



CITY COUNCIL AGENDA

NOTICE TO READERS: City Council meeting packets are prepared several days prior to the meetings. Timely action and short discussion on agenda items is reflective of Council's prior review of each issue with time, thought and analysis given. Many items have been previously discussed at a Council Study Session.

Members of the audience are invited to speak at the Council meeting. Citizen Communication (Section 7) is reserved for comments on any issues or items pertaining to City business except those for which a formal public hearing is scheduled under Section 10 when the Mayor will call for public testimony. Please limit comments to no more than 5 minutes duration.

1. Pledge of Allegiance
2. Roll Call
3. Consideration of Minutes of Preceding Meeting
4. Report of City Officials
 - A. City Manager's Report
5. City Council Comments
6. Presentations
7. Citizen Communication (5 minutes or less)

The "Consent Agenda" is a group of routine matters to be acted on with a single motion and vote. The Mayor will ask if any Council member wishes to remove an item for separate discussion. Items removed from the consent agenda will be considered immediately following adoption of the amended Consent Agenda.

8. Consent Agenda
 - A. Financial Report for November 2011
 - B. Foothills Animal Shelter 2011 Supplemental Assessment
 - C. Street Division Cumulative Purchases Over \$50,000 in 2011
 - D. Police Department Cumulative Purchases Over \$50,000 in 2011
 - E. Additional Cost for the 2011 Purchase of City Vehicles from State Bid
 - F. Lockbox Services Provider
 - G. Revised City Council Assignments
 - H. 2012 Gasoline Purchase for City Vehicles
 - I. Municipal Court Security Services Contract
 - J. Solid Waste and Recycling Services Contract
 - K. Denial of Service Commitment Award Extension for Planning Area 4A of the Walnut Grove PUD
 - L. ICA with WEDA and the Orchard Park Place North GID re Unpledged Property Tax Increment Collections
9. Appointments and Resignations
10. Public Hearings and Other New Business
 - A. Councillor's Bill No. 45 re Funds Transfer for 2011 Cumulative Fuel Purchases
 - B. 2011 Cumulative Fuel Purchases
11. Old Business and Passage of Ordinances on Second Reading
12. Miscellaneous Business and Executive Session
 - A. City Council
13. Adjournment

WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY MEETING (separate agenda)

WESTMINSTER HOUSING AUTHORITY MEETING (separate agenda)

ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT MEETING (separate agenda)



GENERAL PUBLIC HEARING PROCEDURES ON LAND USE MATTERS

- A.** The meeting shall be chaired by the Mayor or designated alternate. The hearing shall be conducted to provide for a reasonable opportunity for all interested parties to express themselves, as long as the testimony or evidence being given is reasonably related to the purpose of the public hearing. The Chair has the authority to limit debate to a reasonable length of time to be equal for both positions.
- B.** Any person wishing to speak other than the applicant will be required to fill out a “Request to Speak or Request to have Name Entered into the Record” form indicating whether they wish to comment during the public hearing or would like to have their name recorded as having an opinion on the public hearing issue. Any person speaking may be questioned by a member of Council or by appropriate members of City Staff.
- C.** The Chair shall rule upon all disputed matters of procedure, unless, on motion duly made, the Chair is overruled by a majority vote of Councillors present.
- D.** The ordinary rules of evidence shall not apply, and Council may receive petitions, exhibits and other relevant documents without formal identification or introduction.
- E.** When the number of persons wishing to speak threatens to unduly prolong the hearing, the Council may establish a time limit upon each speaker.
- F.** City Staff enters a copy of public notice as published in newspaper; all application documents for the proposed project and a copy of any other written documents that are an appropriate part of the public hearing record;
- G.** The property owner or representative(s) present slides and describe the nature of the request (maximum of 10 minutes);
- H.** Staff presents any additional clarification necessary and states the Planning Commission recommendation;
- I.** All testimony is received from the audience, in support, in opposition or asking questions. All questions will be directed through the Chair who will then direct the appropriate person to respond.
- J.** Final comments/rebuttal received from property owner;
- K.** Final comments from City Staff and Staff recommendation.
- L.** Public hearing is closed.
- M.** If final action is not to be taken on the same evening as the public hearing, the Chair will advise the audience when the matter will be considered. Councillors not present at the public hearing will be allowed to vote on the matter only if they listen to the tape recording of the public hearing prior to voting.



WESTMINSTER

Strategic Plan

2011-2016
Goals and Objectives

FINANCIALLY SUSTAINABLE CITY GOVERNMENT PROVIDING EXCEPTIONAL SERVICES

- Invest in well-maintained and sustainable city infrastructure and facilities
- Secure and develop long-term water supply
- Focus on core city services and service levels as a mature city with adequate resources
- Maintain sufficient reserves: general fund, utilities funds and self insurance
- Maintain a value driven organization through talent acquisition, retention, development and management
- Institutionalize the core services process in budgeting and decision making
- Maintain and enhance employee morale and confidence in City Council and management
- Invest in tools, training and technology to increase organization productivity and efficiency



STRONG, BALANCED LOCAL ECONOMY

- Maintain/expand healthy retail base, increasing sales tax receipts
- Attract new targeted businesses, focusing on primary employers and higher paying jobs
- Develop business-oriented mixed use development in accordance with Comprehensive Land Use Plan
- Retain and expand current businesses
- Develop multi-modal transportation system that provides access to shopping and employment centers
- Develop a reputation as a great place for small and/or local businesses
- Revitalize Westminster Center Urban Reinvestment Area



SAFE AND SECURE COMMUNITY

- Citizens are safe anywhere in the City
- Public safety departments: well equipped and authorized staffing levels staffed with quality personnel
- Timely response to emergency calls
- Citizens taking responsibility for their own safety and well being
- Manage disaster mitigation, preparedness, response and recovery
- Maintain safe buildings and homes
- Protect residents, homes, and buildings from flooding through an effective stormwater management program



VIBRANT NEIGHBORHOODS IN ONE LIVABLE COMMUNITY

- Develop transit oriented development around commuter rail stations
- Maintain and improve neighborhood infrastructure and housing
- Preserve and restore historic assets
- Have HOAs and residents taking responsibility for neighborhood private infrastructure
- Develop Westminster as a cultural arts community
- Have a range of quality homes for all stages of life (type, price) throughout the City
- Have strong community events and active civic engagement



BEAUTIFUL AND ENVIRONMENTALLY SENSITIVE CITY

- Have energy efficient, environmentally sensitive city operations
- Reduce energy consumption citywide
- Increase and maintain greenspace (parks, open space, etc.) consistent with defined goals
- Preserve vistas and view corridors
- A convenient recycling program for residents and businesses with a high level of participation



Mission statement: We deliver exceptional value and quality of life through SPIRIT.

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE CITY COUNCIL MEETING
HELD ON MONDAY, DECEMBER 12, 2011, AT 7:00 P.M.

PLEDGE OF ALLEGIANCE

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

ROLL CALL

Mayor Nancy McNally, Mayor Pro Tem Faith Winter, and Councillors Herb Atchison, Bob Briggs, Mark Kaiser, Mary Lindsey, and Scott Major were present at roll call. J. Brent McFall, City Manager, Martin McCullough, City Attorney, and Linda Yeager, City Clerk, also were present.

CONSIDERATION OF MINUTES

Councillor Kaiser moved, seconded by Councillor Lindsey, to approve the minutes of the regular meeting of November 28, 2011, as presented. The motion carried unanimously.

CITY MANAGER'S REPORT

Mr. McFall reported that following adjournment of this meeting, City Council would meet in the Council Board Room to discuss Northwest Rail Developments. At the conclusion of that discussion, the Council would convene in executive session to review and discuss City facility security measures pursuant to Westminster Municipal Code Section 1-11-3(C)(6) and Colorado Revised Statute Section 24-6-402(4)(d); and to discuss a proposed settlement agreement concerning the Hyland Village surety bonds with the City Attorney and Council direction thereon, pursuant to Westminster Municipal Code Sections 1-11-3(C)(7) and (C)(8) and Colorado Revised Statute Sections 24-6-402(b) and (e).

Mr. McFall announced that the next regularly scheduled meeting of City Council on Monday, December 19, would be the last Council meeting of 2011 based on current plans. The date of the December 26 meeting had been moved forward one week by prior Council action. City Hall would be closed on December 26 in observance of the Christmas holiday. Further, there would be no study session on Monday, January 2, as City Hall would be closed in observance of the New Year's holiday. The next expected meeting of City Council would be on Monday, January 9.

COUNCIL REPORTS

Mayor McNally reported that she had proudly participated on a team with Mr. McFall, Stephen Smithers, Assistant City Manager, and Robert Smith, Treasury Manager. The team was headed by Finance Director Tammy Hitchens and had traveled to San Francisco recently to make a presentation to a rating company. The rating agency agreed that the City was in a better financial position than most and had a great story to tell. Mr. McFall indicated that the presentation would be of interest to Council members and could be scheduled for an upcoming study session.

The Mayor also reported that holiday lights at the Butterfly Pavilion were comparable to those at the Denver Zoo. She encouraged citizens to support the pavilion by visiting and enjoying the exhibits and the festive holiday lighting. Mayor McNally thanked the Parks & Recreation Department elves that designed and assembled the wonderful holiday lighting and displays at City Hall. Special features had been incorporated in this year's display to recognize the City's Centennial. Young and old alike were drawn to City Hall by the lights and decorations, and she described the joy she had in seeing children ringing the train's bell or posing in Santa's sleigh while their parents took pictures. It added so much to the community's holiday celebration and was greatly appreciated.

In conclusion, Mayor McNally recognized Matt Lutkus, Deputy City Manager and General Services Director, who was leaving the City after 32 years to become the Town Manager of Damariscotta, Maine. Mr. Lutkus had been her partner in lobbying for transportation improvements to US Highway 36 and in negotiating with the leaders of other communities along the highway corridor. Mr. Lutkus would missed, and the Mayor wished him well.

CITIZEN COMMUNICATION

Clerk's Note: Mayor McNally inadvertently skipped this item on the agenda and, with apologies, invited comment from the public upon realizing the omission after adoption of Resolution 36. No one present wished to speak.

CONSENT AGENDA

The following actions were submitted for Council's consideration on the consent agenda: based on the City Manager's recommendation, find that the public interest would be best served by a negotiated contract with a single vendor, Bound Tree Medical, for the purchase of disposable medical supplies, authorize the City Manager to execute the contract in an amount of \$112,000 for a term of three 1-year terms, commencing January 1, 2012 and ending December 31, 2014, understanding that this Agreement would automatically renew for two additional one-year renewals, unless terminated by either party; authorize the Mayor to sign a Grant Agreement with the U.S. Department of Housing and Urban Development accepting a grant of \$2,534,000 to participate in the Section 108 Loan Program; authorize payment of \$57,527 for the City's 2011 Colorado Municipal League dues; authorize the City Manager to execute a contract amendment with Martin/Martin, Inc. in the amount of \$85,518 for additional design engineering services for the Westminster Station Infrastructure project, and authorize a design contingency of \$8,552 for a total expenditure authorization of \$94,070; authorize the Fire Department to take possession of federally funded Self Contained Breathing Apparatus valued at \$534,396.30 as part of a regional equipment interoperability program offered by the North Central All Hazards Homeland Security Region and the Denver Urban Area Security Initiative; pass Councillor's Bill No. 37 on second reading to amend the Comprehensive Land Use Plan for the Westminster High School property by designating the property as Public/Quasi-Public; pass Councillor's Bill No. 38 on second reading annexing the Westminster High School property into the City; pass Councillor's Bill No. 39 on second reading establishing zoning of One Family Residential (R-1) for the Westminster High School property; pass Councillor's Bill No. 40 on second reading to provide a supplemental appropriation of funds to the 2011 Budget of the General, General Capital Outlay Replacement, Parks Open Space and Trails, and General Capital Improvement Funds; and pass Councillor's Bill No. 41 on second reading, authorizing the City Manager to execute an Intergovernmental Agreement with the Regional Transportation District, in substantially the same form as attached, related to the City's Local Agency Contribution for the FasTracks Northwest Rail Electrified Segment.

Councillor Major removed Item 8B from the Consent Agenda and moved to approve the consent agenda as modified by exclusion of Item 8B. Councillor Kaiser seconded the motion and it carried unanimously.

HUD SECTION 108 LOAN PROGRAM GRANT (CONSENT AGENDA ITEM 8B)

It was moved by Councillor Major, seconded by Mayor Pro Tem Winter, to authorize the City Manager to sign a Grant Agreement with the U.S. Department of Housing and Urban Development (HUD) accepting a grant of \$2,534,000 to participate in the HUD Section 108 Loan Program. The motion carried with all Council members voting affirmatively.

RESOLUTION NO. 36 REAPPOINTING BOARD & COMMISSION MEMBERS & FILLING VACANCIES

It was moved by Councillor Briggs, seconded by Councillor Lindsey, to adopt Resolution No. 36 reappointing members whose terms of office would expire on December 31, 2011 to an additional two-year term and appointing alternate members to regular membership, where applicable, on the Board of Building Code Appeals, the Election

Commission, the Environmental Advisory Board, the Historic Landmark Board, the Human Services Board, the Open Space Advisory Board, the Parks, Recreation and Libraries Advisory Board, the Personnel Board, the Planning Commission, and the Special Permit and License Board. On roll call vote, the motion passed unanimously.

RESOLUTION NO. 37 ADOPTING THE 2012 AMENDED PAY PLANS

It was moved by Mayor Pro Tem Winter and seconded by Councillor Major to adopt Resolution No. 37 amending the 2012 Pay Plans previously approved by Council. At roll call, the motion passed unanimously.

RESOLUTION NO. 38 ADOPTING THE 2012 AMBULANCE FEE SCHEDULE

It was moved by Councillor Kaiser and seconded by Councillor Major to adopt Resolution No. 38 establishing a revised ambulance fee schedule and a revised ambulance membership program (Westminster Med) fee. The roll was called and the motion passed with all Council members voting affirmatively.

RESOLUTION NO. 39 ADOPTING THE CITY'S 2012 LEGISLATIVE POLICY STATEMENT

It was moved by Councillor Major, seconded by Mayor Pro Tem Winter, to adopt Resolution No. 39 adopting the City of Westminster 2012 Legislative Policy Statement. Mayor McNally read the text of the first bullet under Home Rule and Local Control on page 5 of the proposed policy. She asked that the text be reworded to read, "Expects State legislators to uphold and support home rule and Colorado's tradition of local control." There were no objections. On roll call vote, the motion to adopt Resolution 39, with the Mayor's requested change, carried unanimously.

COUNCILLOR'S BILL NO. 43 AMENDING TITLE V, CHAPTER 14, WMC RE LIQUOR LICENSING

Upon a motion by Councillor Briggs, seconded by Councillor Kaiser, the Council voted unanimously on roll call vote to pass Councillor's Bill No. 43 on first reading to amend Title V, Chapter 14, of the Westminster Municipal Code concerning special event permits and optional premise licenses.

COUNCILLOR'S BILL NO. 44 TO APPROVE 2ND AMENDMENT TO CHURCH RANCH HOTEL EDA

Councillor Lindsey moved, seconded by Councillor Major, to pass Councillor's Bill No. 44 on first reading to authorize the City Manager to modify the start of construction date for the Hyatt Place Hotel from October 1, 2012 to October 1, 2014. The motion passed unanimously on roll call vote.

AMENDED COUNCILLOR'S BILL NO. 42 - WESTMINSTER FASTRACTS STATION IGA

It was moved by Councillor Major and seconded by Mayor Pro Tem Winter to pass Councillor's Bill No. 42 on second reading as amended, authorizing the City Manager to execute an Intergovernmental Agreement with the Regional Transportation District for the construction of the Westminster FasTracks Rail Station in substantially the same form as that attached to said Bill. On roll call vote, the motion passed unanimously.

ADJOURNMENT

There being no further business to come before the City Council, Councillor Kaiser moved, seconded by Councillor Major to adjourn. The motion carried and the meeting adjourned at 7:13 P.M.

ATTEST:

Mayor

City Clerk



Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: Financial Report for November 2011
Prepared By: Tammy Hitchens, Finance Director

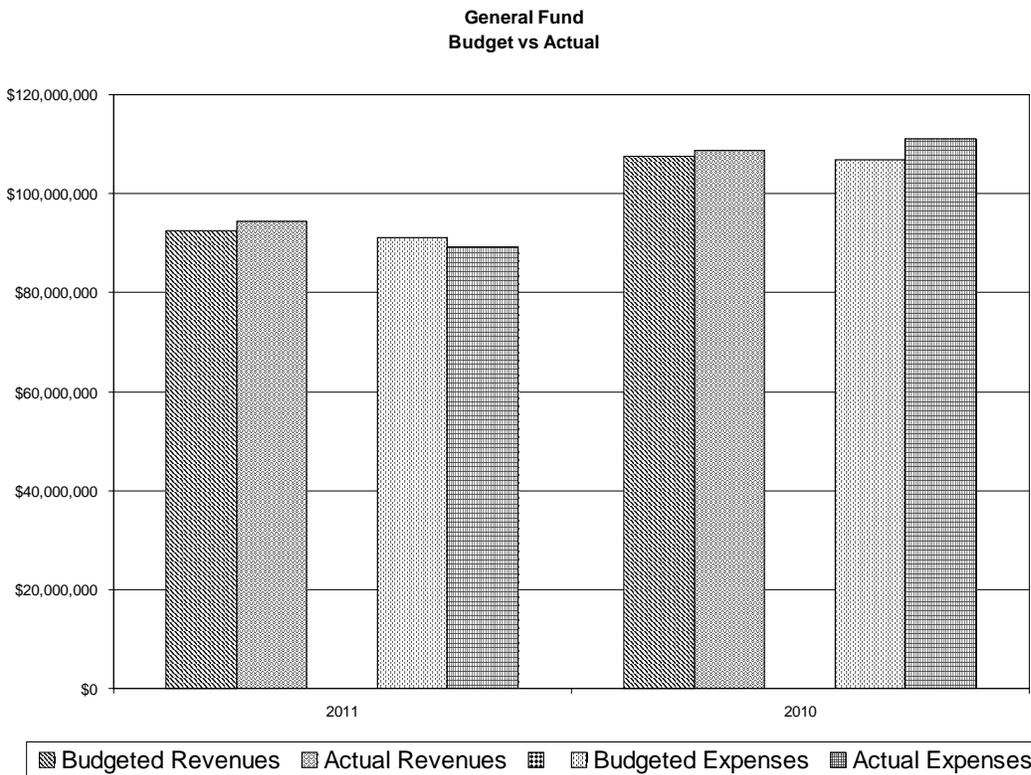
Recommended City Council Action

Accept the Financial Report for November as presented.

