfere with current or currently planned school facilities.

**SECTION 4. Purchase of Hidden Lake Shoreline.**

**4.1** The School district shall sell and the City shall purchase a parcel of land approximately one acre in size located south of 68<sup>th</sup> Avenue and west of Utica Street abutting Hidden Lake (see Exhibit B). The City's intent is to purchase the site to preserve it as open space in a natural riparian state. The City agrees to pay the value as determined by an appraiser mutually selected by the City and the School District, unless the parties agree to a purchase price prior to selection of an appraiser. The parties shall complete the transaction as expeditiously as possible.

**4.2** The City shall permit the School District to utilize at no cost to the School District the lakefront parcel for educational purposes that are consistent with and respecting of the natural amenities of open space property. The parties agree to coordinate their activities on the use of the parcel. The School District's use shall not include any right to construct any improvements, nor to park vehicles on the parcel.

**SECTION 5. Vacation of Raleigh Street.**

**5.1** The City shall, upon request by the School District, vacate that portion of Raleigh Street, extending south from the southernmost right-of-way line of 70<sup>th</sup> Avenue into the School District's property, so as to allow the former street to be utilized in the site plan for the new School.

**SECTION 6. Utility Considerations.**

**6.1** The School District shall complete the following utility improvements currently underway as part of the new School construction and the redevelopment of the current Westminster High School:

- a. The City's raw water line, generally located along the north south alignment of Raleigh Street, shall be improved as required to accommodate the proposed grading and construction on the school site at no cost to the City.
- b. The City's 8" water line, generally located on the eastern edge of the School's site shall be relocated and lowered to a location mutually agreeable to the parties. Design drawings must be approved by the City before construction of this water line begins.
- c. The detention pond (Detention Pond E) shall be re-graded to accommodate the appropriate easement and design specifications as established by the City.

**6.2** Any major redevelopment at the current site of the School District's Auxiliary Services Center at 7002 Raleigh Street in Westminster shall require construction of a water quality pond to serve the site and any tributary treated storm water on the high school site, which is within the Little Dry Creek drainage basin. For the purposes of this provision, major redevelopment of the Auxiliary Services Center shall mean demolition of the current improvements currently being used for bus services and maintenance and as a purchasing warehouse, replaced by construction of new improvements or impervious surfaces for purposes such as educational programs or a parking lot.

**SECTION 7. Deferred Parking.**

The School District commits to providing adequate on-site parking spaces. The City has requested that the School District provide an additional 120 spaces at the School to meet the parking demand of students, faculty, staff, and visitors. The School District shall provide additional parking spaces if the Auxiliary Services Center is relocated and the School District has adequate funds to complete major redevelopment of the Auxiliary Services Center.

**SECTION 8. Shared Facility Use.**

The School District shall allow the City to use certain School District facilities at no cost, provided that the City's use of such facilities do not interfere with the School District's needs for and use of its own facilities. The School District shall have discretion to approve or deny any request by the City for use of School District facilities. The City shall reimburse the School District for any incremental School District staffing, including, without limitation, custodial and maintenance personnel, necessary to make its facilities available to the City.

The foregoing activities would be cooperatively scheduled between the parties each year based upon the School District's calendar.

**Section 9. Liability and Insurance.**

**9.1 Liability**

During the term of this Agreement, each Party hereto shall take all steps necessary to extend coverages under its general liability and other insurance coverages to the real property and improvements subject to this Agreement and owned by that Party, and to that Party's activities on its property or pursuant to this Agreement.

**9.2 Insurance**

The Parties hereto understand and agree that the City, the School District, their officers and employees are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations (presently \$150,000 per person and \$600,000 per occurrence) or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 *et seq.*, as from time-to-time amended, or otherwise available to either Party, their officers or their employees.

**SECTION 10. Notice**

Any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if personally delivered or served by facsimile. Notice shall also be sufficient if sent by certified mail or registered mail, postage and fees prepaid, addressed to the Party to whom such notice is to be given at the address set forth below or at such other address as has been previously furnished in writing, to the other Party. Such notice shall be deemed to have been given when received by the other Party.

