

THE PROMENADE EAST PRELIMINARY DEVELOPMENT PLANS
AND DESIGN GUIDELINES WILL BE DELIVERED ON THURSDAY.

SPECIAL CITY COUNCIL MEETING

MONDAY, OCTOBER 20, 1997

At 7:00 P.M.

1. Pledge of Allegiance
2. Roll Call
3. Purpose of Meeting
 - A. Federal Heights Wholesale Water Contract Amendment
 - B. Public Hearing re Promenade East PDP
 - C. Preliminary Development Plan for Promenade East
4. Executive Session Items
 - A. Shaw Heights Water Contract Negotiations
 - B. Semper Water Treatment Plant
5. Adjournment

Date: October 20, 1997

Subject: Westminster Promenade East Preliminary Development Plan

Prepared by: Max Ruppeck, Planner III

Introduction

City Council is requested to hold a public hearing, and take action on the Westminster Promenade East Preliminary Development Plan (PDP) which previously was a part of the Northpoint Center Planned Unit Development.

Summary

The Westminster Promenade is a **unique** and exciting new development located at the northeast quadrant of the US 36 and 104th Avenue interchange, adjacent to City Park. The project's design features a creative combination of land uses, pedestrian orientation, and public amenities which is unique to the Denver Metro area. Promenade West, which is currently under construction, features a state-of-the art 24-screen AMC theatre, restaurants, and compatible retail shops. Promenade East, 57-acres in area, extends this concept of recreational, entertainment, and leisure-time oriented activities with a three-sheet ice arena, a 360-room, four-star Westin Hotel, a 50,000 square foot conference center, an office complex, and additional restaurant and retail uses, all oriented toward a promenade fronting upon a two-acre lake.

Planning Commission Recommendation

At their public hearing on October 14, 1997, Planning Commission unanimously recommended approval of the Westminster Promenade East Preliminary Development Plan (PDP). During the hearing, one person expressed an opinion that patrons of the proposed hotel should not be given "priority access" to the City's public golf courses. There was no further opposition to the proposed development.

Staff Recommendation

1. Hold a public hearing.
2. Approve the Westminster Promenade East Preliminary Development Plan.

Background Information

Discussion of Major Issues

Westminster Promenade East includes the portion of the Northpoint Planned Unit Development immediately west of City Park and Big Dry Creek extending to Westminster Boulevard (Pierce Street extended) (see attached maps). Promenade East is a continuation of an overall master planned project which includes Promenade West located west of Westminster Boulevard.

Promenade West is comprised of the 24-screen AMC Theaters and about 100,000 square feet of retail and restaurant space directly east of the AMC Theaters arranged along a 50 foot wide pedestrian promenade extending to Westminster Boulevard. The AMC Theater complex is currently under construction and is anticipated to open in January 1998. The retail buildings are expected to be completed later that year.

Promenade East is directly linked to Promenade West by a pedestrian bridge which will span over a depressed Westminster Boulevard. The initial development in Promenade East will be a three-sheet "Ice Centre" located near the eastern end of the pedestrian bridge. The Ice Centre will also have associated retail and restaurant uses along its southern edge facing onto the Promenade. The Ice Centre will be completed by the autumn of 1998.

Westin Hotels announced earlier this year that the Westminster Promenade was selected as the site to develop a four-star, first class, internationally recognized hotel, associated with a City of Westminster conference center including ballrooms, meeting rooms, and exhibition space. Preliminary programming for the hotel indicates that it will be located at the eastern end of the Promenade and will be up to 175 feet in height.

Between the hotel and the Ice Centre, two five to six-story office buildings will be developed. The ground floor of these office buildings facing the Promenade will be devoted to retail and restaurant uses. Parking for the offices and the hotel/conference center will be located to the north and northeast, between the buildings and the Sheridan Green subdivision to the north. Parking is anticipated to be at grade initially with the possibility of an additional structured deck in the future if needed.