Summary Statement

City Council is requested to review and accept the attached monthly financial statement. The Shopping Center Report is also attached. Unless otherwise indicated, "budget" refers to the pro-rated budget. Revenues also include carryover where applicable. The revenues are pro-rated based on 10-year historical averages. Expenses are also pro-rated based on 9-year historical averages.

The General Fund revenues and carryover exceed expenditures by \$4,987,179. The following graph represents Budget vs. Actual for 2010-2011.



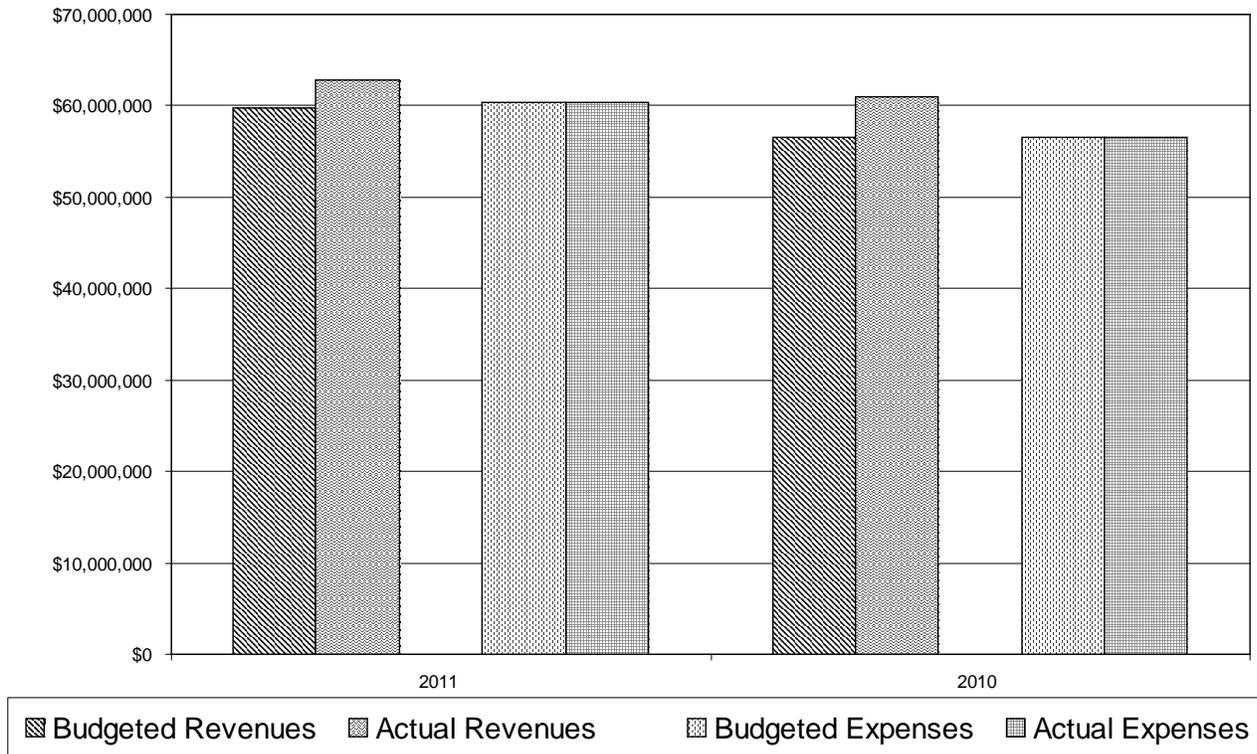
2010 includes the 1998 Certificates of Participation and 2001/2002 Sales and Use Tax Revenue Bonds refunding issues.



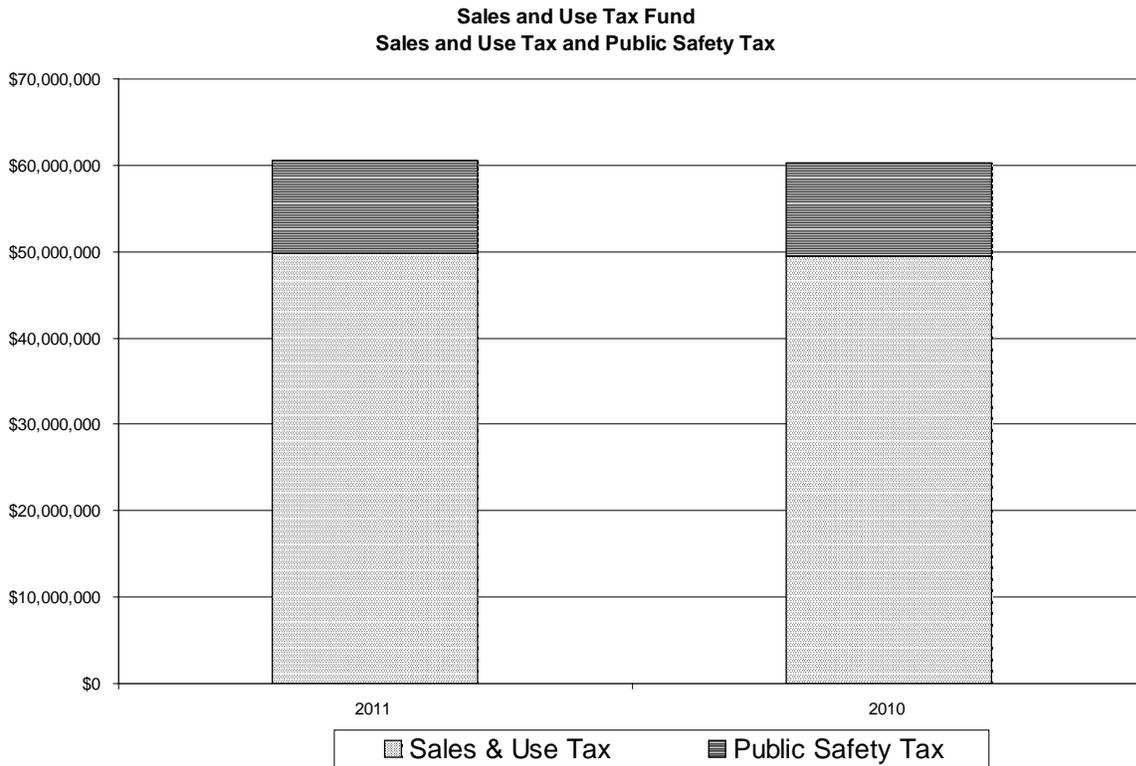
The Sales and Use Tax Fund revenues and carryover exceed expenditures by \$2,393,983. On a year-to-date cash basis, total sales and use tax is up 0.7% from 2010. Key components are listed below:

- On a year-to-date basis, across the top 25 shopping centers, total sales and use tax receipts are down 1.0% from the prior year.
- Sales tax receipts from the top 50 Sales Taxpayers, representing about 61.6% of all collections, are up 3.9% for the month.
- Urban renewal areas make up 41.2% of gross sales tax collections. After urban renewal area and economic development assistance adjustments, 80.0% of this money is being retained for General Fund use.

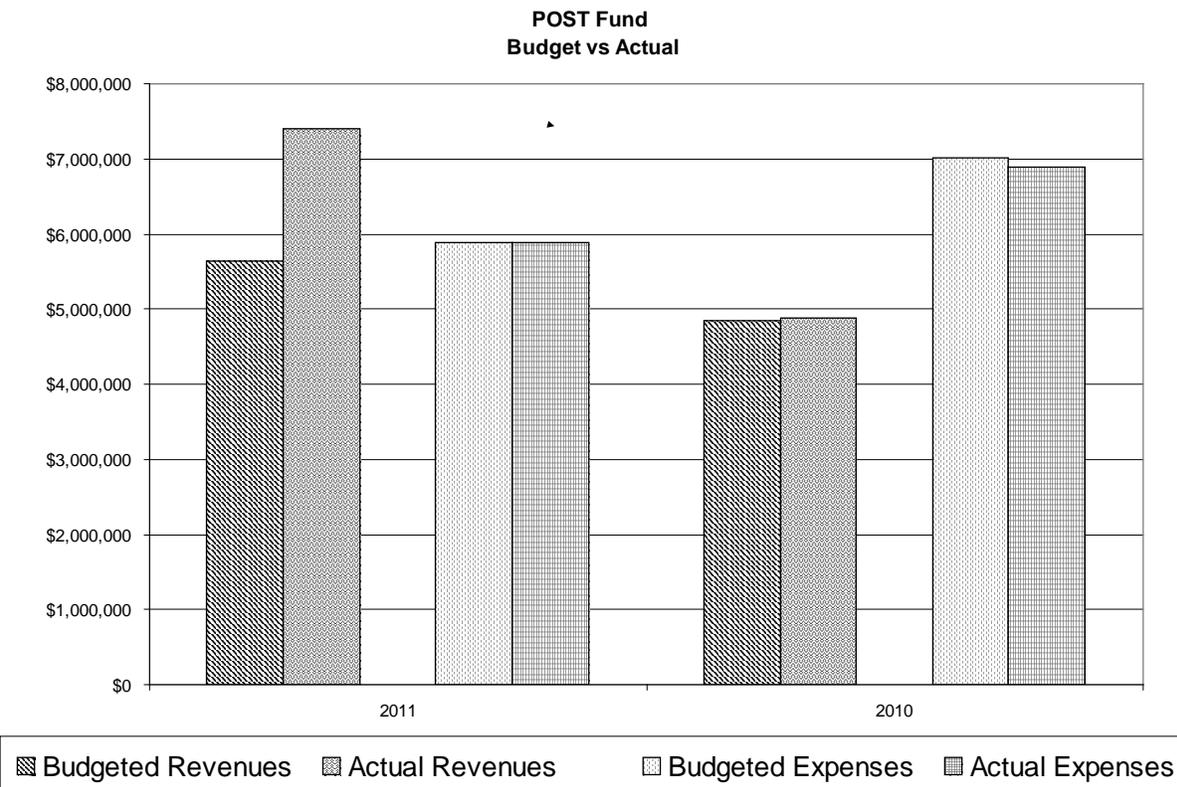
**Sales & Use Tax Fund
Budget vs Actual**



The graph below reflects the contribution of the Public Safety Tax to the overall Sales and Use Tax revenue.



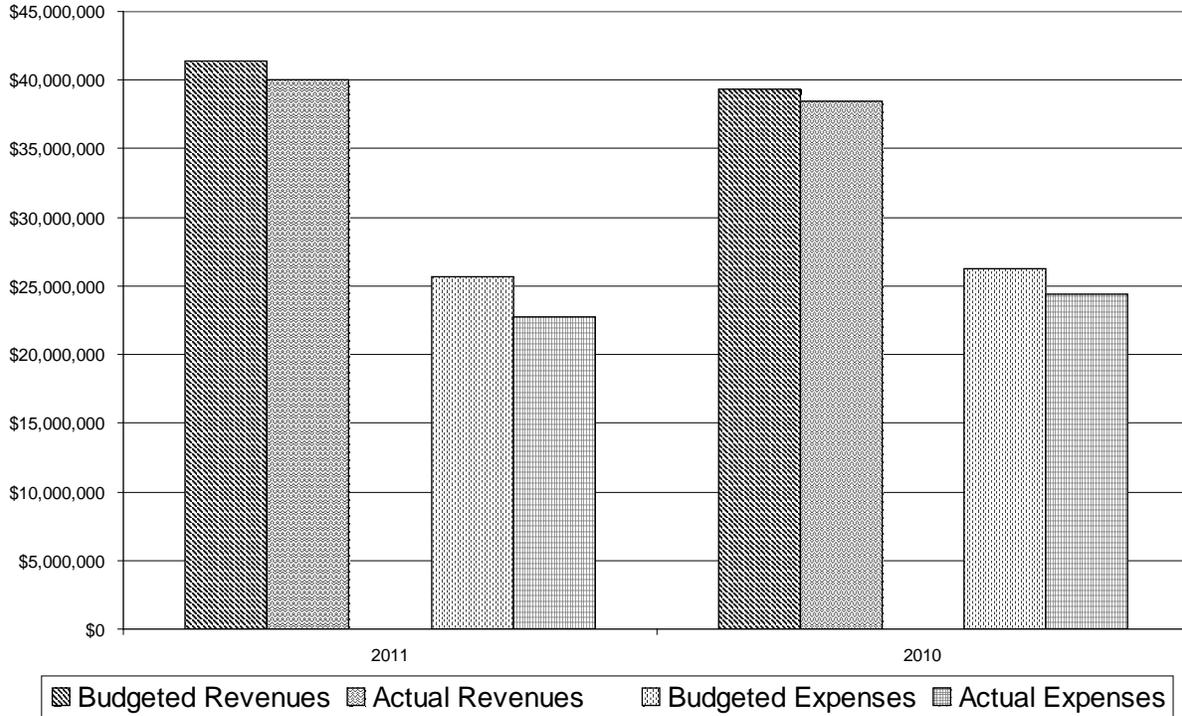
The Parks Open Space and Trails Fund revenues exceed expenditures by \$1,515,249.



Current year revenues exceed the prior year due to grant reimbursements that were budgeted in 2010 and received in 2011 as well as a variance in the timing of a transfer payment received from the General Capital Improvement Fund.

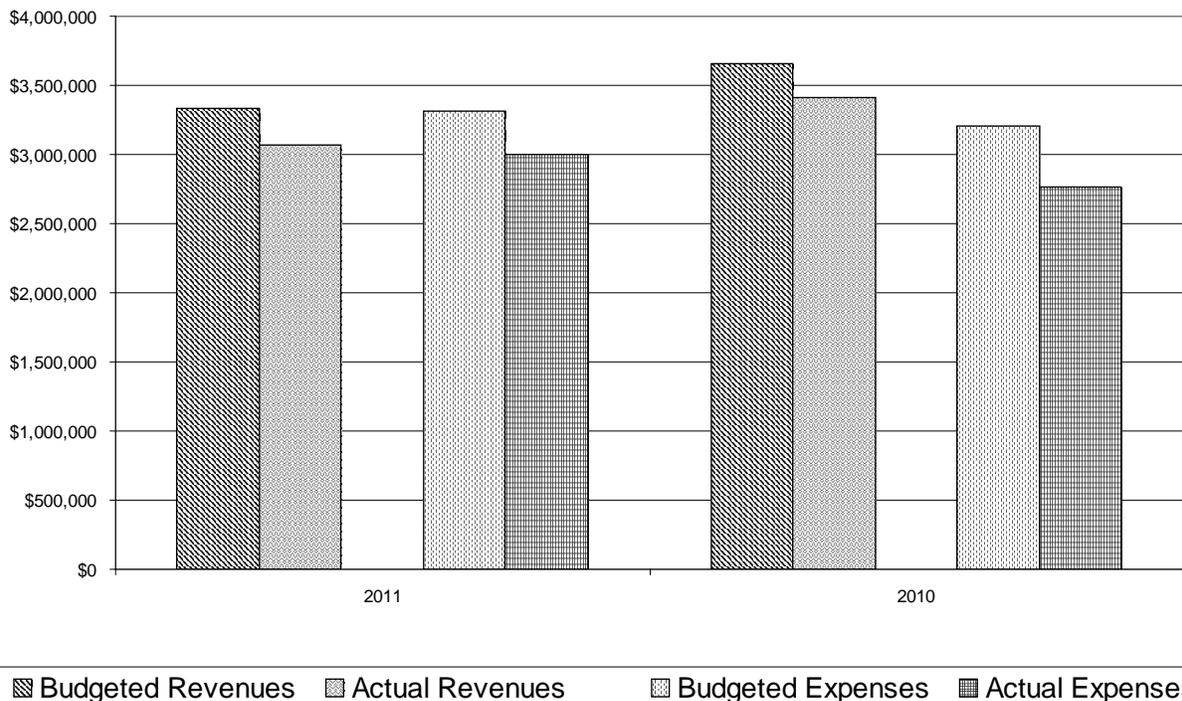
The combined Water & Wastewater Fund revenues and carryover exceed expenses by \$21,098,538. Operating revenues exceed operating expenses by \$17,297,895. \$11,952,000 is budgeted for capital projects and reserves.

**Combined Water and Wastewater Funds
Operating Budget vs Actual**



The combined Golf Course Fund revenues exceed expenses by \$66,315.

**Golf Course Enterprise
Operating Budget vs Actual**



Policy Issue

A monthly review of the City’s financial position is the standard City Council practice; the City Charter requires the City Manager to report to City Council on a quarterly basis.