City of Westminster  
Attention: City Manager  
4800 West 92nd Avenue  
Westminster, Colorado 80031  
Fax: 303-706-3921

Adams County School District #50  
Attention: Roberta Selleck, Superintendent of  
Schools  
2401 West 80th Avenue  
Denver, Colorado 80221  
Fax: 303-657-9450

## **SECTION 11. Other Agreement Provisions**

### **11.1 Integration and Amendment**

This Agreement represents the entire Agreement between the Parties and there are no oral or collateral agreements or understandings concerning the subject matter contained herein. Only an instrument in writing signed by the Parties may amend this Agreement. In the event this Agreement conflicts with or is inconsistent in any way with other agreements between the Parties concerning joint use of facilities, the terms of this Agreement shall be controlling.

### **11.2 Venue**

This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought only in the County of Adams, State of Colorado.

### **11.3 Severability**

If any article, section, paragraph, sentence, clause or phrase of this Agreement is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity, enforceability or constitutionality of the remaining provisions of this Agreement.

### **11.4 Waiver of Breach**

A waiver by any party of a breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either Party.

### **11.5 Non-discrimination**

Neither of the Parties hereto shall discriminate on the basis of age, sex, race, religion, ancestry, national origin, physical or mental disability in any policy or practice.

### **11.6 Compliance with Law**

The work and services to be performed hereunder shall be done in compliance with all applicable federal, state and local laws, ordinances, rules and regulations.

### **11.7 Recording**

The School District and the City may record this Agreement, and both Parties shall receive a copy of the recorded Agreement in such event.

### **11.8 No Third Party Beneficiaries**

This Agreement is intended to describe the rights and responsibilities only as to the Parties hereto, and shall not be deemed to confer any rights on any person or entity not named as a Party hereto, except only that the parties acknowledge that the School District intends that its Contractors are the beneficiaries of Section 2 hereof regarding the enforcement and collection of use taxes on construction materials for the School.

### **11.9 Assignment**

This Agreement shall not be assigned by either party without the prior written consent of the other party.

### **11.10 Interpretation**

The Parties represent that this Agreement is the result of negotiations between the parties. In the event of any legal action to interpret any provision of this Agreement, the Agreement shall not be construed in favor of or against the interests of either Party as a result of its participation in drafting the document, and both Parties shall be deemed to have contributed equally to the language contained herein.

### **11.11 Attorney/Expert Fees**

In the event legal action is necessary to enforce any provisions of this Agreement, or to recover damages for the breach hereof, the prevailing party shall recover from the defaulting party all of its costs and reasonable attorney and expert fees.

### **11.12 Default**

Time is of the essence. If any payment or any other condition, obligation, or duty is not timely made, tendered, or performed by either party, then this Agreement, at the option of the party who is not in default, may be terminated by the non-defaulting party, in which case, the non-defaulting party may recover such damages as may be proper. If the non-defaulting party elects to treat this Agreement as being in full force and effect, the non-defaulting party shall have the right to an action for specific performance or damages or both.

### **11.13 TABOR**

The City and the School District intend that this Agreement comply with Colorado law and, in particular, with the provisions of Article X, Section 20, of the Constitution of the State of Colorado. To the extent funds have not been irrevocably pledged for any obligation in this Agreement, such obligation shall be contingent on and subject to prior appropriation of funds by the governing body of the obligated party. The Parties agree to use their best efforts and shall exercise their utmost good faith to appropriate funds necessary to meet their respective obligations under this Agreement.

### **11.14 Execution**

This Agreement shall not be binding upon any Party hereto unless and until the governing entities of each Party have formally approved this Agreement as required by law and caused the Agreement to be signed in a manner and by authorized persons consistent with applicable statute, policy, ordinance or resolution.

**11.15 Additional Documents or Action**

The parties agree to execute any additional documents or take any additional action that is necessary to carry out this Agreement.

**11.16 Execution in Counterparts**

This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

**IN WITNESS WHEREOF**, the City and the School District have caused this Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

**ADAMS COUNTY SCHOOL DISTRICT  
NO.50**

By: \_\_\_\_\_  
Roberta Selleck  
Superintendent of Schools

APPROVED AS TO FORM:

Semper Miller Mooney & Farmington PC

By: \_\_\_\_\_  
Patrick Mooney

**CITY OF WESTMINSTER, COLORADO**

By: \_\_\_\_\_  
J. Brent McFall  
City Manager

ATTEST:

By: \_\_\_\_\_  
Linda Yeager, City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
City Attorney's Office

S:\Adams 50\Westminster HS\IGA 0901023



WESTMINSTER

## Staff Report

City Council Study Session Meeting  
November 2, 2009



**UBJECT:** Community Development Block Grant Program, 2010 Action Plan and Five-Year Consolidated Plan

**PREPARED BY:** Vicky Bunsen, Community Development Programs Coordinator

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

Provide direction to staff on proposed projects to be funded with Community Development Block Grants (CDBG).