The pedestrian promenade will be located along the southern face of the proposed buildings and will also abut a lake approximately two acres in size located south of the pedestrian area. The Promenade will contain landscaping, shade trellises, planters, benches, kiosks and other amenities. The ten feet of the Promenade closest to the buildings will be devoted to outdoor restaurant or other active uses. The remainder of the Promenade will be for pedestrian circulation, landscaping, and seating areas. Retail vendor kiosks may be allowed on the Promenade subject to City licensing.

Architectural/Building Materials Comprehensive Architectural Design Guidelines have been developed for Promenade East and will be recorded as a separate document. These guidelines are a part of this PDP amendment and are intended to assure a high quality of design and a consistency of architectural style, colors and materials. The guidelines will also assure compatibility with the development in Promenade West.

Comprehensive Land Use Plan Promenade East is designated on the City's Comprehensive Land Use Plan as a "District Center." The Comprehensive Land Use Plan anticipated the development of the Westminster Promenade and presents a general description of the project as part of the Plan.

Public Land Dedication, Parks/Trails Promenade East will be built on land already owned by the City. Approximately 35 acres will be retained for public purpose including:

1. Promenade Lake area - 2 ± acres
2. Promenade, ice arena area - 10 acres
3. Sheridan Green greenbelt area - 7.1 acres (This includes a 90 foot landscaped buffer along the south edge of the Sheridan Green Subdivision)
4. Big Dry Creek greenbelt - 15.7 acres

The pedestrian promenade, trail and walk linkages will be constructed by the City. Trail connections to adjacent properties include:

1. A pedestrian connection to the north to the Sheridan Green subdivision at Lamar Street;
2. A pedestrian bridge across Westminster Boulevard to Promenade West;
3. A pedestrian underpass crossing 104th Avenue along Big Dry Creek; and
4. A pedestrian bridge crossing Big Dry Creek to City Park.

Access and Circulation Promenade East is directly accessed off of Westminster Boulevard, an extension of Pierce Street, from 104th Avenue to 112th Avenue. The 104th Avenue interchange with US 36 is approximately 1000 feet west of its intersection with Westminster Boulevard. Promenade Drive loops within the subject property with two access points to Westminster Boulevard. A future connection will be provided across Big Dry Creek to interconnect Promenade East with the City Park loop road to the east.

Signage Signage will be designed and approved on the Official Development Plan (ODP).

Service Commitment Category Service Commitments will be allocated from Category C. The exact number will be calculated at the time of the ODP.

Referral Agency Responses None.

Public Comments Approximately 90 persons attended a neighborhood meeting held at City Park Recreation Center on September 29, 1997. The following concerns were expressed by citizens attending the meeting (Staff's response will follow each concern).

1. **How will the City provide security?** Both public police and private security personnel will be provided for the overall development. The Westin Hotel has an extensive security program for their hotels. Adequate security is in the best interests of both the City and the developers.
2. **The greenbelt trail along the linear park on the north boundary should have adequate lighting for safety but not glare into adjacent residential properties.** The detailed trail, landscaping and lighting plan will be submitted with the Official Development Plan (ODP). Fixtures will be carefully selected and directed to avoid off-site glare.

3. **There was concern about a connecting road to City Park across Big Dry Creek.** A connecting road will be provided but there is no plan to connect any road from Promenade East to the adjacent residential development to the north either at Eaton Street or Lamar Street.
4. **When will the greenbelt landscaping be installed?** Landscaping is scheduled for installation in 1998.
5. **What will be the traffic impacts?** Staff expects no traffic impact on the Sheridan Green streets since no Promenade streets or Westminster Boulevard will connect to the Sheridan Green subdivision. Traffic counts on surrounding streets have been estimated in the Traffic Report submitted for the overall development and will be available at the public hearing.
6. **Concern about noise generated by delivery trucks was raised.** The developer stated that a "truck delivery access plan" will be prepared to limit truck delivery routes and otherwise minimize noise impacts in adjacent neighborhoods. The 90 foot "linear park" which will be bermed and landscaped to also mitigate noise problems.
7. **Concern about "scum" and "mosquito breeding" in the drainage detention was raised.** The City will be responsible for the design and engineering of all drainage retention facilities. The detention area will be designed to minimize stagnant areas where algae and insect breeding occur. The City also has a mosquito abatement program.
8. **What is the timing on installation of the traffic signals?** Traffic signals will be installed at 104th Avenue and Westminster Boulevard, and at the two access points into the site from Westminster Boulevard later this year.