Alternative

Conduct a quarterly review. This is not recommended, as the City’s budget and financial position are large and complex, warranting a monthly review by the City Council.

Background Information

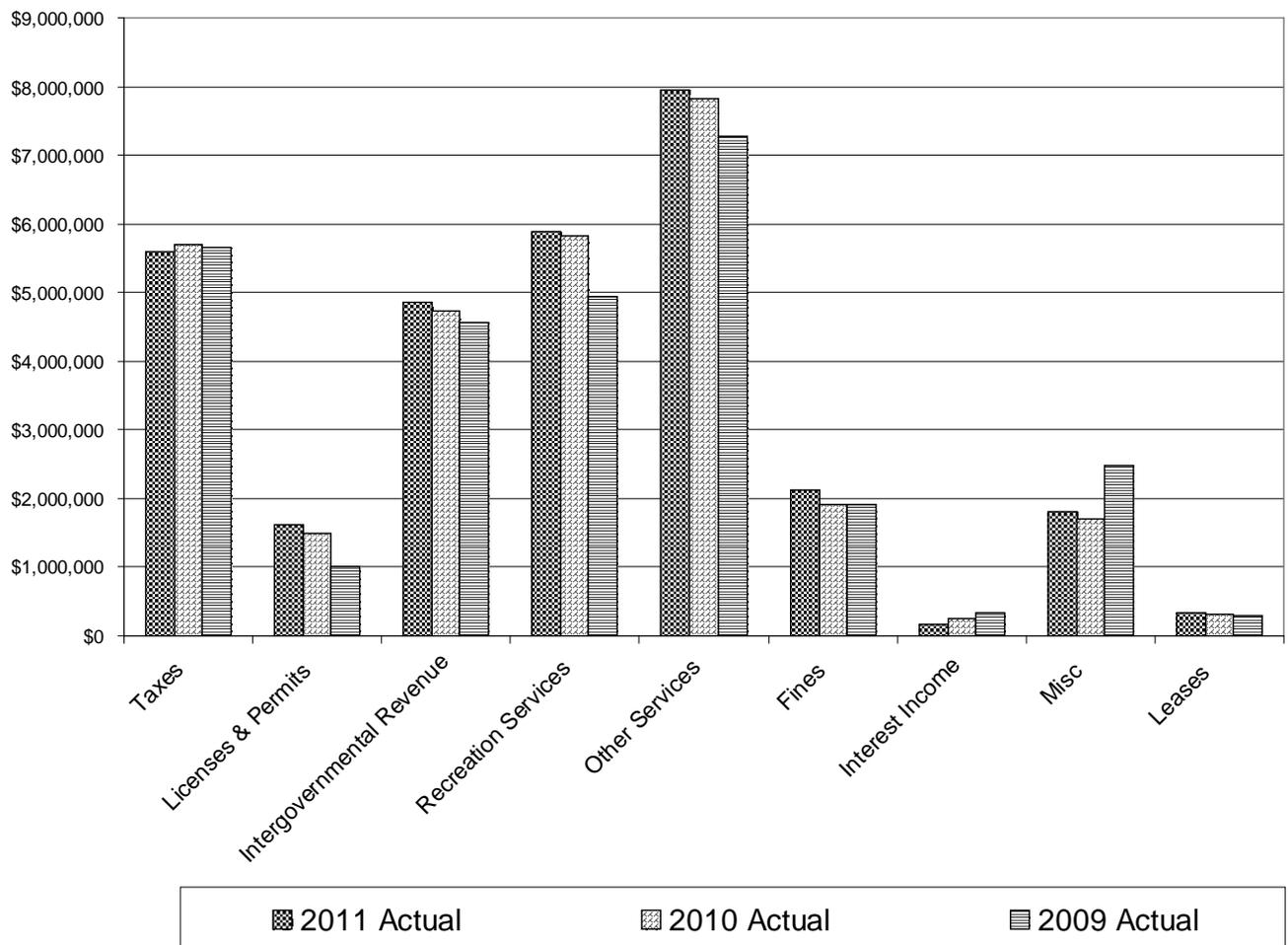
This section includes a discussion of highlights of each fund presented.

General Fund

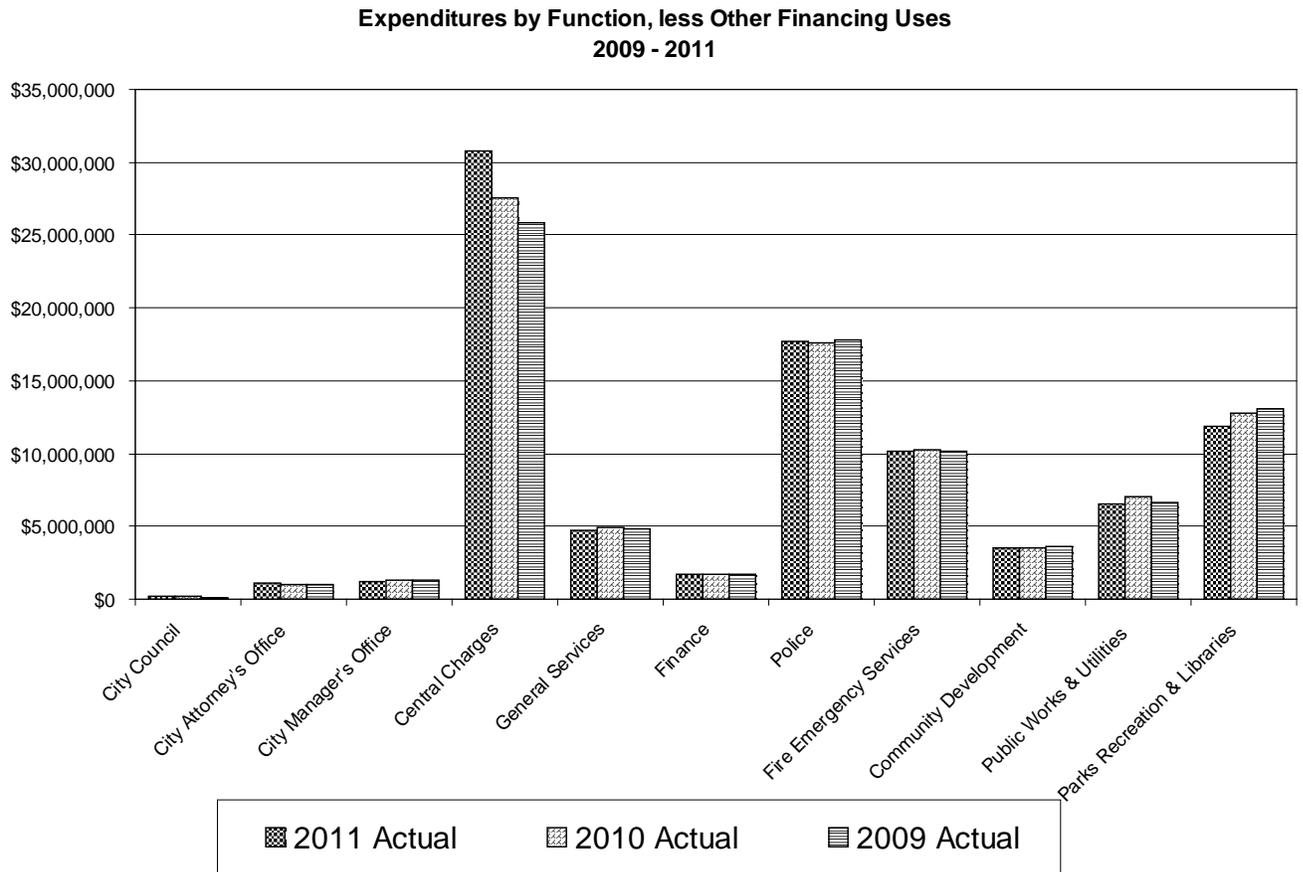
This fund reflects the result of the City’s operating departments: Police, Fire, Public Works (Streets, etc.), Parks Recreation and Libraries, Community Development, and the internal service functions: City Manager, City Attorney, Finance, and General Services.

The following chart represents the trend in actual revenues from 2009-2011 year-to-date.

**General Fund Revenues without Transfers, Carryover, and Other Financing Sources
2009 - 2011**



The following chart identifies where the City is focusing its resources. The chart shows year-to-date spending for 2009 –2011.



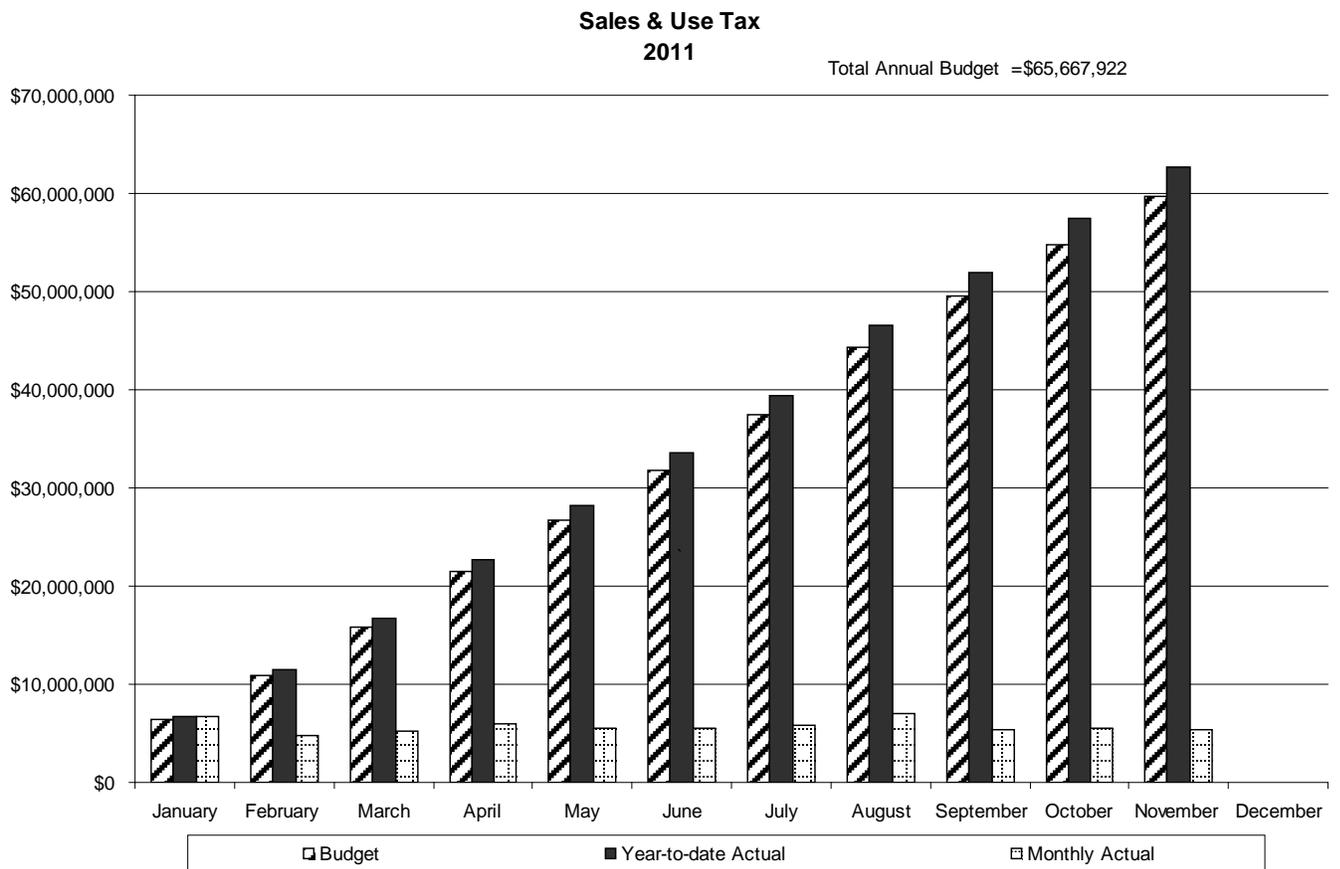
Significant differences between years in General Fund expenditure categories are explained as follows:

- 2011 Central Charges reflects a one time transfer of \$4 million of carryover to WEDA for the purchase of the Westminster Mall.

Sales and Use Tax Funds (Sales & Use Tax Fund and Parks, Open Space and Trails Sales & Use Tax Fund)

These funds are the repositories for the 3.85% City Sales & Use Tax for the City. The Sales & Use Tax Fund provides monies for the General Fund, the General Capital Improvement Fund, and the Debt Service Fund. The Parks, Open Space, and Trails Sales & Use Tax Fund revenues are pledged to meet debt service on the POST bonds, pay bonds related to the Heritage Golf Course, buy open space land, and make park improvements on a pay-as-you-go basis. The Public Safety Tax (PST) is a 0.6% sales and use tax to be used to fund public safety-related expenses.

This chart indicates how the City’s Sales and Use Tax revenues are being collected on a monthly basis. This chart does not include Parks, Open Space, and Trails Sales & Use Tax.

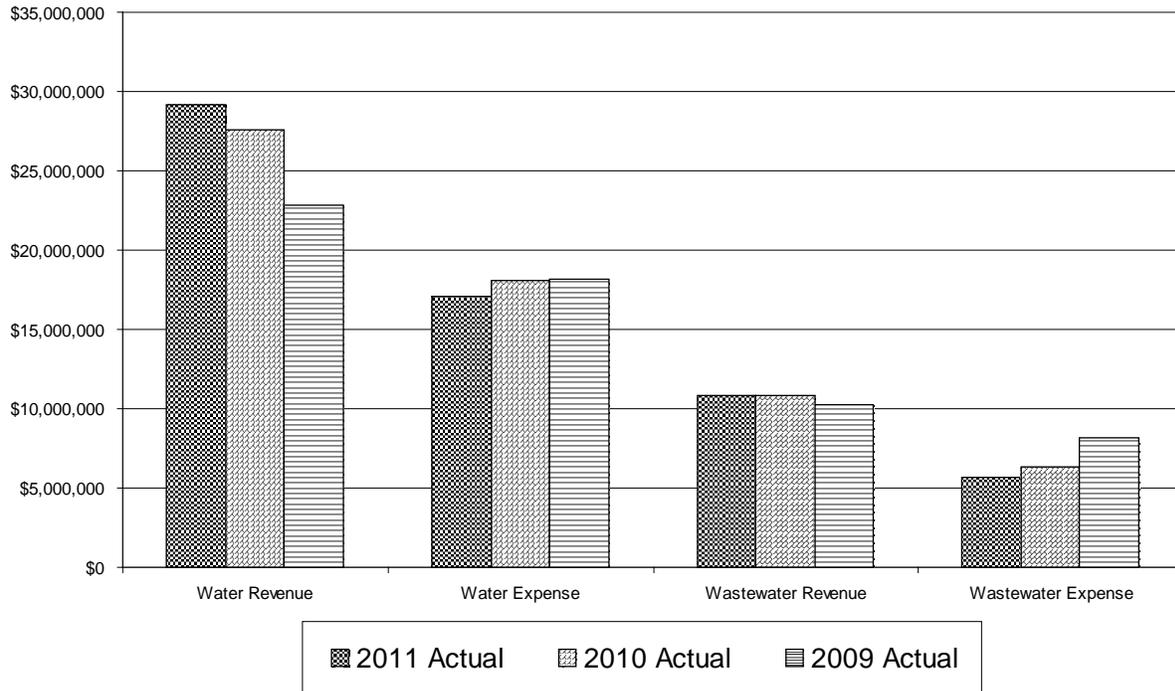


Water, Wastewater and Storm Water Drainage Funds (The Utility Enterprise)

This fund reflects the operating results of the City’s water, wastewater and storm water systems. It is important to note that net operating revenues are used to fund capital projects and reserves.

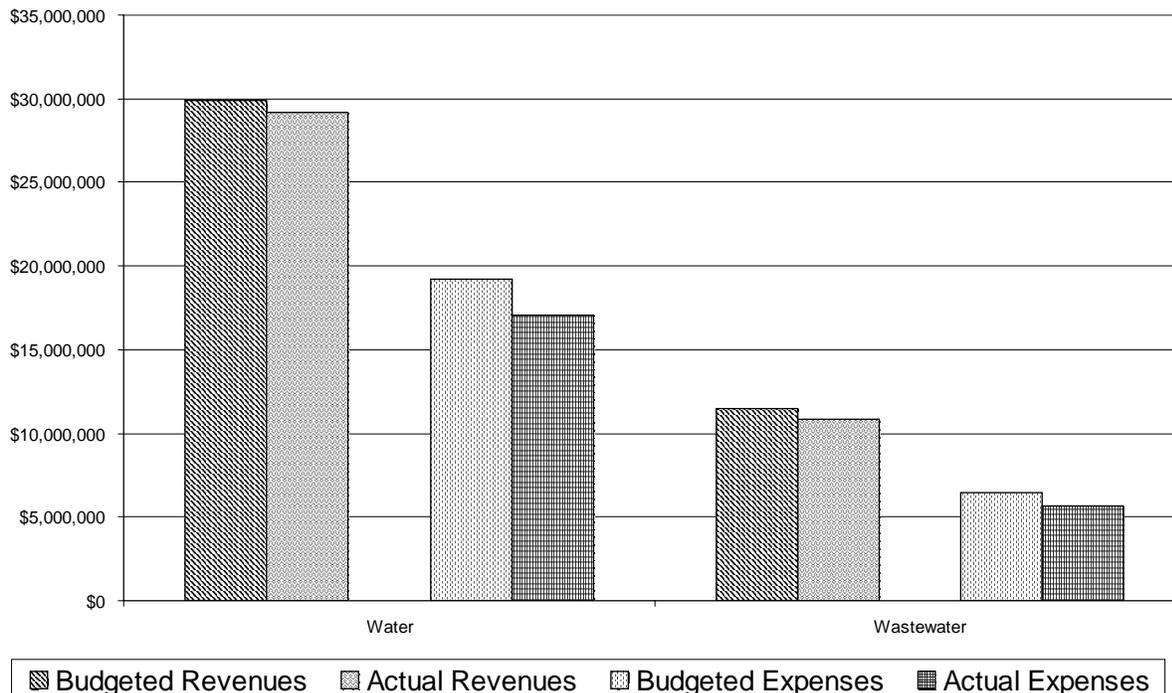
These graphs represent segment information for the Water and Wastewater funds.