### **Summary Statement**

In order to prepare the City's Five-Year Consolidated Plan (Consolidated Plan) for 2010-2014, staff obtained consulting services to provide a fair housing report and also has solicited citizen input on proposed uses for CDBG funds. The results are summarized in this Staff Report. City Council guidance is requested in order to develop proposals for inclusion in the Consolidated Plan, which must be submitted to the U. S. Department of Housing and Urban Development (HUD).

**Expenditure Required:** estimated \$550,000 per year, 2010-2014

**Source of Funds:** Community Development Block Grants

**Policy Issues** Provide guidance on goals for CDBG expenditures over the next five years.

**Alternatives** None



## **Background Information**

### Overview of CDBG Program

The U. S. Department of Housing and Urban Development (HUD) provides grants annually to cities based on several factors, including the number of low and moderate-income people who are living in the city during the census taken every ten years. This includes households earning 80% or less of the area median income (AMI). A family of four who earns \$60,800 in 2009 is at the 80% AMI income level. The census tracts with the highest percentage of residents earning 80% AMI or less are in south Westminster (see Attachment 1).

The City of Westminster participates in the CDBG program and is required to prepare annual action plans, annual evaluation reports and a five-year consolidated plan. In order to prepare the City's 2010-2014 Consolidated Plan, input was sought from City staff and in a citizen survey in south Westminster. A summary of survey results from the Progressive Homeowner's Association is attached (see Attachment 2). Also, as required by HUD, the City contracted with a consultant to prepare a report called an Analysis of Impediments to Fair Housing. This report is required every five years as preparation for the Consolidated Plan. A summary of this report is included as Attachment 3 and the entire report is available on the City website at [http://www.ci.westminster.co.us/916\\_2885.htm](http://www.ci.westminster.co.us/916_2885.htm). A hard copy can be provided to Councillors upon request to Staff.

All CDBG activities must meet one of the three national objectives for this program:

- serve predominantly lower-income clients;
- eliminate or mitigate slums and blight; and/or
- address an emergency need.

Twenty percent of each annual grant may be (but is not required to be) used for program administration, including salaries. Up to 15% of the grant may be used for social services. The City is now funding all social services grants with local general fund money in order to avoid the administrative burden on nonprofits receiving small federal grants that require a great deal of compliance activity. This choice also substantially reduces the administrative burden on City staff, freeing up staff time for substantive revitalization projects and programs. The bottom line is that at least 70% of the grant must be put into projects that benefit low and moderate-income City residents. This requires the money to be spent in the qualifying census tracts in south Westminster (although lower-income residents throughout the City may benefit from home rehab and down-payment assistance). It is possible to use CDBG funds to address blight or emergency needs in other parts of the City, but a formula applies which results in 70% of the funding going to the lower income census tracts over a period of three years.

The City's HUD-mandated five-year consolidated plan is expiring this year and a new consolidated plan must be prepared and adopted this fall. The process will include review by the public, City staff and City Council by the end of November, completion of the document, and posting on the City website by December 15<sup>th</sup> for public review. It will then be submitted to HUD for review and approval by January 15, 2010.

In the Five-Year Consolidated Plan, the City is required to analyze and explain its actions with regard to a number of community needs, including the following general topics:

- Housing needs

Public housing  
Evaluate and reduce lead-based paint hazards  
Continuum of care to identify and assist homeless persons and families  
Fair housing  
Foster, maintain and eliminate barriers to affordable housing (both renter- and owner-occupied)

- Supportive service needs

Seniors  
Severely disabled adults  
Homeless  
Abused or neglected children and youth  
Illiterate adults  
Migrant farm workers  
Persons who use food banks or meals programs  
Persons living with AIDS/HIV  
Domestic violence victims