Surrounding Zoning Properties to the south and west are part of the Northpoint Center Planned Unit Development, which generally allows for commercial and public uses. City Park lies to the east. The Sheridan Green PUD lies to the north and is comprised of single family detached residences.

Respectfully submitted,

William M. Christopher
City Manager

Attachments

Date: October 20, 1997
Subject: Amendment to Federal Heights Wholesale Contract for 1997/1998
Prepared by: Mary Ann W. Parrot, Finance Director

Introduction

City Council action is requested to approve the "Amended and Restated Distributors Contract" with Federal Heights. This will change the rate and the method of calculation for the years 1997 and 1998, as discussed with City Council at the Study Session of October 17, 1997. Staffs from both jurisdictions will meet in the Spring, 1998, to review and renegotiate sections in the existing contract which are unclear, as well as the rates and calculations for future years.

Summary

Over the past eleven months, City Staff met with Federal Heights representatives to discuss several areas of mutual interest regarding water rates and the charges according to the contract. Both Staffs agree the contract is being executed correctly, but also understand there are sections in the contract which are more general than specific, and make the contract burdensome to administer, for both organizations. In addition, because of the formulae in the contract, Federal Heights has experienced significant fluctuations in rates from year to year; they are interested in pursuing alternatives they have to "smooth out" fluctuations. Lastly, if a simplified formula could be found, Staff time would be saved, both in annual recalculations, as well as follow-up administration of the contract.

Staff Recommendation

Approve the contract approving the rates for 1997 at \$2.18 Per Thousand Gallons, and for 1998 at \$2.26 Per Thousand Gallons, and authorize the City Manager to execute the contract as submitted.

Background Information

The schedule for the wholesale water rates for Federal Heights, set each year in the Fall for the ensuing year, was proposed in November, 1996, as follows:

<u>YEAR</u>	<u>RATE PTG (Per 1,000 Gal)</u>
1997	\$2.303123
1996	\$1.850566
1995	\$1.999960
1994	\$2.066187
1993	\$1.990000
1992	\$1.980000

In November, 1996, when the City of Westminster notified Federal Heights of the increase from 1996 to 1997 (proposed) of 45.3 cents PTG, Federal Heights objected. Federal Heights objected to the inclusion of the effect of the Broomfield water purchase (Church Ditch water rights) prior to the actual use of this water.

Also, they objected to passing on to them the effect on the water rate of the debt financing of a portion of this water rights purchase.

In ensuing discussions held over the next eleven months, Federal Heights and City of Westminster Staffs and attorneys reviewed the rates and the underlying calculations. Together they reiterated the complexity of the calculations and the vague language in certain places in the 1969 contract. They also realized the need for allowing a method to "smooth" out the fluctuations in the annual rates, to enable Federal Heights to better predict and budget for treated water from Westminster.

Because of these discussions, Staff has reached agreement with Federal Heights, subject to approval by the two respective City Councils, to revise the rates for 1997 and for 1998, and to allow Staff to reconvene in the Spring of 1998, to conduct a comprehensive review of the contract, renegotiate those sections which require clarification, and to attempt to simplify the rate calculation formula.

The 1997 Amendment to the existing contract would revise the 1997 rate from \$2.30 PTG to \$2.18 PTG, which would be retroactive to February, 1997, and set the 1998 rate at \$2.26 PTG. These rates will be reviewed and are subject to revision in the Spring, 1998, when the two Staffs reconvene.