**Water and Wastewater Funds
Operating Revenue and Expenses 2009-2011**



The Water Fund revenue variance between years is due to the effect of climatic variations on water consumption as well as changes in billing rates.

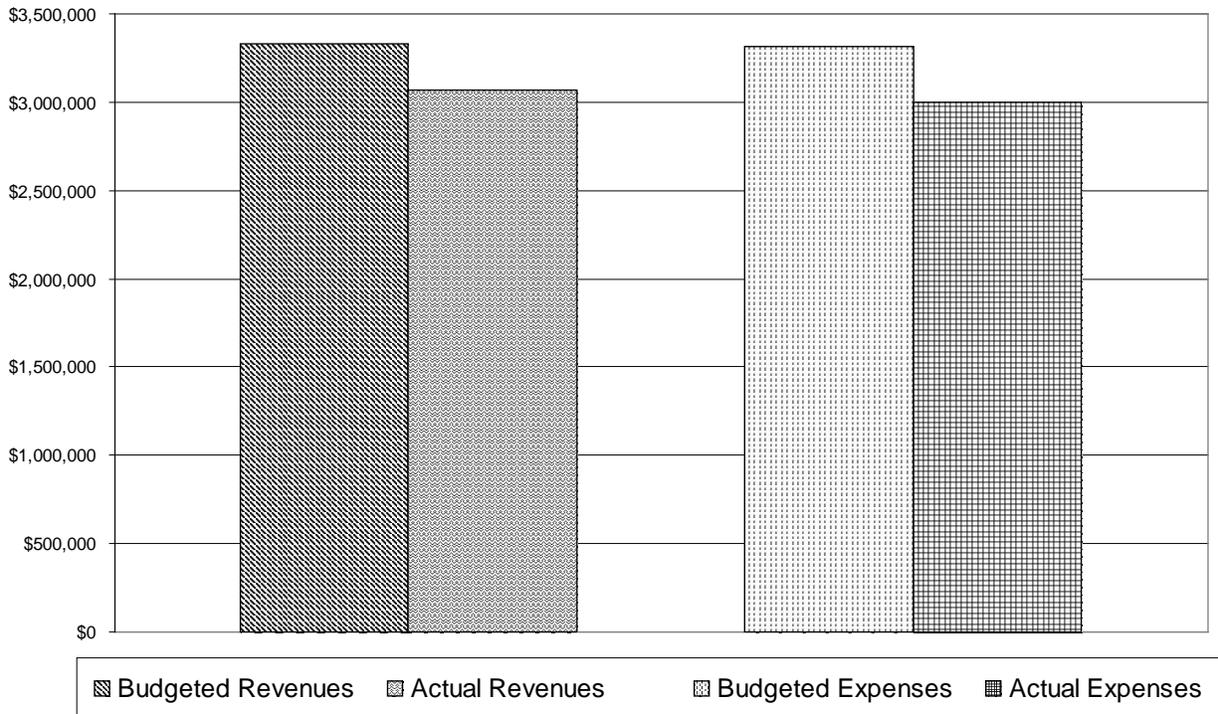
**Water and Wastewater Funds
2011 Operating Budget vs Actual**



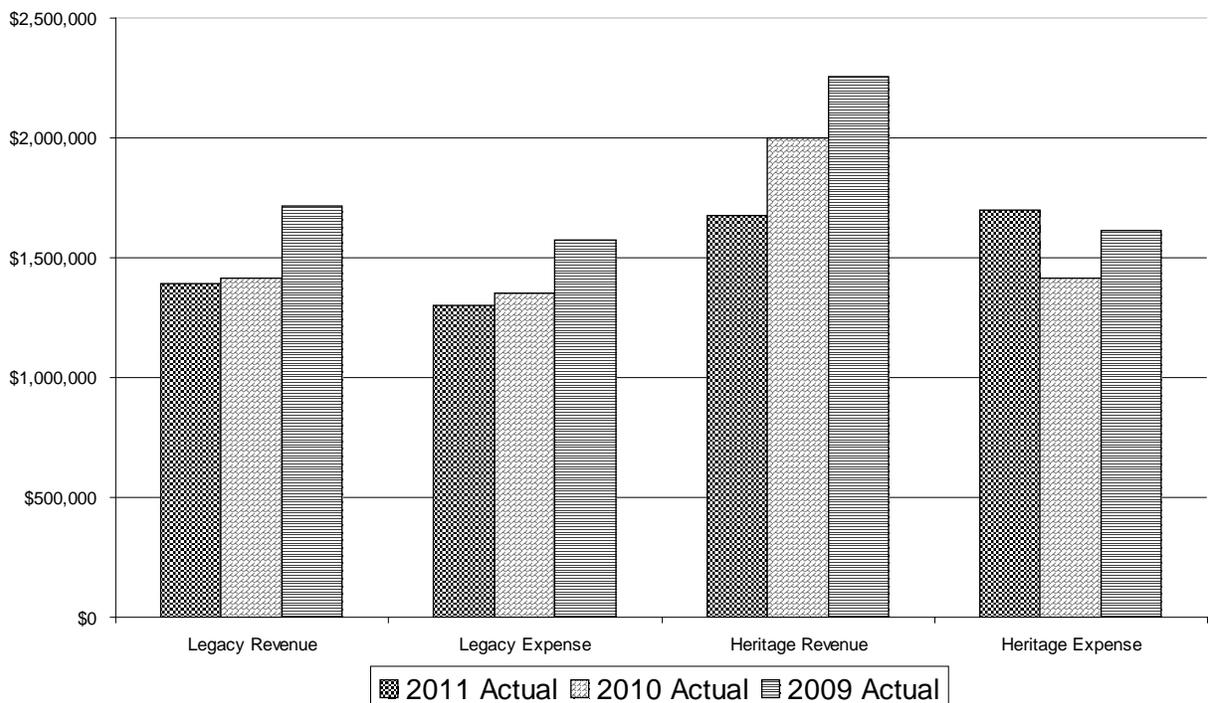
Golf Course Enterprise (Legacy and Heritage Golf Courses)

This enterprise reflects the operations of the City's two municipal golf courses.

**Combined Golf Courses
2011 Operating Budget vs Actual**



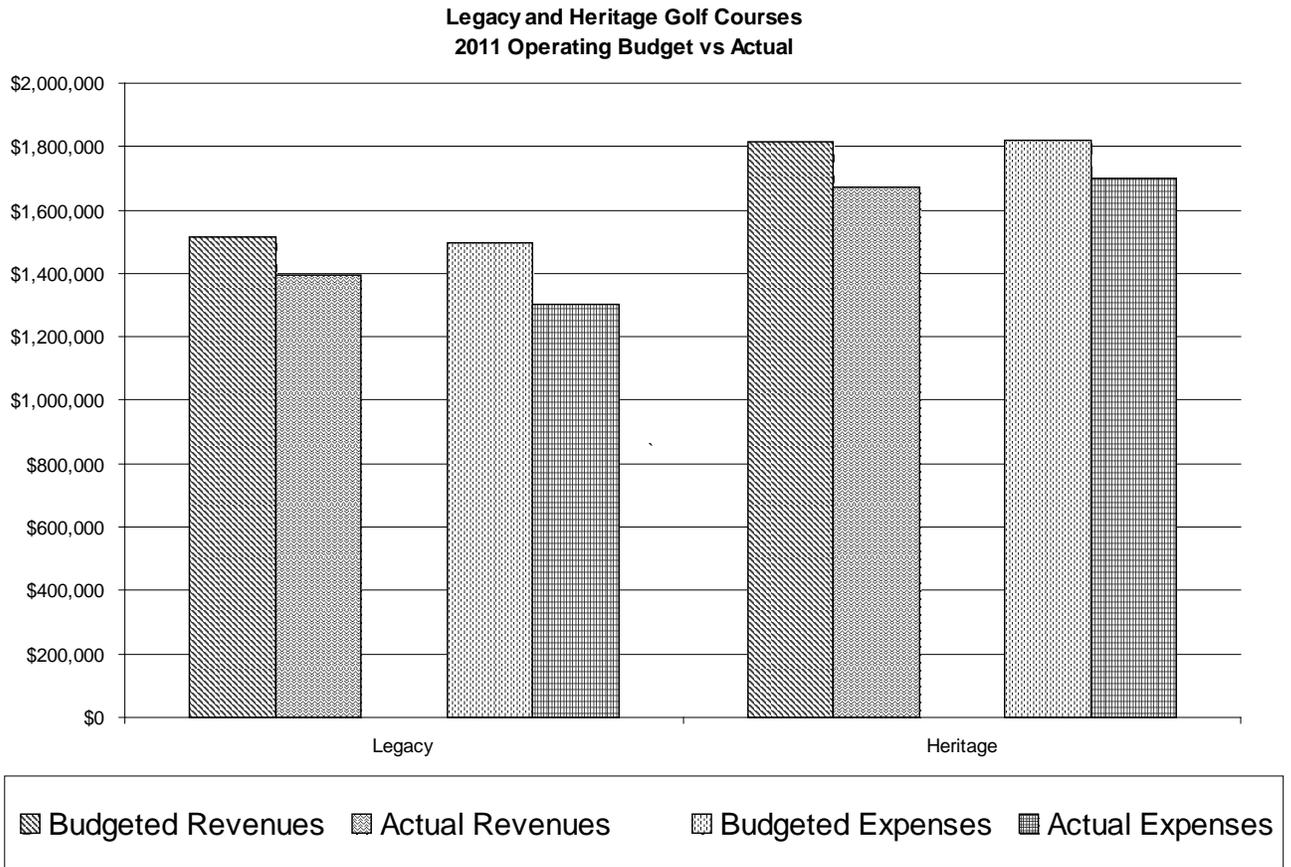
**Legacy and Heritage Golf Courses
Operating Revenue and Expenses 2009-2011**



Capital lease financing in 2009 accounts for the variances between years in revenues and expenditures for both courses.

Heritage revenue is down from prior years due to a significant decrease in budgeted transfers.

The following graphs represent the information for each of the golf courses.



This financial report supports City Council’s Strategic Plan Goal of Financially Sustainable City Government Providing Exceptional Services by communicating timely information on the results of City operations and to assist with critical decision making.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments

- Statements for Council
- Shopping Center Report

**City of Westminster
Financial Report
For Eleven Months Ending November 30, 2011**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	%
General Fund						Budget
Revenues and Carryover						
Taxes	5,631,761	5,525,621		5,598,750	73,129	101.3%
Licenses & Permits	1,336,000	1,235,787		1,625,838	390,051	131.6%
Intergovernmental Revenue	4,913,842	4,138,207		4,866,504	728,297	117.6%
Charges for Services						
Recreation Services	6,232,983	5,379,302		5,879,891	500,589	109.3%
Other Services	9,458,827	7,865,841		7,938,794	72,953	100.9%
Fines	2,334,000	2,158,482		2,114,940	(43,542)	98.0%
Interest Income	292,900	227,785		168,883	(58,902)	74.1%
Miscellaneous	1,792,458	1,758,076		1,812,632	54,556	103.1%
Leases	369,181	331,399		331,399	0	100.0%
Interfund Transfers	62,335,994	57,224,661		57,224,661	0	100.0%
Sub-total Revenues	<u>94,697,946</u>	<u>85,845,161</u>		<u>87,562,292</u>	<u>1,717,131</u>	<u>102.0%</u>
Carryover	6,742,912	6,742,912		6,742,912	0	100.0%
Total Revenues and Carryover	<u>101,440,858</u>	<u>92,588,073</u>		<u>94,305,204</u>	<u>1,717,131</u>	<u>101.9%</u>
Expenditures						
City Council	240,119	204,411		166,471	(37,940)	81.4%
City Attorney's Office	1,166,119	1,026,752		1,057,730	30,978	103.0%
City Manager's Office	1,441,705	1,270,480		1,220,958	(49,522)	96.1%
Central Charges	33,600,838	30,994,775		30,726,647	(268,128)	99.1%
General Services	5,691,531	4,939,016		4,701,418	(237,598)	95.2%
Finance	1,957,482	1,726,188		1,676,387	(49,801)	97.1%
Police	20,021,429	17,774,155		17,667,791	(106,364)	99.4%
Fire Emergency Services	11,542,732	10,168,465		10,193,912	25,447	100.3%
Community Development	4,033,000	3,547,299		3,508,357	(38,942)	98.9%
Public Works & Utilities	7,560,378	6,823,477		6,527,238	(296,239)	95.7%
Parks, Recreation & Libraries	14,185,525	12,625,576		11,871,116	(754,460)	94.0%
Total Expenditures	<u>101,440,858</u>	<u>91,100,594</u>		<u>89,318,025</u>	<u>(1,782,569)</u>	<u>98.0%</u>
Revenues Over(Under)						
Expenditures	<u>0</u>	<u>1,487,479</u>		<u>4,987,179</u>	<u>3,499,700</u>	

**City of Westminster
Financial Report
For Eleven Months Ending November 30, 2011**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Sales and Use Tax Fund						
Revenues and Carryover						
Sales Tax						
Sales Tax Returns	43,674,740	39,612,239		41,105,240	1,493,001	103.8%
Sales Tx Audit Revenues	714,000	654,738		769,175	114,437	117.5%
S-T Rev. STX	<u>44,388,740</u>	<u>40,266,977</u>		<u>41,874,415</u>	<u>1,607,438</u>	104.0%
Use Tax						
Use Tax Returns	6,647,234	5,915,068		7,306,208	1,391,140	123.5%
Use Tax Audit Revenues	785,000	719,845		622,747	(97,098)	86.5%
S-T Rev. UTX	<u>7,432,234</u>	<u>6,634,913</u>		<u>7,928,955</u>	<u>1,294,042</u>	119.5%
Total STX and UTX	<u>51,820,974</u>	<u>46,901,890</u>		<u>49,803,370</u>	<u>2,901,480</u>	106.2%
Public Safety Tax						
PST Tax Returns	11,374,614	10,401,192		10,553,607	152,415	101.5%
PST Audit Revenues	305,500	280,144		278,277	(1,867)	99.3%
Total Rev. PST	<u>11,680,114</u>	<u>10,681,336</u>		<u>10,831,884</u>	<u>150,548</u>	101.4%
Interest Income	122,000	111,833		79,893	(31,940)	71.4%
Interfund Transfers	203,000	186,083		186,083	0	100.0%
Carryover	1,841,834	1,841,834		1,841,834	0	100.0%
Total Revenues and Carryover	<u>65,667,922</u>	<u>59,722,976</u>		<u>62,743,064</u>	<u>3,020,088</u>	105.1%
Expenditures						
Central Charges	<u>65,667,922</u>	<u>60,349,081</u>		<u>60,349,081</u>	0	100.0%
Revenues Over(Under) Expenditures	<u>0</u>	<u>(626,105)</u>		<u>2,393,983</u>	<u>3,020,088</u>	

**City of Westminster
Financial Report
For Eleven Months Ending November 30, 2011**

Description POST Fund	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Revenues						
Sales & Use Tax	4,929,147	4,516,104		4,512,126	(3,978)	99.9%
Intergovernmental Revenue	1,252,229	771,000	(1)	2,619,838	1,848,838	339.8%
Interest Income	45,000	41,250		5,971	(35,279)	14.5%
Miscellaneous	92,337	84,642		41,681	(42,961)	49.2%
Interfund Transfers	230,000	228,750		228,750	0	100.0%
Total Revenues	<u>6,548,713</u>	<u>5,641,746</u>		<u>7,408,366</u>	<u>1,766,620</u>	<u>131.3%</u>
Expenditures						
Central Charges	6,220,477	5,615,376		5,700,886	85,510	101.5%
Park Services	328,236	267,118		192,231	(74,887)	72.0%
	<u>6,548,713</u>	<u>5,882,494</u>		<u>5,893,117</u>	<u>10,623</u>	<u>100.2%</u>
Revenues Over(Under)						
Expenditures	<u>0</u>	<u>(240,748)</u>		<u>1,515,249</u>	<u>1,755,997</u>	

(1) Budget variance reflects receipt of grant revenues appropriated in a prior year