- Community development needs in low and moderate-income census tracts

To provide resources to preserve and improve neighborhoods  
Economic development to provide jobs  
Infrastructure  
Public facilities

Since the City's annual CDBG grant is relatively small, it is difficult to apply financial resources to all of these various needs. It has been the City's approach for several years to identify the General Fund grants that are made to nonprofits that provide social services, and also to identify the various ways in which the City supports development of affordable and quality housing in the low to moderate-income areas, as well as throughout the City. The City has moved away from using federal grants for most of these purposes because the regulations (e.g., mandatory wage rates, lead-based paint mitigation, income restrictions) add costs to the programs and projects. In order to limit the impact of additional federal regulation and associated costs, it has been the City's recent practice to focus the annual CDBG grant on one or two projects in the low to moderate-income census tracts and devote 20% of the grant to administrative costs.

#### Analysis of Impediments to Fair Housing

The Analysis of Impediments to Fair Housing report (often referred to as the AI report) is required every five years by HUD as part of the City's preparation of its five-year consolidated plan for use of Community Development Block Grants. The City's consultant worked from June through September this year on the report, collecting statistical data and conducting many interviews of City staff and various non-profit agencies that provide housing services and social services in the Westminster area. The entire draft report is currently available for public input and review on the City's CDBG website ([http://www.ci.westminster.co.us/916\\_2885.htm](http://www.ci.westminster.co.us/916_2885.htm)). If a Councillor would prefer a hard copy of this report, Staff can provide a copy.

While the focus of the report is on impediments to fair housing, the statistics also reveal that that City provides a great deal of affordable housing at most income levels. Half of all the public housing in Adams County is located in Westminster (Westminster accounts for only 15% of the total population of Adams County). Affordable apartments and townhomes are located in all regions of the City. The City has provided public improvements and financial support for several dozen new affordable townhomes in the south Westminster revitalization area in recent years and this type of housing

continues to be built even during the current recession. However, so long as there are housing needs in the community, HUD requires that these needs be identified and addressed by all cities and counties that receive HUD funding.

The final recommendations and findings in the report are listed briefly here and in full as Attachment 3. These impediments are common to most communities and are not unique to Westminster.

1. Lack of understanding of reasonable accommodation requirements for persons with disabilities, which may result in housing discrimination complaints
2. Development-related impediments
3. Lack of formal policies and programs to support affordable housing
4. Limited supply of affordable housing
5. Language barriers
6. Other impediments: lack of education and job skills; inadequate incomes; credit and foreclosure history; transportation; lack of adequate funding levels

The actions recommended in this report must be included in the City's Five-Year CDBG Consolidated Plan, and annual reports will need to be made on the City's pursuit of those actions.

#### Proposed CDBG Projects, 2010 Action Plan and 2010-2014 Consolidated Plan

It is recommended that City Council continue with the strategy of pursuing housing and supportive service goals through City development policies and funding of agencies through the Human Services Board. The CDBG funding is most effectively invested in strategic community projects that improve the quality of life in low and moderate-income neighborhoods and provide incentives for privately funded revitalization activities. Housing needs can be further met through investment of the City's portion of the Adams County HOME funding (approximately \$200,000 per year) into the current housing rehabilitation program and down-payment assistance for homebuyers. Both programs serve households receiving 80% or less of the area median income.

City Council will need to select projects for expenditure of CDBG funds in 2010 and thereafter. Projects that have been identified by staff and by public input include the following:

1. Use of \$25,000 per year of CDBG funds to provide loans up to \$5,000 per qualifying household to assist with emergency repairs, such as the need to fix a leaking roof or replace a failing furnace. If this project is approved, City staff would investigate similar programs conducted by local non-profit or public agencies to find an agency to operate the program for Westminster. This would allow the City to accept applications and direct the expenditure of the funds, but not require City staff to take on the contracting and underwriting tasks. Currently, only HOME funding is available to assist homeowners with rehabilitation. The regulations of the HOME program require all deficiencies to be brought up to code and cannot be used to address a single deficiency on an emergency basis. The CDBG funds do not carry this requirement and can be used on an emergency basis. City staff receives calls requesting this type of assistance, from both low-income seniors and heads of households with children.
2. Build 70<sup>th</sup> Avenue/Elk Drive from Lowell Boulevard at 69<sup>th</sup> Place to the England Park ball field and fire training tower, providing access to and parking for the proposed neighborhood dog park. This access has also been identified in a traffic study as important to the new high school site. This project would be contingent on securing one parcel of private property for the right of way. Staff is recommending that this project be built in 2010 which would also allow the dog park to be built next year.