Staff determined the difference of \$.12 PTG for 1997 was due to the amortization of the Broomfield water purchase (for one year: \$.13 PTG). The one-year delay in the rate impact of the Broomfield water purchase would be added on to the end of the contract, essentially lengthening the 20-year amortization schedule to 21 years.

The rate of \$2.28 calculated for 1998 reflects re-instatement of the method currently used, including charging for the Broomfield water purchase. It is also reflective of reduced water consumption anticipated during 1997, which is used in the rate computation for 1998.

Lastly, the City has been billing Federal Heights at the 1997 rate of \$2.303123; during this time, Federal Heights has been paying the City for usage but using the 1996 rate of \$1.850566. At the time of the signing of this amendment, the City has agreed to re-bill Federal Heights for the balance remaining at the \$2.18 rate, and Federal Heights has agreed to pay the balance due. Those figures are summarized as follows, for the period from early February, 1997, through September 10, 1997:

Original bills @ \$2.303123 PTG	\$ 852,837.23
Revised bills @ \$2.180000 PTG	\$ 807,245.28
Paid to date @ \$1.850566 PTG	<u>\$ 601,042.33</u>
Due from Federal Heights at a time of signing amendment	\$ 206,202.95

In summary, Staff believes the rate recommended for 1997, although it is discounted from the proposed rate, is reasonable, and recognizes it is subject to review in the Spring, 1998. Staff also recognized the 1998 rate is fair and relies on the current methodology.

Respectfully submitted,

William M. Christopher
City Manager
Attachment:

**1997 AMENDMENT
TO "AMENDED AND RESTATED DISTRIBUTOR'S CONTRACT"**

This 1997 Amendment (the "Agreement") to Amended and Restated Distributor's Contract between the **CITY OF WESTMINSTER, COLORADO** ("Westminster") and the **CITY OF FEDERAL HEIGHTS, COLORADO** ("Federal Heights") is dated _____, 1997.

RECITALS

A. Westminster and Federal Heights entered into a contract entitled "Distributor's Contract" dated February 12, 1968, which provided for the sale of treated water by Westminster to Federal Heights. That contract was amended by the parties by a document entitled "Distributor's Contract Amendment," dated November 1, 1982.

B. In 1985, Westminster and Federal Heights executed an "Amended and Restated Distributor's Contract," which contract amended, restated and superseded the 1968 Contract. The 1985 Contract was amended on December 26, 1989, by a document entitled "1989 Amendment to Amended and Restated Distributor's Contract."

C. In 1992, the Contract was again amended by a document entitled "1992 Amendment to Amended and Restated Distributor's Contract." The Amended and Restated Distributor's Contract as amended in 1989 and 1992 is the operative contract under which Westminster has been selling treated water to Federal Heights (the "Contract").

D. On October 30, 1996, Westminster notified Federal Heights that the base rate for the sale of water, as calculated by the method established in section 1.B. of the Contract, would increase from \$1.850566 per thousand gallons ("PTG") to \$2.303123 PTG, effective February 1, 1997. Federal Heights has objected to the interpretation of the Contract and therefore the amount of the increase.

E. Westminster and Federal Heights have entered into negotiations concerning the rate, which negotiations have included discussions of an amendment to the Contract to include a restructuring of the method of calculating the rate to be charged Federal Heights.

F. Until the parties reach agreement on the method of calculating the rate and related issues, the parties have reached an interim agreement on a rate for the years 1997 and 1998. The parties therefore agree as follows:

INTERIM AGREEMENT

1. For the period beginning retroactively on February 3, 1997 for accounts #365-010 and #365-015, and for the period beginning retroactively on February 11, 1997 for account #365-005, and continuing until December 31, 1997, the rate shall be \$2.18 PTG. The parties acknowledge that \$0.08 PTG is still in dispute for this period, which dispute will be resolved in the continuing negotiations, and that the rate for this period may change as a result of continued negotiations, but any increase shall be no more than \$0.08 PTG.