**City of Westminster
Financial Report
For Eleven Months Ending November 30, 2011**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Water and Wastewater Funds - Combined						
Operating Revenues						
License & Permits	75,000	68,750		92,880	24,130	135.1%
Intergovernmental Revenue	0	0	(1)	258,630	258,630	
Rates and Charges	43,593,344	40,904,114		39,489,669	(1,414,445)	96.5%
Miscellaneous	425,000	389,584		178,293	(211,291)	45.8%
Total Operating Revenues	44,093,344	41,362,448		40,019,472	(1,342,976)	96.8%
Operating Expenses						
Central Charges	5,947,788	5,452,139		5,331,598	(120,541)	97.8%
Finance	658,269	583,226		520,217	(63,009)	89.2%
Public Works & Utilities	19,854,701	17,096,907		14,607,855	(2,489,052)	85.4%
Parks, Recreation & Libraries	132,272	126,981		80,905	(46,076)	63.7%
Information Technology	2,704,158	2,412,109		2,181,002	(231,107)	90.4%
Total Operating Expenses	29,297,188	25,671,362		22,721,577	(2,949,785)	88.5%
Operating Income (Loss)	14,796,156	15,691,086		17,297,895	1,606,809	
Other Revenue and Expenses						
Tap Fees	3,700,000	3,480,200	(2)	6,782,196	3,301,996	194.9%
Interest Income	1,015,000	930,417		385,567	(544,850)	41.4%
Sale of Assets	0	0		9,230	9,230	
Carryover	3,989,395	3,989,395		3,989,395	0	100.0%
Debt Service	(7,222,079)	(3,089,689)		(3,089,689)	0	100.0%
Reserve Transfer	(4,326,472)	(4,276,056)		(4,276,056)	0	100.0%
Total Other Revenue (Expenses)	(2,844,156)	1,034,267		3,800,643	2,766,376	
Increase (Decrease) in Net Assets	11,952,000	16,725,353		21,098,538	4,373,185	

(1) Budget variance reflects Build America Bond interest rate subsidy

(2) Budget variance reflects building activity in the North Huron Urban Renewal Area

**City of Westminster
Financial Report
For Eleven Months Ending November 30, 2011**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Water Fund						
Operating Revenues						
License & Permits	75,000	68,750		92,880	24,130	135.1%
Intergovernmental Revenue	0	0	(1)	258,630	258,630	
Rates and Charges	31,044,728	29,446,332		28,670,176	(776,156)	97.4%
Miscellaneous	415,000	380,417		168,383	(212,034)	44.3%
Total Operating Revenues	31,534,728	29,895,499		29,190,069	(705,430)	97.6%
Operating Expenses						
Central Charges	4,204,923	3,854,513		3,766,838	(87,675)	97.7%
Finance	658,269	583,226		520,217	(63,009)	89.2%
Public Works & Utilities	13,973,108	12,229,944		10,526,488	(1,703,456)	86.1%
PR&L Standley Lake	132,272	126,981		80,905	(46,076)	63.7%
Information Technology	2,704,158	2,412,109		2,181,002	(231,107)	90.4%
Total Operating Expenses	21,672,730	19,206,773		17,075,450	(2,131,323)	88.9%
Operating Income (Loss)	9,861,998	10,688,726		12,114,619	1,425,893	113.3%
Other Revenue and Expenses						
Tap Fees	3,000,000	2,838,200	(2)	5,195,676	2,357,476	183.1%
Interest Income	870,000	797,500		270,648	(526,852)	33.9%
Sale of Assets	0	0		9,230	9,230	
Carryover	3,409,305	3,409,305		3,409,305	0	100.0%
Debt Service	(5,717,453)	(2,497,635)		(2,497,635)	0	100.0%
Reserve Transfer	(3,459,850)	(3,441,645)		(3,441,645)	0	100.0%
Total Other Revenues (Expenses)	(1,897,998)	1,105,725		2,945,579	1,839,854	
Increase (Decrease) in Net Assets	7,964,000	11,794,451		15,060,198	3,265,747	

(1) Budget variance reflects Build America Bond interest rate subsidy

(2) Budget variance reflects building activity in the North Huron Urban Renewal Area

**City of Westminster
Financial Report
For Eleven Months Ending November 30, 2011**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Wastewater Fund						
Operating Revenues						
Rates and Charges	12,548,616	11,457,782		10,819,493	(638,289)	94.4%
Miscellaneous	10,000	9,167		9,910	743	108.1%
Total Operating Revenues	<u>12,558,616</u>	<u>11,466,949</u>		<u>10,829,403</u>	<u>(637,546)</u>	94.4%
Operating Expenses						
Central Charges	1,742,865	1,597,626		1,564,760	(32,866)	97.9%
Public Works & Utilities	5,881,593	4,866,963		4,081,367	(785,596)	83.9%
Total Operating Expenses	<u>7,624,458</u>	<u>6,464,589</u>		<u>5,646,127</u>	<u>(818,462)</u>	87.3%
Operating Income (Loss)	<u>4,934,158</u>	<u>5,002,360</u>		<u>5,183,276</u>	<u>180,916</u>	103.6%
Other Revenue and Expenses						
Tap Fees	700,000	642,000	(1)	1,586,520	944,520	247.1%
Interest Income	145,000	132,917		114,919	(17,998)	86.5%
Carryover	580,090	580,090		580,090	0	100.0%
Debt Service	(1,504,626)	(592,054)		(592,054)	0	100.0%
Reserve Transfer	(866,622)	(834,411)		(834,411)	0	100.0%
Total Other Revenues (Expenses)	<u>(946,158)</u>	<u>(71,458)</u>		<u>855,064</u>	<u>926,522</u>	
Increase (Decrease) in Net Assets	<u>3,988,000</u>	<u>4,930,902</u>		<u>6,038,340</u>	<u>1,107,438</u>	

(1) Budget variance reflects building activity in the North Huron Urban Renewal Area

**City of Westminster
Financial Report
For Eleven Months Ending November 30, 2011**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Storm Drainage Fund						
Revenues						
Charges for Services	2,047,000	1,876,417		1,816,526	(59,891)	96.8%
Interest Income	81,000	74,250		48,682	(25,568)	65.6%
Miscellaneous	0	0		22,483	22,483	
Carryover	25,454	25,454		25,454	0	100.0%
Total Revenues	<u>2,153,454</u>	<u>1,976,121</u>		<u>1,913,145</u>	<u>(62,976)</u>	96.8%
Expenses						
General Services	92,000	80,500		80,482	(18)	100.0%
Community Development	161,000	145,222		142,321	(2,901)	98.0%
PR&L Park Services	200,000	139,600		125,241	(14,359)	89.7%
Public Works & Utilities	323,000	256,462		214,841	(41,621)	83.8%
Total Expenses	<u>776,000</u>	<u>621,784</u>		<u>562,885</u>	<u>(58,899)</u>	90.5%
Increase (Decrease) in Net Assets	<u>1,377,454</u>	<u>1,354,337</u>		<u>1,350,260</u>	<u>(4,077)</u>	

**City of Westminster
Financial Report
For Eleven Months Ending November 30, 2011**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Golf Course Funds - Combined						
Revenues						
Charges for Services	2,949,625	2,887,377		2,623,331	(264,046)	90.9%
Interfund Transfers	485,794	445,311		445,311	0	100.0%
Total Revenues	<u>3,435,419</u>	<u>3,332,688</u>		<u>3,068,642</u>	<u>(264,046)</u>	92.1%
Expenses						
Central Charges	239,008	220,671		174,914	(45,757)	79.3%
Recreation Facilities	3,196,411	3,092,350		2,827,413	(264,937)	91.4%
Total Expenses	<u>3,435,419</u>	<u>3,313,021</u>		<u>3,002,327</u>	<u>(310,694)</u>	90.6%
Increase (Decrease) in Net Assets	<u>0</u>	<u>19,667</u>		<u>66,315</u>	<u>46,648</u>	

**City of Westminster
Financial Report
For Eleven Months Ending November 30, 2011**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Legacy Ridge Fund						
Revenues						
Charges for Services	1,551,299	1,515,619		1,394,289	(121,330)	92.0%
Total Revenues	<u>1,551,299</u>	<u>1,515,619</u>		<u>1,394,289</u>	<u>(121,330)</u>	92.0%
Expenses						
Central Charges	130,269	119,326		98,928	(20,398)	82.9%
Recreation Facilities	1,421,030	1,375,557		1,204,060	(171,497)	87.5%
Total Expenses	<u>1,551,299</u>	<u>1,494,883</u>		<u>1,302,988</u>	<u>(191,895)</u>	87.2%
Increase (Decrease) in Net Assets	<u>0</u>	<u>20,736</u>		<u>91,301</u>	<u>70,565</u>	

**City of Westminster
Financial Report
For Eleven Months Ending November 30, 2011**

Description	Budget	Pro-rated for Seasonal Flows	Notes	Actual	(Under) Over Budget	% Budget
Heritage at Westmoor Fund						
Revenues						
Charges for Services	1,398,326	1,371,758		1,229,042	(142,716)	89.6%
Interfund Transfers	485,794	445,311		445,311	0	100.0%
Total Revenues	<u>1,884,120</u>	<u>1,817,069</u>		<u>1,674,353</u>	<u>(142,716)</u>	92.1%
Expenses						
Central Charges	108,739	101,345		75,986	(25,359)	75.0%
Recreation Facilities	1,775,381	1,716,793		1,623,353	(93,440)	94.6%
Total Expenses	<u>1,884,120</u>	<u>1,818,138</u>		<u>1,699,339</u>	<u>(118,799)</u>	93.5%
Increase (Decrease) in Net Assets	<u>0</u>	<u>(1,069)</u>		<u>(24,986)</u>	<u>(23,917)</u>	

CITY OF WESTMINSTER
GENERAL RECEIPTS BY CENTER
MONTH OF NOVEMBER 2011

Center Location Major Tenant	Current Month			Last Year			%Change		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
THE ORCHARD 144TH & I-25 JC PENNEY/MACY'S	323,580	6,444	330,024	295,607	70,967	366,574	9	-91	-10
WESTFIELD SHOPPING CENTER NW CORNER 92ND & SHER WALMART 92ND	312,689	947	313,636	295,651	881	296,532	6	7	6
SHOPS AT WALNUT CREEK 104TH & REED TARGET	204,185	11,040	215,225	196,115	1,686	197,801	4	555	9
NORTHWEST PLAZA SW CORNER 92 & HARLAN COSTCO	197,292	2,762	200,054	189,458	493	189,951	4	461	5
SHOENBERG CENTER SW CORNER 72ND & SHERIDAN WALMART 72ND	199,356	499	199,855	185,701	470	186,171	7	6	7
BROOKHILL I & II N SIDE 88TH OTIS TO WADS HOME DEPOT	181,957	1,099	183,056	177,242	1,462	178,704	3	-25	2
INTERCHANGE BUSINESS CENTER SW CORNER 136TH & I-25 WALMART 136TH	165,670	717	166,387	160,408	432	160,840	3	66	3
SHERIDAN CROSSING SE CORNER 120TH & SHER KOHL'S	148,760	709	149,470	145,615	887	146,502	2	-20	2
PROMENADE SOUTH/NORTH S/N SIDES OF CHURCH RANCH BLVD SHANE/AMC	111,777	10,216	121,993	94,433	21,329	115,761	18	-52	5
CITY CENTER MARKETPLACE NE CORNER 92ND & SHERIDAN BARNES & NOBLE	112,725	467	113,193	122,856	456	123,312	-8	2	-8
NORTH PARK PLAZA SW CORNER 104TH & FEDERAL KING SOOPERS	102,472	1,113	103,584	93,044	776	93,821	10	43	10
WESTMINSTER PLAZA FEDERAL-IRVING 72ND-74TH SAFEWAY	78,898	559	79,457	69,840	2,255	72,095	13	-75	10
WESTMINSTER MALL 88TH & SHERIDAN 2 DEPARTMENT STORES	77,058	2,233	79,291	359,278	14,172	373,449	-79	-84	-79
STANDLEY SHORES CENTER SW CORNER 100TH & WADS KING SOOPERS	72,908	267	73,175	71,705	783	72,488	2	-66	1
STANDLEY LAKE MARKETPLACE NE CORNER 99TH & WADSWORTH SAFEWAY	65,755	302	66,057	58,437	813	59,250	13	-63	11

CITY OF WESTMINSTER
 GENERAL RECEIPTS BY CENTER
 MONTH OF NOVEMBER 2011

Center Location Major Tenant	Current Month			Last Year			%Change		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
LUCENT/KAISER CORRIDOR 112-120 HURON - FEDERAL LUCENT TECHNOLOGY	11,714	54,246	65,960	3,562	38,725	42,287	229	40	56
ROCKY MOUNTAIN PLAZA SW CORNER 88TH & SHER GUITAR STORE	65,083	160	65,243	64,655	144	64,799	1	11	1
VILLAGE AT THE MALL S SIDE 88TH DEPEW-HARLAN TOYS 'R US	62,006	777	62,782	68,345	1,087	69,432	-9	-29	-10
RANCHO PLAZA SE CORNER 72ND & FEDERAL RANCHO LIBORIO	53,458	0	53,458	28,972	0	28,972	85	*****	85
WILLOW RUN 128TH & ZUNI SAFEWAY	50,359	547	50,906	51,645	749	52,394	-2	-27	-3
WESTMINSTER CROSSING 136TH & I-25 LOWE'S	47,552	74	47,626	51,838	56	51,894	-8	32	-8
VILLAGE AT PARK CENTRE NW CORNER 120TH & HURON CB & POTTS	42,875	567	43,442	36,364	218	36,581	18	161	19
ELWAY/DOUGLAS CORRIDOR NE CORNER 104TH & FED ELWAY MOTORS	34,744	743	35,487	23,653	368	24,021	47	102	48
CHURCH RANCH CORPORATE CENTER CHURCH RANCH BOULEVARD LA QUINTA	14,966	20,145	35,111	14,399	18,136	32,535	4	11	8
MEADOW POINTE NE CRN 92ND & OLD WADS CARRABAS	32,131	183	32,314	25,396	64	25,460	27	186	27
	2,769,968	116,818	2,886,785	2,884,219	177,408	3,061,627	-4	-34	-6

CITY OF WESTMINSTER
GENERAL RECEIPTS BY CENTER
NOVEMBER 2011 YEAR-TO-DATE

Center Location Major Tenant	YTD 2011			YTD 2010			%Change		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
THE ORCHARD 144TH & I-25 JC PENNEY/MACY'S	4,002,359	161,426	4,163,785	3,575,292	288,869	3,864,161	12	-44	8
WESTFIELD SHOPPING CENTER NW CORNER 92ND & SHER WALMART 92ND	3,671,246	21,432	3,692,677	3,728,489	53,596	3,782,085	-2	-60	-2
SHOPS AT WALNUT CREEK 104TH & REED TARGET	2,485,001	52,278	2,537,278	2,437,280	66,904	2,504,184	2	-22	1
NORTHWEST PLAZA SW CORNER 92 & HARLAN COSTCO	2,344,651	14,069	2,358,720	2,251,517	8,327	2,259,845	4	69	4
SHOENBERG CENTER SW CORNER 72ND & SHERIDAN WALMART 72ND	2,113,585	5,871	2,119,457	2,063,612	4,929	2,068,540	2	19	2
BROOKHILL I & II N SIDE 88TH OTIS TO WADS HOME DEPOT	1,950,194	12,548	1,962,742	1,976,560	97,514	2,074,074	-1	-87	-5
INTERCHANGE BUSINESS CENTER SW CORNER 136TH & I-25 WALMART 136TH	1,765,628	11,174	1,776,802	2,238,392	5,012	2,243,404	-21	123	-21
SHERIDAN CROSSING SE CORNER 120TH & SHER KOHL'S	1,743,879	12,669	1,756,548	1,724,442	7,949	1,732,391	1	59	1
PROMENADE SOUTH/NORTH S/N SIDES OF CHURCH RANCH BLVD SHANE/AMC	1,315,865	258,743	1,574,607	1,240,488	342,170	1,582,658	6	-24	-1
CITY CENTER MARKETPLACE NE CORNER 92ND & SHERIDAN BARNES & NOBLE	1,313,830	7,875	1,321,706	1,277,939	8,276	1,286,215	3	-5	3
WESTMINSTER MALL 88TH & SHERIDAN 2 DEPARTMENT STORES	1,236,484	24,616	1,261,101	1,741,209	26,015	1,767,224	-29	-5	-29
NORTH PARK PLAZA SW CORNER 104TH & FEDERAL KING SOOPERS	1,195,928	41,342	1,237,270	1,148,074	5,305	1,153,378	4	679	7
STANDLEY SHORES CENTER SW CORNER 100TH & WADS KING SOOPERS	897,112	8,065	905,177	821,334	5,305	826,639	9	52	10
VILLAGE AT THE MALL S SIDE 88TH DEPEW-HARLAN TOYS 'R US	852,289	4,264	856,553	913,489	3,622	917,111	-7	18	-7
ROCKY MOUNTAIN PLAZA SW CORNER 88TH & SHER GUITAR STORE	695,382	2,296	697,678	729,445	5,049	734,494	-5	-55	-5

CITY OF WESTMINSTER
 GENERAL RECEIPTS BY CENTER
 NOVEMBER 2011 YEAR-TO-DATE

Center Location Major Tenant	YTD 2011			YTD 2010			%Change		
	General Sales	General Use	Total	General Sales	General Use	Total	Sales	Use	Total
WESTMINSTER CROSSING 136TH & I-25 LOWE'S	683,147	2,546	685,693	730,302	974	731,275	-6	161	-6
WESTMINSTER PLAZA FEDERAL-IRVING 72ND-74TH SAFEWAY	594,424	3,575	597,999	526,696	16,072	542,767	13	-78	10
STANDLEY LAKE MARKETPLACE NE CORNER 99TH & WADSWORTH SAFEWAY	518,694	2,021	520,715	472,718	3,327	476,046	10	-39	9
VILLAGE AT PARK CENTRE NW CORNER 120TH & HURON CB & POTTS	443,026	8,413	451,439	441,397	4,104	445,501	0	105	1
WILLOW RUN 128TH & ZUNI SAFEWAY	371,609	3,671	375,280	395,530	4,786	400,317	-6	-23	-6
ELWAY/DOUGLAS CORRIDOR NE CORNER 104TH & FED ELWAY MOTORS	321,681	6,089	327,770	250,583	4,807	255,391	28	27	28
RANCHO PLAZA SE CORNER 72ND & FEDERAL RANCHO LIBORIO	296,501	30	296,531	344,089	1,111	345,200	-14	-97	-14
BROOKHILL IV E SIDE WADS 90TH-92ND MURDOCH'S	294,240	13,233	307,473	206,828	36,683	243,511	42	-64	26
NORTHVIEW 92ND AVE YATES TO SHERIDAN SALTGRASS	275,493	2,299	277,792	273,892	2,059	275,951	1	12	1
BOULEVARD SHOPS 94TH & WADSWORTH CORRIDOR AMERICAN FURNITURE WAREHOUSE	268,797	3,607	272,403	246,920	2,194	249,114	9	64	9
	31,651,045	684,150	32,335,195	31,756,516	1,004,960	32,761,476	0	-32	-1



Agenda Item 8 B

Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: Foothills Animal Shelter 2011 Supplemental Assessment

Prepared By: Mike Cressman, Deputy Chief of Police

Recommended City Council Action

Authorize a Supplemental Assessment payment of \$63,250 to Foothills Animal Shelter for the City's 2011 shelter services.