3. Acquire property or build public parking or other public improvements in support of the Adams County Housing Authority (ACHA) development at 71<sup>st</sup> Avenue and Federal Boulevard. This development is important to both the transit-oriented development effort and improving the quality and affordability of workforce housing in this neighborhood. ACHA has indicated that it will not be pursuing its plans this year, so investment of CDBG for this project would probably occur after 2010.
4. Further development of the community arts center concept at the Rodeo Market and Westminster Grange Hall. During the next five years, it would be possible to develop construction documents for this project and possibly pursue financing for construction, depending on whether the Westminster Grange Association is prepared to collaborate with the City on the project. A survey of the Progressive Homeowners Association in September showed this project to have very high support among that group (see Attachment 2).
5. Acquisition of properties necessary for the future realignment of Bradburn Boulevard between 72<sup>nd</sup> and 73<sup>rd</sup> Avenues to allow Bradburn to intersect 72<sup>nd</sup> at the Raleigh Street traffic signal. This realignment would create a safer traffic intersection and improved access to the new high school. While acquisition of property for this purpose would be eligible for CDBG investment, use of federal funds could increase costs due to the applicability of federal relocation and environmental regulations. This proposal received strong support in the survey.
6. Acquisition of properties in the transit-oriented development area to be used for future affordable housing and mixed-use development. The citizen survey showed interest in this use of CDBG funds. This proposal would depend on finding strategically located parcels for sale which would be affordable given the amount of available funding.
7. Provide decorative street lights and other streetscape improvements on south Westminster residential streets.
8. Construction of 70<sup>th</sup> Avenue from Utica to Stuart Street. This would provide a missing link needed for good traffic circulation around the new high school. Some right-of-way acquisition would be necessary.

Other attractive projects have not been added to this list because of incompatibility with CDBG regulations. One project that received community support was improvements to the Lowell Boulevard streetscape north of U.S. 36.

Staff will attend the study session on November 2, 2009, to gather City Council's input on desirable CDBG projects and to discuss the Analysis of Impediments to Fair Housing report.

Respectfully submitted,

J. Brent McFall  
City Manager

Attachments



**Green numbers and boundary lines:** Census tracts 94.01, 96.03, 96.04, 96.06, 96.07 – all include more than 50% residents with low or moderate income (at or below 80% of area median income)

## Attachment 1

**Progressive Homeowner's Association**  
 COMMUNITY SURVEY  
 For  
 POTENTIAL PROJECTS AND PROGRAMS  
 Utilizing  
**Community Development Block Grant Funds**

The City of Westminster receives approximately \$450,000 annually in Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development that is available to be used towards projects and programs that will benefit low to moderate income households and/or communities. To be able to use these funds, the City is required to identify and prioritize eligible projects to be included in the Consolidated Plan, which will guide CDBG expenditures for a five year period. The City of Westminster is seeking your assistance in identifying and prioritizing projects for possible CDBG funding over the next 5-years. Please take time to offer any thoughts on projects and programs that you would like to see considered for CDBG funding beginning in 2010.

Below is a list of projects that have been determined to be eligible for CDBG funding. Please rate your level of support by checking one box relative to each project.

*[\* These cells were combined for ease of staff review.]*

PROJECT	Support or Strongly Support *	Neutral	Minimal or No Support*
<b>Bradburn Boulevard Realignment</b> – Provide remedy to the dangerous intersection at 72 <sup>nd</sup> and Bradburn by realigning the section of Bradburn between 72 <sup>nd</sup> and 73 <sup>rd</sup> to the west and tying back into Raleigh on the south side of 72 <sup>nd</sup> .	9	2	3
<b>Lowell Boulevard Streetscape Improvements: U.S. 36 to 82<sup>nd</sup></b> – Continue progression of landscaping improvements completed to date along Lowell between 73 <sup>rd</sup> and Turnpike Drive.	11	2	1
<b>Bradburn Pedestrian Street Lighting</b> Underground overhead power lines and install decorative pedestrian lighting along length of Bradburn.	4	2	8
<b>Grange/Rodeo Community Center</b> – Continue improvements to the Westminster Grange and Rodeo buildings and adjoining park land to create a fully functional and accessible community center providing space for arts, neighborhood-based events, and private functions.	11	1	2
<b>Property acquisition for Harris Park expansion</b> – Acquire property immediately northwest of the Westminster Grange and southwest of the Westminster Presbyterian Church to expand the area available for creation of the Harris Park.	7	1	6