2. For the period beginning January 1, 1998, and continuing until December 31, 1998, the rate shall be \$2.26 PTG.

3. The parties agree to continue negotiations in good faith to reach agreement on the method of calculating the rate and related issues, to be incorporated in an amendment or restatement of the Contract.

4. This Agreement supersedes and replaces the method of rate calculation for the base rate contained in section 1.B. of the Contract.

5. Federal Heights hereby waives the requirement of notice from Westminster for the rate to become effective on January 1, 1998.

6. All other provisions of the Contract shall remain in full force and effect.

7. This Agreement shall be valid until December 31, 1998.

CITY OF WESTMINSTER

CITY OF FEDERAL HEIGHTS

Nancy M. Heil
Mayor

Mayor

Attest:

Attest:

City Clerk

City Clerk

Approved as to form:

Approved as to form:

City Attorney

City Attorney

CITY OF WESTMINSTER, COLORADO
SPECIAL CITY COUNCIL MEETING
MONDAY, OCTOBER 20, 1997 AT 7:10 P.M.

PLEDGE OF ALLEGIANCE:

Mayor Heil led Council, Staff and the audience in the Pledge of Allegiance.

ROLL CALL:

Present at roll call were Mayor Heil, Mayor Pro Tem Dixon and Councillors Allen, Harris, Merkel, Scott and Smith. Also present were William Christopher, City Manager; Martin McCullough, City Attorney; and Michael Allen, Deputy City Clerk. Absent none.

PURPOSE OF SPECIAL MEETING:

The Mayor stated that the purpose of the special City Council meeting was to consider the Federal Heights Wholesale Water Contract Amendment and hold a public hearing and take action on the Preliminary Development Plan for Promenade East.

FEDERAL HEIGHTS WHOLESALE WATER CONTRACT AMENDMENT:

A motion was made by Harris and seconded by Merkel to approve the contract approving the rates for 1997 at \$2.18 per thousand gallons, and for 1998 at \$2.26 per thousand gallons, and authorize the City Manager to execute the contract as submitted.

A motion to amend the main motion was made by Heil and seconded by Scott to delete those references to the 1998 rate and approve the rate for 1997 only. The amendment carried unanimously. The main motion as amended carried unanimously.

PUBLIC HEARING FOR PROMENADE EAST PRELIMINARY DEVELOPMENT PLAN:

At 7:20 P.M. the meeting was opened to a public hearing on the Westminster Promenade East PDP, located at the northeast quadrant of the U.S. 36 and 104th Avenue interchange. City Planner Max Ruppeck entered a copy of the Agenda Memorandum, Planning Commission recommendation and other related items as exhibits. Carl A. Worthington, Architect and Planning Consultant; Nick Igel, representing Communication Arts; Bob Smith, DHM Design Corp. and Tim O'Byrne of Inland Pacific representing Westin Hotels, gave brief slide presentations and answered questions from Council.

Robert Hill, 5682 W. 109th Circle, President of the Villa's at Sheridan Green Homeowners Association, addressed Council with concerns about building height of the proposed hotel. Gary Mesch, 10799 Lamar Street, address Council with questions on Fire and Police protection for the proposed development and additional costs to taxpayers for increased protection. Pat Duran, Butterfly Pavillion Director, spoke in favor of the PDP. Robert Hill, 5682 W. 109th Circle, spoke in opposition. At 8:35 P.M. the public hearing was declared closed.

WESTMINSTER PROMENADE EAST PRELIMINARY DEVELOPMENT PLAN:

A motion was made by Allen and seconded by Smith to approve the Westminster Promenade East Preliminary Development Plan. The motion carried unanimously.

ADJOURNMENT:

The meeting was adjourned at 8:37 P.M.

ATTEST:

Mayor

City Clerk