Summary Statement

- On November 25, 1996, the City entered into an Intergovernmental Agreement (IGA) for the provision of all animal sheltering functions. For these services, each of the nine IGA's partnering agencies (Entities) is annually assessed a fee that is utilized for the Foothills Animal Shelter's (FAS) operational expenses.
- In August of 2010, FAS moved from its old location at 4105 Youngfield Service Road in Golden to a newly constructed building at 580 McIntyre Street in Golden. This new facility is approximately three times larger than the old facility.
- The operating costs and staffing for this larger facility have risen considerably. For the preparation of the 2011 budget, the FAS Executive Director had only one month of actuals to base the budget projections on. The FAS Board of Directors determined that after a more detailed operational history was available, a mid-year supplemental assessment from the FAS Entities might need to be implemented to cover the rising operational and staffing costs. After a full year of budget actuals, it has been determined that there is a budget deficit of \$372,684.
- The City of Westminster's annual assessment of \$88,190 for 2011 was approved by Council on February 28, 2011. The additional supplemental assessment requested by FAS is \$63,250, which would make the total 2011 assessment to FAS \$151,440.
- Funds are available in the Police Department General Fund budget for this supplemental assessment.

Expenditure Required: \$63,250

Source of Funds: 2011 General Fund – Police Department Operating Budget



Policy Issue

Should City Council authorize the expenditure of the additional \$63,250 for Westminster's 2011 Supplemental Assessment for operating costs at the Foothills Animal Shelter?

Alternative

City Council could chose to not authorize a Supplemental Assessment payment of \$63,250 to Foothills Animal Shelter for the City's 2011 shelter services. This alternative is not recommended in the absence of other identifiable solutions to the operating budget shortfalls.

Background Information

In November 1996, City Council authorized the City Manager to enter into an IGA with Table Mountain Animal Center (TMAC) for all animal sheltering functions. The nine participating Entities in the IGA are Jefferson County, Lakewood, Wheat Ridge, Arvada, Golden, Morrison, Mountain View, Edgewater and Westminster. In 2010, the name was changed to Foothills Animal Shelter (FAS), in conjunction with the construction of and move into the new facility. The IGA set out the method for calculating each Entity's annual assessment for FAS operating expenses. An annual operating budget is to be established by the FAS Manager and approved by the FAS Board of Directors (FAS Board) comprised of representatives of each of the nine Entities. Each of the Entity's contribution to that operating budget is determined by population. No more than 50% of FAS's annual operating budget is funded through these assessments. The remaining operating budget is derived from fundraising efforts by the non-profit Foothills Animal Foundation and through user fees such as Adoption Fees.

In 2006, discussions among the Entities centered on the outdated and dilapidated FAS facility. The decision was made to pursue the construction of a new building. The plans for the new facility were three times the floor space as the old facility. The funding of the project was going to be multifaceted; with Jefferson County providing initial funding that would be repaid through funds raised by the Foothills Animal Foundation and revenues generated by the Countywide (including all of Westminster) Dog Licensing Program.

In late summer of 2010, building construction concluded and the FAS operations moved to the new facility in early August. The FAS Executive Director, who is responsible for drafting the 2011 budget, was tasked with completing a budget with projections based on one month of occupancy. As stated above, the new facility is three times the size of the old building and with the increase in size, came the realization that staffing and operational costs would also increase. The 2011 proposed budget included an additional 3.75 FTE, including a Facility Maintenance Technician, part-time Veterinarian and a Surgical/Health Care Technician, a significant increase in utility costs and kennel/building cleaning supplies, Bi-directional antenna for first responder communications, an industrial floor cleaning machine and building insurance. To offset some of these additional costs, the budget included an increase in revenue for adoption and spay/neuter fees. After the completion of the budget, it was predicted that there would be a budget shortfall. Since there was little to no hard data to base some of the budget projections on, the FAS Board determined that a mid to late 2011 evaluation of actuals would be conducted and a supplemental assessment would be implemented if needed. The evaluation conducted later in 2011 confirms that the budget projections, to include the projected shortfall, were accurate and the actual budget shortfall is \$372,684.

In October 2011, the FAS Board notified the IGA partners that a supplemental assessment was needed to cover the budget shortfall. The City of Westminster's share of the total supplemental assessment is \$63,250. The Police Department has the funds available in their 2011 General Fund Operating Budget to cover this additional expense.

SUBJECT: Foothills Animal Shelter Supplemental Assessment

Page 3

Action on this item supports City Council's Strategic Plan Goals of Safe and Secure Community and Financially Sustainable City Government Providing Exceptional Services.

Respectfully submitted,

J. Brent McFall
City Manager



Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: Street Division Cumulative Purchases Over \$50,000 in 2011

Prepared By: Dave Cantu, Street Operations Manager

Recommended City Council Action

Based on the report and recommendation of the City Manager, determine that the public interest will be best served by ratifying past purchases and approving any additional 2011 Street Division expenses from Premier Paving, Inc. for asphalt, not to exceed \$108,500, and services from A. Moot Point Construction Co., Inc. for drainage channel repairs not to exceed \$56,625.

Summary Statement

- The Westminster Municipal Code requires that all purchases over \$50,000 be brought to the attention of City Council. Staff has taken a conservative approach in interpreting this requirement to include transactions where the cumulative total purchases of similar commodities or services from one vendor in a calendar year exceeds \$50,000.
- During the routine year end audit of purchases cumulatively greater than \$50,000 for the calendar year, Staff identified Premier Paving, Inc. and A. Moot Point Construction Co. as vendors that had total cumulative expenditures exceeding \$50,000 for the year 2011 and thereby requires Council authorization.
- Funds were previously appropriated and are available in the 2011 Street Operations and Utilities Field Operations budgets for the purchases.

Expenditure Required: Not to exceed \$165,125

Source of Funds: \$79,826 – General Fund, Street Operations Division Budget
\$28,673 – Utility Fund, Utilities Field Operations Division Budget
\$56,626 – Storm Drainage, Street Operations Division Budget



Policy Issue

Should Council ratify and approve the cumulative purchase of asphalt and drainage channel repairs that total over \$50,000 in 2011?

Alternative

Council could choose to not approve the expenditures as recommended. While it could be argued that each transaction represents a separate purchase, Staff believes that a more conservative and prudent approach is to treat the smaller transactions as cumulative larger purchases that are subject to Council approval.

Background Information

In November, an audit was conducted by the City's Purchasing Officer to determine if the aggregate amounts paid to one vendor exceeded \$50,000. Premier Paving, Inc. and A. Moot Point Construction Co. were vendors where the total cumulative purchases or expenses will exceed \$50,000 for the year 2011 and require Council authorization. Staff is seeking approval for the following expenditures for the calendar year 2011.

Premier Paving

City Council approved the purchase of asphalt material for 2011, on an as needed basis, on January 24, 2011. Hot mix asphalt material is used for all types of street maintenance repairs including pothole patching, surface replacement, and preparation of streets earmarked for 2011 and 2012 improvements (Street Operations Budget). Hot mix asphalt material is also used for water break excavation patching and in-house trench patching after water main replacements (Utilities Field Operations Budget).

2011 bids were solicited through MAPO (Multiple Assembly of Procurement Officials) with Aggregate Industries, Inc. as low bidder for asphalt and held pricing through the first two quarters of the year. However, the MAPO bid allows for quarterly price adjustments, which resulted in a cost savings opportunity for the city.

Premier Paving was one of the 4 asphalt vendors on the MAPO bid, and their 3rd and 4th quarter pricing was \$2.25/ton lower than other vendors. Utilization of Premier Paving resulted in a \$10,372 savings. Staff is now requesting ratification of expenses not to exceed \$108,500 from Premier Paving Inc.

A. Moot Point Construction Co.

A. Moot Point Construction Co. was the 2011 low quote contractor to perform planned annual open drainage maintenance. The contractor was utilized to perform emergency drainage repairs following the heavy rain storm and subsequent flooding experienced in the city on July 8, 2011. Staff was pressed to quickly get a contractor started on work that included widening of a roadside ditch and building an earthen berm to channel away run-off from homes along the 9400 block of Wadsworth Boulevard. Fabrication and installation of a storm grate, installation of erosion control to protect undermined sidewalk, as well as debris and vegetation removal at various open drainage locations in the city. These emergency repairs pushed expenses for A. Moot Construction Co. over the \$50,000 level. Staff is now requesting ratification of expenses not to exceed \$56,625 from A. Moot Construction Co.

Staff's recommendation to ratify cumulative purchases exceeding \$50,000 helps achieve city council's goals of "Financially Sustainable City Government Providing Exceptional Services" and "Vibrant Neighborhoods and Commercial Areas" by meeting the objectives of well maintained city infrastructure and city facilities and maintained and improved neighborhood infrastructure.

Respectfully submitted,

J. Brent McFall
City Manager



Agenda Item 8 D

Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: Police Department Cumulative Purchases Over \$50,000 in 2011

Prepared By: Lee Birk, Chief of Police

Recommended City Council Action

Based upon the recommendation of the City Manager, determine that the public interest will be best served by ratifying past purchases and approving any additional 2011 police department expenses with Precinct Police Products up to a maximum of \$95,000 and Citywide expenses with Frontier Radio Communications up to a maximum of \$220,000.

Summary Statement

- The Westminster Municipal Code requires that all purchases over \$50,000 be approved by City Council. Staff has taken a conservative approach in interpreting this requirement to include transactions where the cumulative total purchases of similar commodities or services from one vendor in a calendar year exceeds \$50,000.
- During the routine year end audit of purchases cumulatively greater than \$50,000 for the calendar year, Staff identified Precinct Police Products (Precinct) and Frontier Radio Communications (Frontier) as vendors that had total cumulative expenditures exceeding \$50,000 for the year 2011 and thereby requires Council authorization.
- Recently the City's main uniform supplier went out of business. Through the course of 2011, the City has been purchasing uniforms from multiple vendors to determine supply availability, cost, quality, and customer service of the remaining vendors in the market place. Precinct is one of those vendors.
- Expenditures to Frontier are a result of the annual maintenance to the City's radio system and the ongoing initiation and construction of the Gregory Hills radio site.
- Funds were previously appropriated in the 2011 Budget and are available in the General Fund for the purchases.

Expenditure Required: Not to exceed \$315,000

Source of Funds: General Fund – Police Department Operating Budget



Policy Issue

Should Council retroactively approve the purchase of commodities that total over \$50,000 in 2011?

Alternative

Do not approve the expenditures as recommended. While it could be argued that each transaction represents a separate purchase, City Staff believes that a more conservative and prudent approach is to treat the smaller transactions as cumulative larger purchases that are subject to Council approval.

Background Information

In November, the City's Purchasing Officer and Police Department Staff conducted an audit of purchases by the department to determine if the aggregate amounts paid to one vendor exceeded \$50,000. The police department identified Precinct and Frontier as vendors where the total cumulative purchases or expenses will exceed \$50,000 for the year 2011 and requires Council authorization. Staff is seeking approval for the following expenditures for the calendar year 2011. Funds are available in the Police Department's 2011 General Fund budget to cover this expense.

Precinct Police Products

The police department has estimated that a total not to exceed \$95,000 will be expended to Precinct for the calendar year 2011. As a result of the City's main uniform supplier going out of business (Public Safety Warehouse), uniform purchases were split among two vendors to determine supply availability, cost, quality, customer service, etc. from other vendors in the market place. Precinct is one of those vendors utilized by the department for uniforms, ballistic vests, jackets, insulated coveralls, equipment bags, handcuffs, batons, clipboards, flashlights, and various other uniform supplies and equipment for all police department sworn personnel (183 FTE). The purchases also include specialized uniforms and supplies for the SWAT Team, Bike Unit, K9 Unit, Motorcycle Unit, SET, and Criminalists, as well as uniforms for the Accident Investigators and Animal Management Officers.

The police department also purchases uniforms and equipment from Neve's Uniform and Equipment. Cumulative expenditures from Neve's will not exceed \$50,000. Over this past year, the department was monitoring purchases with Precinct and Neve's to determine supply, demand, customer service and costs associated with the uniforms and equipment that are utilized by the department. Staff has determined that Precinct provides better availability and service. The department is in the process of finalizing a formal solicitation for pricing from Precinct, and other vendors, that is expected to be completed in early January 2012. However, the department will continue to utilize Neve's as a secondary resource.

Frontier Radio Communications

In 2011, the police department exceeded the cumulative expenditures threshold of \$50,000 with Frontier due to several extraordinary project expenditures. Frontier is a sole source vendor and is under contract for services pertaining to the Citywide radio system and they also provide installation, maintenance and repair services for many of the audio visual systems throughout the City. Frontier is the only company in the State of Colorado that is factory certified and can handle the maintenance and repair of the City's radio system because of the system size and complexity. The radio system is administered and managed by the police department. However, the funding for the Frontier contract, radio service and maintenance are funded through several department budgets (Police, Fire, Public Works and Utilities, Parks, Recreation and Libraries, and Community Development). The radio service contract with Frontier provides for a substantial discount on other technical installations and services that Frontier provides to the City, such as the miscellaneous technical audio visual projects which have been completed for multiple facilities in the City.

The Gregory Hill radio site construction and installation project that was continued into 2011 involved several vendors, including Frontier. Due to the fact that several components for the project were either manufacturer discontinued or back ordered, there have been delays in the completion of the project, which was finalized at the end of November 2011. The Frontier total for this project is \$92,575. This total includes the purchase of a pre-fabricated building that is being utilized as an equipment shelter.

The City's approach to these types of collective purchases from a single vendor is to assure that purchases in excess of \$50,000 are identified in advance and brought to City council for approval. Staff will work to assure that cumulative expenditures exceeding \$50,000 in a calendar year are identified in advance and brought to City Council for approval in the future.

Staff's recommendation to ratify past purchases and approve additional 2011 purchases exceeding \$50,000 helps achieve City Council's goals of "Financially Sustainable City government Providing Exceptional Services" and "Safe and Secure Community."

Respectfully submitted,

J. Brent McFall
City Manager



Agenda Item 8 E

Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: Additional Cost for the 2011 Purchase of City Vehicles from State Bid

Prepared By: Jeffery H. Bowman, Fleet Manager

Recommended City Council Action

Based on the report and recommendation of the City Manager, determine that the public interest will be best served by ratifying past purchases and approving an additional \$2,060 for the purchase and up-fit five of the fifteen vehicles from the State of Colorado light duty vehicle bid, as the amount for five vehicle purchases exceeded the original costs previously presented to City Council.

Summary Statement

- City Council action is requested to approve the additional \$2,060 required to buy and up-fit five of the fifteen vehicles from the State of Colorado light duty vehicle bid. These vehicles were previously approved and the total amount spent for the purchase of fifteen vehicles from the General Capital Outlay Fund and the Utility Fund is still within the amount authorized by City Council in the 2011 Utility and General Capital Outlay Replacement Fund budgets. However, the final costs of the vehicles exceed the amount previously authorized by City Council for the purchases.
- The additional cost to purchase and up-fit the five trucks is based on two factors; additional safety lighting added to two trucks and a missed cutoff date for ordering Chevrolet Colorado's by April first, of 2011.

Expenditure Required: \$2,060

Source of Funds: General Capital Outlay Replacement Fund - \$1,772
Utility Fund - \$206



Policy Issue

Should the City ratify and approve the additional amount outlined in this agenda memorandum?

Alternatives

1. Council could direct Staff to return one of the Chevrolet pickup trucks just delivered. This alternative is not recommended because the vehicle being replaced has a maintenance history that makes it impractical to keep it in regular service.
2. Remove 360 degree amber lighting installed on two utilities trucks for better visibility in snow plowing operations. This alternative is not recommended because amber lighting necessary for snow removal should warn citizens in all directions.

Background Information

City Council originally approved vehicle purchases for 2011 at the February 28, 2011, City Council meeting. At this meeting, a total of \$398,361 was approved for the acquisition of 15 vehicles (\$262,909 for 10 vehicles from the General Capital Outlay Replacement Fund and \$135,452 for 5 vehicles from the Utility Fund).