<p><b>76th Avenue Streetscape Improvements</b> – Initiate landscaping improvements along 76<sup>th</sup> that would include undergrounding of utilities, installation of decorative streetlights, and new curb, gutter and sidewalks.</p>	7	5	3
<p><b>70th Avenue/Elk Drive Realignment</b> – Construct a street between Elk Drive (adjacent to England Park at Raleigh and 72<sup>nd</sup>) Lowell Boulevard that will provide improved access to the planned dog park at 69<sup>th</sup> Avenue and Lowell Boulevard. This segment would be the first phase in several phases that would tie back into 70<sup>th</sup> at Utica.</p>	6	4	4
<p><b>Adams County Housing Authority (ACHA) Administrative Offices (71<sup>st</sup> and Federal)</b> – ACHA is proposing to build a new 2-story building on the old “Arrow Motel” site and intends to move its operations into the upper floor of the facility. The ground floor would be lease to new businesses. The project would be the first construction in the transit development area. CDBG would be used to assist in land acquisition, utilities, public parking and streetscape improvements.</p>	1	6	7
<p><b>Land Acquisition within the Transit Development Area: (71<sup>st</sup> and Federal area)</b> – RTD has indicated it will open a rail station in 2016. The City is interested in acquiring property adjacent to the station to eliminate blight and facilitate new development.</p>	6	2	6
<p><b>Torii Square Park Improvements</b> – The park at 76<sup>th</sup> and Lowell could be improved to include a children’s play area and new furnishings.</p>	3	4	7

## OTHER POTENTIAL PROJECTS/PROGRAMS:

Please provide other potential projects/programs on the Supplemental Form as provided.

---

**Project Name:** Mixed-use housing development rezoning around future 70<sup>th</sup>/Irving Fastracks hub

**General Location/Address (if applicable):** 70<sup>th</sup> & Irving

**General Description of Project/Program:** Prioritize development of walkable urban center for shopping/park combined with low-mod-high mix of AMI housing – both single family for sale, multifamily rental, as well as senior targeting

---

**Project Name:** Redevelop/ restructure use of vacant office buildings

**General Location/Address (if applicable):** 81<sup>st</sup> Avenue between Sheridan & Raleigh St

**General Description of Project/Program:** Assess and prioritize use of available land/buildings for new private/charter schools, housing, community center space, etc. libraries?

---

**Project Name:** expansion of recycling center locations

**General Location/Address (if applicable):** one is by S Westy fire dept off 73<sup>rd</sup> Ave

**General Description of Project/Program:** Accept more variety of recyclables, encourage bins program to partner with trash companies at residential homes.

---

**Project Name:** 76<sup>th</sup> Ave blighted area on north side

**General Location/Address (if applicable):** start with 76<sup>th</sup> & Julian, NW corner

**General Description of Project/Program:** house under construction for 3 yrs. Weed yards, fence lines, elm trees all over, even in the side walk.

---

**Project Name:** blight area on Irving south from 76th

**General Location/Address (if applicable):** middle of the block - yards

**General Description of Project/Program:** yards are trashy looking. City spring cleanup doesn't even help.

---

**Project Name:** Same problem all over

**General Location/Address (if applicable):** Just take a drive or better yet walk and see all the wonderful stuff.

Sure glad I am not a mail person – see what walks & steps they have to use

**General Description of Project/Program:** A

---

**Project Name:** 70<sup>th</sup>Ave/Elk Dr realignment

**General Location/Address (if applicable):**

**General Description of Project/Program:** It would be logical to close off the Utica to 68<sup>th</sup> “L”-shaped street so that the new Westminster High School would have access to the lake without crossing a road and routing all traffic through the new north thoroughfare.

---

**Project Name:** Lowell Blvd Streetscape Improvements to 82nd

**General Location/Address (if applicable):** this is a safety issue..... most of the other projects listed are for convenience

**General Description of Project/Program:** See attached letter requesting installation of sidewalk/bikepath along Lowell Blvd. We have written request letters during budget years since 2002. (Two letters from Cindy and Michael Jeffries are attached asking for continuous sidewalk to be built along the east side of Lowell Blvd north of U.S36.)

---



# **Action Items from Analysis of Impediments to Fair Housing Report**

**Full Report Available at [http://www.ci.westminster.co.us/916\\_2885.htm](http://www.ci.westminster.co.us/916_2885.htm)**

**1. Housing discrimination** – Housing discrimination, based on HUD complaint data, may be occurring on a very limited basis related to disabilities and a lack of understanding and awareness about reasonable accommodation requirements.

**Actions:**

Action 1A: The City of Westminster Department of Community Development will continue to work with area housing authorities and agencies, HUD-FHEO, Colorado Civil Rights Division (CCRD), and other groups and organizations to increase awareness and understanding of fair housing – on-going action

Action 1B: The City of Westminster Department of Community Development will continue to support efforts of the Housing Authorities to increase distribution of fair housing information at every opportunity, including at resource fairs, and other housing-related conferences and seminars – on-going action

**2. Development-related impediments** – These impediments include land development costs and impact fees and growth management and design regulations. Land development costs and fees, while necessary, impact the cost of housing, and in particular, the cost of affordable housing. The Growth Management Program may also be impacting the cost of housing, with the required design standards and guidelines. With residential development being fairly slowed now, it is a good time to evaluate and potentially create new programs and/or standards for affordable housing.

**Actions:**

Action 2A: The City's Growth Management Program will be evaluated during 2009/2010. This evaluation should include a detailed review of the cost implications of the current design guidelines and standards for all residential uses. This review should include broad representation of the building and development industries – including for profit and non-profit builders such as Habitat for Humanity, as well as any industry organizations such as the Home Builders Association – begin 2010 and complete prior to December 2010 expiration of Growth Management Program

Action 2B: As part of the evaluation described in Action 2A above, the City should consider the creation of an affordable housing component and related design guidelines and standards for the competitive allocation of service commitments – begin late 2009, along with Action 2A, and complete prior to December 2010 expiration of Growth Management Program

Action 2C: The City of Westminster will evaluate the potential for creating an affordable housing package of incentives that could address such things as development review turn-around, flexibility in design standards, waiving or deferring of fees in an effort to encourage the development of types of affordable housing – begin late 2010, complete by end of 2011

**3. Lack of policies and programs to support affordable housing** – The City of Westminster does not have any formal policies or programs designed to encourage or promote the development of new affordable housing – either infill, redevelopment or green field housing. New regulations that may impact housing may be adopted without consideration of how new regulations could impact the cost of housing, particularly affordable housing. The majority of the more affordable housing is primarily found in South Westminster and along the city's eastern boundaries. A policy for the distribution or dispersal of affordable housing could promote affordable housing in other areas of the community where it does not currently exist.

**Attachment 3**

**Actions:**

Action 3A: The City of Westminster will consider establishing a policy that would require the evaluation of all new City goals, policies, regulations, and fees for their potential impact on housing and in particular, on affordable housing – begin early 2010 and complete by mid-2010

Action 3B: The City of Westminster will consider adopting a policy that would encourage the distribution of new affordable housing units into areas of Westminster that do not currently have affordable housing – begin early 2010 and complete by mid-2010

**4. Limited supply of affordable housing, particularly for low-income households, large families, emergency and transitional housing units, and units for persons with disabilities that can accommodate their special needs** – There is a continuing need for additional housing units for all households at the lowest income levels, as well as larger units to accommodate families with several children. There is also a continuing need for emergency shelter space at domestic violence shelter and transitional housing for households who are able to work toward self-sufficiency. Housing that provides for the special needs of persons with disabilities is also in short supply and this demand is expected to continue to increase. Mobility is often the first disability considered; however there are other disabilities that may require special housing, such as vision or hearing impairment, or disabilities that require specific air quality controls.