Two Utility Department trucks had rearward facing amber arrows, but had no front amber lighting in the original order. The lack of 360 degree amber lighting was realized upon delivery. As these trucks are used in plowing operations, front amber warning lights have been installed, as snow plowing has already begun. Staff attempted to absorb the cost difference as much as possible but unfortunately was not able to cover the additional \$206 in cost for the two truck lighting.

The City purchases vehicles through the State of Colorado vehicle bid process whenever possible. However, the timeline between the City Council authorization in February 2011 and the State of Colorado order cut-off date was closer than Staff realized for the Chevrolet Colorado pickup trucks. Twelve different trucks were ordered, but Chevrolet Colorado pickups were ordered last. This oversight resulted in missing the April first cut-off, so Staff had to wait for 2012 price increases from General Motors. The three Chevrolet Colorado pickup trucks could not be ordered until June using the State of Colorado bid. Because 2012 models were ordered in lieu of 2011 models, Staff believes the increase in cost for three newer Chevrolet Colorado pickup trucks is reasonable. Staff attempted to absorb the cost difference as much as possible but unfortunately was not able to cover the additional \$1,772 in cost for the three trucks.

Staff requests that City Council ratify this additional \$2,060 cost associated with these five vehicles since it is above the original \$398,361 authorized in February 2011 for vehicle purchases.

The replacement of these vehicles and addition of 360 degree amber lighting supports Council's Strategic Plan goals of Safe and Secure Community and Financially Sustainable City Government by maintaining a cost effective, dependable fleet of vehicles.

Respectfully submitted,

J. Brent McFall
City Manager



Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: Lockbox Services Provider

Prepared By: Tammy Hitchens, Finance Director
Robert Byerhof, Senior Financial Analyst
Rachel Price, Financial Analyst

Recommended City Council Action

Authorize the City Manager to sign a five year contract with the low bidder, UMB Bank Colorado, National Association for lockbox services to process utility bill and sales tax payments. The total cost is not to exceed \$65,000 per year.

Summary Statement

- The City has sophisticated lockbox service requirements for the processing of utility bill and sales tax payments, which have been professionally delivered by UMB Bank Colorado, N.A. (UMB) since 2001. In 2006, UMB was reaffirmed as the City's lockbox services provider after a competitive bid process. In May 2011, per purchasing policy, Staff issued a lockbox services Request for Proposal (RFP) and after an extensive review of four bank bid submissions, Staff recommends that the City continue the lockbox services relationship with UMB, the lowest bidder.
- Highlights of UMB's proposal include:
 - Lockbox processing located in Denver, Colorado
 - Three mail pickups per day during the week, plus one on Saturdays
 - Account Analysis Statements available on the 2nd business day of the month
 - Cost of services has increased less than 5% in total over the 10 year relationship
 - Working knowledge of the City's highly detailed lockbox procedures
 - Well developed and user friendly internet based reporting and imaging platform
 - Ability of the bank to perform all the core service requirements addressed in the City's proposal request

Expenditure Required: Not to exceed \$65,000 annually

Source of Funds: General Fund - Finance Department Operating Account



Policy Issue

Should the City continue to utilize the services of a lockbox provider to process utility bill and sales tax return payments?

Alternatives

- 1) Revert to processing payments internally. This is not recommended due to the proven efficiencies of the lockbox provider and the increased capital and ongoing operating costs to purchase a new encoding machine.
- 2) Choose another firm to perform the lockbox services. Staff does not recommend this alternative, as UMB represents the most qualified lockbox service provider based on a thorough analysis of each RFP submission. Staff believes that UMB provides the quality of service required by the City with competitive and cost effective overall pricing without compromising service quality in comparison to all the respondents.

Background Information

Prior to 2001, the City processed all utility bill and sales tax return payments internally. This function was deemed financially and operationally inefficient on the following basis:

- Very labor intensive to process payments
- Remittance machine needed replacement due to age and frequent breakdowns, estimated cost of a new remittance machine: \$20,000-\$40,000
- Payment processing could take several days to complete, particularly during the periods that sales tax returns were due or if processing could not be completed due to machine malfunction or staffing shortage
- Payment processing reduced customer service by placing personnel in the processing area versus customer service areas
- Processing payments internally delayed deposits, thereby reducing interest earnings

Lockbox services required by the City include: mail processing services, processing of utility billing payments (retail lockbox) and sales tax returns (wholesale lockbox), disbursement of funds to the City's Operating and Depository account, courier/imaging services for documentation, online reconciliation services, and account analysis.

Costs of lockbox services are calculated monthly. Fees are reduced by the use of an earnings credit rate. The earnings credit rate is the rate a bank agrees to "pay" on the account balances. The basis of calculating this rate varies from bank to bank. Since the lockbox amounts sweep to the City's Operating account on a frequent basis, the amount of earnings credit earned to offset fees is minimal. Any difference owed by the City after deducting the earnings credit is paid monthly via a direct debit. Analysis statements are available on the 2nd day after the close of the month and are reviewed timely to ensure the amount deducted matches the fees incurred.

A Request for Proposal (RFP) was issued for lockbox services per the City's Purchasing Policy. Four banks responded. The bid analysis included the evaluation of each bank's lockbox capabilities, processing, financial strengths, management and customer support depth, web-based reporting and imaging capabilities, service costs, government sector experience and reference commentary. After the initial review of the responses, Staff invited two banks to make a presentation of their key personnel, products and services including a tour of their lockbox facilities.

The decision to recommend UMB is based on the criteria noted above and complemented by their lowest cost relative to the other respondents. Below is a table outlining the estimated costs of services, including the upgrade of online image access, offered by the banks as incorporated into the City's assessment worksheets:

Bank	Total Monthly Cost	Total Annual Cost
UMB Bank	\$4,698	\$56,376
KeyBank	\$4,958	\$59,496
First National Bank	\$8,228	\$98,736
Wells Fargo	\$9,552	\$114,624

The decision to continue the lockbox relationship with UMB was based not only on being the lowest cost provider but the excellent quality service provided by the bank over the past ten years. UMB offers the dynamics of a smaller service provider and is able to deliver custom processing. For example, the bank's programming team adjusted the reading fields to adapt to the City's updated utility billing system format and has long proved itself to carry-out the City's highly detailed sales tax return processing procedures. Over the past ten years, the bank's ability to address customer service issues has been exceptional, such as a processing issue relative to a customer erroneously putting currency for a Christmas present in with their utility bill. UMB contacted the City immediately and helped facilitate expediting the funds to the grateful customer. UMB has also been very effective at quickly addressing any research or other processing issues related to specific payments, which allows Staff to facilitate responses to either internal or external customers. Furthermore, the new imaging access will increase efficiencies in problem solving as well as provide an easy-to-use online seven year archive.

On a cost basis, UMB's bid was the lowest received in terms of total monthly fees. In addition, UMB provides a quality web-based imaging and reporting platform, working knowledge of the City's detailed lockbox procedures, and received very positive customer reference feedback. Overall, Staff believes it is in the City's best interest to continue its lockbox services contract with UMB.

This recommended action supports the strategic objectives of a Financially Sustainable City Government Providing Exceptional Services. It does so by assuring that the City enters into a banking relationship providing cost and operationally efficient services.

Respectfully submitted,

J. Brent McFall
City Manager



Agenda Item 8 G

Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: Revised City Council Assignments

Prepared By: Mary Joy Barajas, Executive Secretary

Recommended City Council Action

Approve the Revised Council Assignments list as discussed at the November 21st Study Session meeting.

Summary Statement

- Council approval is requested pertaining to Council assignments for 2012.
- These assignments pertain to internal committees of the City organization as well as numerous external organizations in which the City is involved.

Expenditure Required: \$ 0

Source of Funds: N/A



Policy Issue

None identified

Alternative

None identified

Background Information

The City of Westminster is involved in a number of organizations that are external to the city government. These include a wide range of both standing committees as well as groups that are formed to address current issues. They range from transportation issues to representation on the Denver Regional Council of Governments (DRCOG) and the Urban Drainage and Flood Control District (UDFCD). City Council and Staff are active participants on a number of committees related to regional issues, such as the U.S. 36 MCC, that works to develop strategies to improve commuting on US 36.

There are now 11 City Boards and Commissions to which a City Council liaison is assigned. The purpose of such Council assignments is to assure open and time sensitive communications between City Council and the respective Board or Commission. City Council has established a protocol that allows a Councilmember the latitude to determine when they should attend meetings. In addition, the Chairperson of each respective Board or Commission shall be responsible to contact the Council representative when he or she is needed to be at the respective meeting.

City Council reviewed the City Council assignments at the November 21st Study Session and provided Staff with direction on minor changes to the Council assignments. These changes are reflected on the attached City Council Assignment list for Council's official action.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment – Assignment List

**CITY COUNCIL ASSIGNMENTS
November 2011**

Organization	Meeting Time/Date/Place	Council/Staff Representatives
36 Commuting Solutions (formerly US36 TMO)	2 nd Tuesday, 7:30-9:00 am, 1 st Bank Events Center, Broomfield May opt for Bi-monthly meetings in 2012	Bob Briggs/Nancy McNally/Dave Downing/Aric Otzelberger
ADCOG Dinner	Quarterly 4 th Wednesday in Jan, April, July and August.	All
Adams County Economic Development Board of Directors	4th Thursday of every other month (Jan, Mar, May, Jul, Sept, Nov), 11:00 networking; 11:30 a.m.-1:00 p.m. 12200 Pecos St, Suite 100.	Herb Atchison/Nancy McNally/Susan Grafton
ADCO Housing Authority	4 th Wed., 4-6pm, 7190 Colorado Blvd., 1 st Floor C.R.	Faith Winter
ADCO Mayors Executive Committee	3rd Friday, 7:30 a.m., location varies per municipality.	Nancy McNally/Brent McFall
Broomfield-Westminster Open Space Foundation	Varies. Scheduled as needed.	Nancy McNally/Mary Lindsey/Bob Briggs/Heather Cronenberg/Brent McFall
CML Policy Committee	Three times a year at CML offices (2/23 9:30am-3pm – final meeting after May 9)	Faith Winter/Mary Lindsey
CML Tax Policy Committee	Varies	Steve Smithers
CO Women in Government	Varies (Contact: CML)	Faith Winter
DRCOG Board	3rd Wednesday, 6:30-8:30 p.m., 1290 Broadway, 1 st Floor – 1 st Wednesday is MVC from 4pm – 6pm	Nancy McNally/Faith Winter/Aric Otzelberger
Jefferson County Transportation Advisory & Advocacy Group (JEFFTAAG)	2nd Wednesday, 7-9am at Jeffco Admin Courts Bldg – Lookout Mntn. Rm, 100 Jefferson County Pkwy, Golden	Herb Atchison/Bob Briggs/Mary Lindsey/Dave Downing

Organization	Meeting Time/Date/Place	Council/Staff Representatives
Jeffco Economic Council Board Meeting	3 rd Wednesday, 11:45 – 1:00 p.m., Jeffco Admin. Building	Herb Atchison/Bob Briggs/ Mary Lindsey/Chris Gray
Metro Mayors Caucus	1 st Weds of Feb/Apr/Jun/Aug/Oct from 7:30-10:00am @ Denver Metro Chamber of Commerce, 4 th Flr, 1445 Market Street, Denver *Jan 14 th Annual Retreat, 8:30am – 3:30pm, Lone Tree Arts Center, 10075 Commons Street, Lone Tree *Nov 15 th Legislative Reception, 5:00-7:00pm, TBD	Nancy McNally
Rocky Flats Stewardship Council	Feb 6th 8:30 – 11:30 a.m., Rocky Mtn. Metro Airport. Will decide regular meeting schedule at that time.	Bob Briggs/Mary Fabisiak
Volunteer Firefighter Pension Board	As needed, will send notices.	Nancy McNally/Gary Doane & Gary Buschy
Urban Drainage and Flood Control District Board Meeting 303-455-6277	3 rd Thursday of each month, except for Jan/Jul @ UDFCD offices. 12:15 lunch; 1:00pm meeting, Annual Meeting Feb 1	Nancy McNally
U.S. 36 Mayors/Commissioners Coalition Debra Basket 303-469-3301	1 st Thursday each month 7:30-9am; location – odd months/Broomfield, even months/Superior	Nancy McNally/Aric Otzelberger /Dave Downing
Westminster Historical Society Linda Cherrington 303-426-1858	3 rd Saturday, 10:00 – 11:30 am at the Bowles House.	Mary Lindsey/Nancy McNally

City Boards/Commission/Panel	<u>Meeting Time/Date/Place</u>	<u>Council/Staff Representatives</u>
Board of Building Code Appeals Staff Liaison – Dave Horras x2077	Meets on an as needed basis – At least once a year	Mark Kaiser
Election Commission Staff Liaison – Linda Yeager x2161	As needed basis in the GS Conf Rm.	Faith Winter
Environmental Advisory Board Staff Liaison – Carey Rangel x2183	Last Thursday of every month @ 6:30 p.m. Council Board Room	Faith Winter/Mary Lindsey
Historic Landmark Board Staff Liaison – Patrick Caldwell x2090/Terrilyn W. x2357	1 ST Tuesday of every month @ 7pm Council Board Room/Council Chambers for Public Hearings Only	Mary Lindsey/Bob Briggs
Human Services Board Staff Liaison – Ben Goldstein x2007	Two to seven times a year. (Location: TBD) Feb. Planning/Scheduling Meeting	Mark Kaiser/Mary Lindsey
Open Space Advisory Board Staff Liaison – Heather Cronenberg x2142	4 th Wednesday of every month @ 5:30 p.m. in the Main Level Conference Room	Bob Briggs/Scott Major
Planning Commission Staff Liaison – Mac Cummins/Betty L. x2092	2 nd & 4 th Tuesday of each month @ 7:00 p.m. in Council Chambers	Scott Major/Herb Atchison
Parks, Recreation & Library Advisory Board Staff Liaison – Sue Andre x2198	2nd Thursday of every other month starting in Jan. 6:00 p.m., location varies.	Scott Major/Mary Lindsey
Personnel Board Staff Liaison – Debbie Mitchell x2155	Meets 1 time per year for legal updates and training of Board's choice and as needed for personnel hearings.	Mary Lindsey/Faith Winter
Special Permit & License Board Staff Liaison – Linda Yeager x2161	1 st and 3 rd Wednesdays of each month (dependent upon applications) 7:00 p.m., Council Chambers	Mark Kaiser/Bob Briggs/Herb Atchison
Youth Advisory Panel Staff Liaison – Cindy McDonald x2219	1 st Wednesday of each month @ 6:30 p.m. PRL Conf Rm	Faith Winter/Mary Lindsey



Agenda Item 8 H

Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: 2012 Gasoline Purchase for City Vehicles

Prepared By: Jeffery H. Bowman, Fleet Manager

Recommended City Council Action

Ratify the contracted purchase for 210,000 gallons of unleaded, E-10 gasoline from Chief Petroleum to be delivered to City sites for a cost not to exceed \$610,000.

Summary Statement

- The City of Westminster uses approximately 217,000 gallons of gasoline and 125,000 gallons of diesel fuel annually.
- During 2011, gasoline and diesel fuel for the City of Westminster has been purchased through Fleet Maintenance Division's Commodities Fuel Account, on "spot pricing" where three quotes are solicited for each load of fuel taken.
- During 2010, 70% of gasoline and diesel fuel was purchased on a pre-determined fuel contract lock price.
- Fuel contract lock timelines have changed in the past two years; most notably in the amount of time the purchaser has to make a decision. While previously a fuel vendor could wait days for a purchaser to decide whether or not to lock in a price, in today's faster pace futures market, the purchaser needs to respond immediately.
- As described in an October 17, 2011 Staff Report, City Staff decided to use a "strike point" approach where the Fleet Manager is pre-authorized to lock in futures fuel prices when the price per gallon decreases to a specific per gallon cost. Once the purchase was made, City Council would be asked to ratify the purchase contract at a subsequent City Council meeting.
- The 2012 prices for unleaded E-10 gasoline were locked in November 2011 after futures fuel prices had declined. The \$610,000 represents the costs for approximately 95% of Westminster's 2012 unleaded E-10 gasoline consumption, based on historical 2011 use. The projected cost is based on the lowest bid price of \$2.779 per gallon for transport loads and \$2.879 for tank wagon loads.



- City Council approved \$1,016,680 in the 2012 Fleet Maintenance Fund Budget to purchase both gasoline and diesel fuel.
- With the 210,000 gallon purchase, unleaded E-10 gasoline for 2012 will be acquired for under the City of Westminster's 2.80 per gallon "Strike Price," that was shared with City Council in the October Staff Report.

Expenditure Required: Not to exceed \$610,000

Source of Funds: Fleet Maintenance Funds

Policy Issue

Should City Council ratify a fixed price agreement for unleaded fuel purchases for 2012?

Alternatives

The City could continue to buy fuel on a spot market bid, as it did in 2011. This is not recommended, as fuel prices on spot market can move up and down, based on remote factors such as worldwide political activity and weather trends in the Gulf Coast.

Background Information

The last time the City of Westminster entered a fuel contract lock price was 2009, for the 2010 budget year. In the two years following, the speed with which fuel contract transactions happen has increased, leaving decision time to lock a contract often mere minutes. In comparison to the days, or even weeks of decision time to lock a contract in years past, municipal fleets need to be able to react to short term dips in fuel pricing. Municipal fleets are a primary user of fuel contracts, because fuel contracts not only secure a price within the fleet's budget, it also creates a "first at the pipe" priority assuring fuel supply over fleets that purchase on spot pricing. For example, as refineries decrease fuel production for maintenance, customers holding contracts are first to receive their allotted fuel delivery. The City is currently purchasing all fuel on the spot market. As such, the City of Westminster could be more susceptible to fuel shortages. While spot purchasing allows the City to take advantage of price decreases, the City also pays market price when prices soar.