**Actions:**

Action 4A: The City of Westminster/Community Development Department will promote and encourage the development of affordable housing by directing federal grants and subsidies to developments that propose to serve these populations – this action is on-going

Action 4B: The City of Westminster Planning Division will continue to promote a mix of housing unit types in all neighborhoods and new developments for residents of all economic levels, in locations where alternative transportation modes are available – this action is on-going

Action 4C: The City of Westminster/Community Development Department will continue to assist in the provision of services for the homeless, including emergency shelter space and transitional housing, as well as supportive services, by directing federal grants to the agencies that provide these services – this action is on-going

Action 4D: The City of Westminster and the Adams County Housing Authority will continue to distribute information about housing rehabilitation programs, as well as down payment assistance, and other area sources of funding to encourage home ownership for households that are able to qualify for and maintain ownership – begin 2009 and continue as an on-going action

**5. Language** – Language is a barrier for those persons for whom English is not their first, or primary language. While many Spanish-speaking residents may be able to access translation services, there are many more languages being brought into the community, for which interpretation or translation services may be needed, but may be more difficult to find.

**Actions:**

Action 5A: The City of Westminster/Department of Community Development will identify additional organizations that can provide translation services, including area educational institutions, Asian/Pacific Development Center, and Colorado Refugee and Immigrant Services - begin 2009 and complete by early 2010 and update annually

Action 5B: The City of Westminster/Department of Community Development will work with area housing agencies and organizations, including representatives of the real estate and lending industries, to determine the need for all to provide written materials in additional languages, beyond English and Spanish – begin 2009 and complete by early 2010 and update annually

**6. Other impediments** – During the course of this study, a number of other items were noted as being impediments to fair housing choice for many households; but which are, for the most part, beyond the City's ability to influence.

These included a lack of education and job skills that makes it difficult to earn a livable wage; a lack of credit history, or bad credit and/or foreclosure history; a lack of transportation, particularly for those households who do not have a car; and a lack of adequate federal and state funding to carry out the necessary actions to further fair housing choice.

**Actions:**

Action 6A: The City of Westminster will support organizations such as the Adams County Education Consortium, Economic Development agencies, and other educational institutions to assist in improving area income levels by increasing the number of higher-paying jobs increasing job skills – on-going

Action 6B: The City of Westminster will support the development and implementation of alternative transportation modes, particularly the FasTracks plans, by ensuring that these plans are considered in all future planning and development efforts – on-going

**City of Westminster City Council Study Session Notes  
October 19, 2009**

Mayor Nancy McNally called the Study Session to order at 6:32 PM. All Councillors were in attendance.

City Staff in attendance included: City Manager Brent McFall; Assistant City Attorney Jane Greenfield; Assistant City Manager Steve Smithers; Deputy City Manager Matt Lutkus; City Engineer Dave Downing; Water Resources and Treatment Manager Mike Happe; Water Resources Engineering Coordinator Josh Nims; Engineer Mary Jay Vestal; Public Information Specialist Carol Jones and Management Analyst Phil Jones.

Guests in attendance included Water Attorney Lee Johnson, of Carlson, Hammond & Paddock.

**Revised and Amended Storage Facility Agreement and Water Lease Agreement**

City Staff gave a brief presentation updating City Council on the status of the Wattenberg Gravel Lakes storage facilities. Aggregate Industries has a contract with the city to mine the storage lakes and use the aggregate in construction materials. Due to a longer-than-expected permitting process and a slump in new home and other construction, Aggregate Industries has not mined the site. A revised contract with Aggregate Industries and the South Adams County Water and Sanitation District would provide new timelines for the completion of the process and notes the costs associated with water storage at the completed site. Under the new contract, all mining, construction, and site upgrades must be complete by 2022 so that the city may store water at the facility and complete this important piece of the Comprehensive Water Supply Plan. Council directed Staff to bring the amended contract back for official action at a future City Council meeting.

**Update on Franchise Agreement negotiation and Status of Xcel's Proposed Tariff Changes**

Assistant City Attorney Jane Greenfield and City Engineer Dave Downing gave a brief update on the Xcel franchise renewal and proposed changes to the Xcel tariff. The update included information on the negotiations regarding franchise fees, undergrounding fees, streetlight maintenance and other items. Council presented staff with a few questions, regarding the franchise and tariff negotiations, that they would like to discuss at the upcoming executive session regarding the specifics of the franchise negotiations.

Mayor McNally adjourned the Study Session at 7:28 PM.