The City's vehicle fleet uses approximately 342,000 gallons of motor fuel annually. Gasoline use is highest at 217,000 gallons, while diesel fuel use averages 125,000 gallons. Fuel is dispensed at three City locations; the Municipal Service Center (MSC), Big Dry Creek Facility (BDC) and City Park. Only the MSC has large enough storage capacity to receive full transport deliveries. A full transport load of gasoline is 8,500 gallons, while a full transport load of diesel fuel is 7,500 gallons. These fuel quantities and ability to accept them are important, as fuel contract prices are based on full transport loads and monthly consumption. The fuel tanks at BDC and City Park are smaller, so deliveries are not shipped in transport load sized trailers, but are shipped via "tank wagons." A tank wagon is a straight truck with an attached tank, whose volume is less than transport loads. A tank wagon delivery can cost as much as 20 cents per gallon more than contracted price.

Determining the amount and type of fuel issued at each City fuel location and the method used to deliver that fuel, along with the fuel budget number, enabled staff to develop the strike points. With the 210,000 gallon purchase, unleaded E-10 gasoline for 2012 will be acquired for less than the City of Westminster's \$2.80 per gallon "Strike Price," that was shared with City Council in a Staff Report on October 17, 2011. Staff will continue to solicit quotes for diesel fuel from the vendors. Diesel will be purchased on the spot market unless the City receives a quote at or below the strike point price that has been set for this commodity.

The City of Westminster uses an E-10 blend of unleaded gasoline; 10% ethanol and 90% gasoline. This blend is the standard unleaded gasoline in the Front Range. Fleet Maintenance Division began soliciting futures prices for 168,000 gallon transport trailer fuel loads and 42,000 gallon tank wagon loads of E-10 gasoline in late October as costs started trending downward. Three vendors were solicited; Chief Petroleum, Gray Oil Company and Hill Petroleum. Each vendor has government contracts that outline all criteria for fuel quality and delivery. Chief Petroleum's pricing represents the low bid for the 210,000 gallons of unleaded fuel.

Quoted fuel pricing from each vendor is as follows:

	Chief Petroleum	Gray Oil Company	Hill Petroleum
E-10 Transport Load	\$2.779 / Gallon	\$2.9582 / Gallon	\$2.8140 / Gallon
E-10 Tank Wagon Load	\$2.879 / Gallon	\$3.1192 / Gallon	\$2.9640 / Gallon

This contract for fuel purchases meets Council's Strategic Plan goals of Safe and Secure Community and Financially Sustainable City Government by keeping the City's fleet on the street and maintaining service levels at a reasonable cost.

Respectfully submitted,

J. Brent McFall
City Manager



Agenda Item 8 I

Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: Municipal Court Security Services Contract

Prepared By: Carol J. Barnhardt, Municipal Court Administrator

Recommended City Council Action

Based on the report of the City Manager, the City Council finds that the public interest would be best served by awarding a one year contract with two additional one year renewals for Municipal Court Security Services to G4S Secure Solutions (USA) Inc. (formerly known as The Wackenhut Corporation).

Summary Statement

- Since 1998, the Municipal Court has utilized the services of The Wackenhut Corporation (now known as G4S Secure Solutions) to screen the public entering the Court building for weapons and to provide a variety of other security-related services at the Municipal Court building.
- In 2009, Request for Proposals were developed and sent to five companies. An oral board interviewed the bidders and determined that The Wackenhut Corporation had the requisite qualifications to perform the high level of security services required at the Municipal Court.
- On January 11, 2010, City Council awarded the bid for Court security services to the Wackenhut Corporation.
- In 2011, the Company formally amended its name from the Wackenhut Corporation to G4S Secure Solutions (USA) Inc. Although Council gave staff the authority to approve the renewal of this contract for three more years, the change in the corporation's name necessitates that a new contract be approved by Council.
- In November 2011, the Court Administrator met with representatives of G4S Secure Solutions and both parties agreed to a higher hourly rate for both security guards, both guards have more than one (1) year of service to the City as is provided for under paragraph IV. COMPANY'S FEE.
- Adequate funds are appropriated within the 2012 Municipal Court Budget. This is a one-year contract that is renewable for up to two (2) additional years.

Expenditure Required: \$86,778

Source of Funds: 2012 General Fund – Municipal Court Budget



Policy Issue

Should City Council renew the agreement with G4S Secure Solutions (USA), Inc., (formerly known as The Wackenhut Corporation) for Court security services?

Alternative

Do not approve the renewal for security services. Staff does not recommend this option. Staff thoroughly evaluated RFP bids and companies in 2009 and awarded a one year contract that is renewable for up to four additional years to The Wackenhut Corporation (now known as G4S Secure Solutions (USA), Inc.). G4S Secure Solutions continues to provide a high level of security services at the Municipal Court.

Background Information

Safety and security are of the utmost importance for the Municipal Court staff and its customers. Judges and staff, jurors, witnesses, citizens, and vendors entering the Court facility should feel safe and secure. The Court's first line of defense is security screening. The Municipal Court has over 40,000 customers per year entering the facility. With so many people walking through the doors, providing a secure environment means using adequate technology along with well-trained security personnel. The high quality of service that the Municipal Court, its staff, and citizens are accustomed to should be a primary factor of consideration. Under the terms of this agreement, the company is required to provide 80 security guard hours weekly for screening all visitors to the building and assisting Police Department Court Marshalls working in the Court with prisoner supervision and courtroom security.

The original agreement with The Wackenhut Corporation, approved by City Council January 11, 2010, provided for a one-year agreement for security services that is renewable for four (4) one-year renewals. The 2012 year will be the third year of the total five years authorized by Council.

In 2011, The Wackenhut Corporation formally amended its name to G4S Secure Solutions (USA) Inc.

In November 2011, the Municipal Court Administrator met with representatives from G4S Secure Solutions and both parties agreed to a higher hourly rate for both security guards, both guards have more than one (1) year of service to the City as is provided for under paragraph IV. COMPANY'S FEE. The agreed upon rate will increase from \$20.52 per hour per officer to \$20.86 per hour per officer. The maximum billable under this Agreement shall not exceed \$86,788.

The City Attorney feels it is in the City's best interest to redo the original agreement with all previous provisions except the amendment to the name of the company, dates of the agreement (to reflect the year 2012), and the fees for services.

This Staff recommendation achieves the Strategic Plan Goals of Safe and Security Community by utilizing the services of G4S Secure Solutions (USA) Inc., (formerly known as The Wackenhut Corporation) to ensure that Staff and citizens are safe while at the Court facility and that we utilize the services of this company that is well equipped with quality personnel. The Strategic Plan Goal of Financially Sustainable City Government Providing Exceptional Services is attained by staying within the budgeted funds appropriated.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment - Contract

AGREEMENT TO FURNISH SECURITY SERVICES TO THE CITY OF WESTMINSTER FOR THE MUNICIPAL COURT BUILDING

THIS AGREEMENT, made and entered into this 1st day of ~~March, 2010~~ January, 2012, between the CITY OF WESTMINSTER, a Colorado home-rule municipality, hereinafter called the "City," and ~~THE WACKENHUT CORPORATION~~ G4S Secure Solutions (USA), INC., a corporation organized pursuant to the laws of the State of Florida hereinafter called the "Company," is as follows:

WHEREAS, the City wishes to obtain security services for its Municipal Court building; and

WHEREAS, the City desires to engage the Company to render the professional security services described in this Agreement and the Company is qualified and willing to perform such services; and

WHEREAS, sufficient authority exists in City Charter and state statute, sufficient funds have been budgeted for these purposes and are available, and other necessary approvals have been obtained.

This Agreement is expressly contingent upon the approval of the City of Westminster's City Council of all the terms set forth herein. In the event this Agreement is not approved in its entirety by City Council, neither Party shall be bound to the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual understandings and agreements set forth, the City and the Company agree as follows:

I. THE PROJECT

The Project consists of providing security services at the City's Municipal Court building as follows:

- A. Company shall provide two (2) qualified security guards.
- B. Company shall provide approximately eighty (80) hours of security service per week. If Company provides additional hours of service in any week, the City may reduce the hours of service for the following week. No services will be required on the City's nine (9) holidays. The number of hours each day and other scheduling matters shall be determined by the Municipal Court Administrator.
- C. Company shall electronically screen all persons entering the Municipal Court building, monitor security cameras, provide assistance to the Court Marshalls, as needed, such as escorting defendants, detaining individuals until the Police Department arrives, and provide administrative duties, such as report writing, citizen information and telephone contacts, or other tasks as requested by the Municipal Court Administrator.
- D. During the term of this Agreement, Company shall at all times be licensed to conduct a security guard business as required by W.M.C. section 5-13-2.
- E. Company shall provide all necessary training, including training appropriate to the performance of security guard services, including public relations skills, handling and use of firearms, and use of force.
- F. Company shall provide an equally trained and qualified substitute when any security guard regularly assigned to the Municipal Court building is on vacation, sick leave, or is otherwise unavailable.
- G. The City will provide a walk-through metal detector, hand-held metal detectors, and two-way radios.

II. COMPANY'S SERVICES AND RESPONSIBILITIES

Except as noted in Section I, above, the Company agrees that it will furnish all technical, administrative, professional, and other labor, all supplies and materials, equipment, uniforms, printing, vehicles, local travel, office space and any other facilities or resources necessary to provide the Services as described herein.

III. ADDITIONAL SERVICES

When authorized by the City, the Company agrees to furnish or obtain from others, additional professional services in connection with the Project due to changes in the scope of the Project, subject to mutual agreement as to additional compensation for additional services.

IV. COMPANY'S FEE

The City shall pay the Company on an hourly basis for its services pursuant to this Agreement. For security guards with one (1) year or less of service to the City, Company shall be paid \$20.~~5286~~ per hour per officer. As an incentive to continuity of service, but subject to the provisions of Section V., below, a higher hourly rate for security guards with more than one (1) year of service to the City shall be determined by mutual agreement of the City and Company prior to each anniversary date of this Agreement. The City shall not be responsible for any additional costs that the Company may incur as a result of any overtime necessary to fulfill Company's obligations under this Agreement. The maximum amount billable under this Agreement shall not exceed Eighty ~~ThreeSix~~ Thousand Seven Hundred ~~Twenty OneSeventy Eight~~ Dollars ~~and Sixty Cents (\$83,721.60).~~(\$86,778). The Company shall submit invoices to the City for services rendered during the preceding month, such invoices to be in such form and detail as shall reasonably be required by the City. Reimbursable expenses shall be itemized. The City agrees to pay the Company within thirty (30) days of receipt of properly documented invoices.

V. COMMENCEMENT & COMPLETION OF SERVICES

The Company understands and agrees that time is an essential requirement of this Agreement. The Services shall be completed as soon as good practice and due diligence will permit. The term of this Agreement shall continue through December 31, ~~2010~~2012, unless terminated sooner pursuant to Section VI, below. ~~This Agreement may be renewed by the City on a yearly basis not to exceed a total of four (4) two (2) additional renewals. On each subsequent anniversary date, this Agreement shall automatically renew for an additional one (1) year term, unless the City or the Company has previously elected to terminate the Agreement.~~ Compensation for any renewal period shall be determined by mutual agreement.

VI. TERMINATION

This Agreement shall terminate upon expiration of the Agreement as set forth in Section V, or upon the City's providing Company with seven (7) days advance written notice, whichever occurs first. In addition, Company may terminate this Agreement, with or without cause or without penalty, by providing sixty (60) days advance written notice to the City. In the event the Agreement is terminated by the City's issuance of said written notice of intent to terminate, the City shall pay Company for all work previously authorized and completed prior to the date of termination plus any Services the City deems necessary during the notice period. Said compensation shall be paid upon the Company's delivering or otherwise making available to the City all data, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by the Company in performing the Services included in this Agreement, whether completed or in progress.

VII. INSURANCE

During the course of the Services, the Company shall maintain Workers' Compensation Insurance in accordance with the Workers' Compensation laws of the State of Colorado, Professional Liability Insurance in the minimum amount of \$1,000,000, but in any event sufficient to cover Company's liability under paragraph X.D.1. below, Automobile Liability of \$500,000 per person/\$1,000,000 per occurrence, and Commercial General Liability of \$500,000 per person/\$1,000,000 per occurrence. The City shall be named as an additional insured under the Company's Automobile and Commercial General Liability coverages, and these coverages shall be occurrence-based policies, and shall specifically provide that all coverage limits are exclusive of costs of defense, including reasonable attorney fees. The Company shall provide certificates of insurance to the City indicating compliance with this paragraph.

VIII. EQUAL EMPLOYMENT OPPORTUNITY

In connection with the execution of this Agreement, the Company shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or disability. Such actions shall include, but not be limited to the following: employment; upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

IX. PROHIBITED INTEREST

A. The Company agrees that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Company further agrees that in the performance of the Agreement, no person having any such interests shall be employed.

B. No official or employee of the City shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

X. GENERAL PROVISIONS

A. Independent Contractor. In the performance of the Services, the Company shall act as an independent contractor and not as agent of the City except to the extent the Company is specifically authorized to act as agent of the City.

B. Books and Records. The Company's books and records with respect to the Services and reimbursable costs shall be kept in accordance with recognized accounting principles and practices, consistently applied, and will be made available for the City's inspection at all reasonable times at the places where the same may be kept. The Company shall not be required to retain such books and records for more than three (3) years after completion of the Services.

C. Ownership of Drawings. All plans, drawings, specifications and the like relating to the Services shall be the joint property of the City and Company. Upon completion of the Services, or at such other time as the City may require, the Company shall deliver to the City a complete corrected set of drawings and such additional copies thereof as the City may request, corrected as of the date of completion of the Project.

D. Responsibility; Liability.

1. Professional Liability. The Company shall exercise in its performance of the Services the standard of care normally exercised by nationally recognized organizations engaged in performing comparable services. The Company shall be liable to the City for any loss, damages or costs incurred by the City for the repair, replacement or correction of any part of the Project which is deficient or defective as a result of any failure of the Company to comply with this standard.

2. Indemnification. To the fullest extent permitted by law and except for all professional liability claims, damages, losses and expenses, the Company shall indemnify, defend, and hold harmless the City and its agents and employees from and against all claims, damages, losses and expenses, including but not limited to reasonable attorneys' fees, arising out of or resulting from the performance of the Services, provided that any such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Project itself) but only to the extent caused by the negligent act or omission of, or breach of contract by, the Company, any subcontractor of the Company, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

To the fullest extent permitted by law, the Company shall indemnify and hold harmless the City and its agents and employees from and against all professional liability claims, damages, losses and expenses, including but not limited to reasonable attorneys' fees, arising out of or resulting from the performance of the Services, provided that any such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Project itself), but only to the extent caused by the negligent act or omission of, or breach of contract by, the Company, any subcontractor of the Company, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

Such obligations shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this paragraph D.2.

In any and all claims against the City or any of its agents or employees by any employee of the Company, any subcontractor of the Company, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligations under this paragraph D.2 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Company or any subcontractor under the workers' compensation acts, disability benefit acts or other employee benefit acts.

E. Communications. All communications relating to the day-to-day activities for the Project shall be exchanged between the respective Project representatives of the City and the Company who will be designated by the parties promptly upon commencement of the Services.

All other notices and communications in writing required or permitted hereunder shall be delivered personally to the respective representatives of the City and the Company set forth below or shall be mailed by registered mail, postage prepaid, return receipt requested to the parties at their addresses shown herein. Notices hereunder shall be effective three (3) days after mailing.

F. Assignment. The Company shall not assign this Agreement in whole or in part, including the Company's right to receive compensation hereunder, without the prior written consent of the City; provided, however, that such consent shall not be unreasonably withheld with respect to assignments to the Company's affiliated or subsidiary companies, and provided, further, that any such assignment shall not relieve the Company of any of its obligations under this Agreement. This restriction on assignment includes, without limitation, assignment of the Company's right to payment to its surety or lender.

G. Applicable Laws and Venue. This Agreement shall be governed by the laws of the State of Colorado and the Charter of the City of Westminster. This Agreement shall be deemed entered into in both Adams County and Jefferson County, State of Colorado, as the City is located in both counties. At the City's option, the location for settlement of any and all claims, controversies and disputes arising out of or related to this Agreement or any breach thereof, whether by alternative dispute resolution or litigation, shall be proper only in either county.

H. Remedies. Company agrees that the economic loss rule as set forth in *Town of Alma v. Azco Construction, Inc.*, 10 P.3d 1256 (Colo. 2000) shall not serve as a limitation on the City's right to pursue tort remedies in addition to other remedies it may have against Company. Such rights and remedies shall survive the Project or any termination of this Agreement.

I. Entire Agreement. This Agreement shall constitute the entire agreement between the parties hereto and shall supersede all prior contracts, proposals, representations, negotiations and letters of intent, whether written or oral, pertaining to the Services for the Project.

J. Subcontracting. Except subcontractors clearly identified and accepted in the Company's Proposal, Company may employ subcontractors to perform the Services only with City's express prior written approval. Company is solely responsible for any compensation, insurance, and all clerical detail involved in employment of subcontractors.

K. Enforcement of Agreement. In the event it becomes necessary for either party to bring an action against the other to enforce any provision of this Agreement, the prevailing party in such action shall pay the other its reasonable attorney fees as determined by the Court.

L. Authorization. The person or persons signing and executing this Agreement on behalf of each Party, do hereby warrant and guarantee that he/she or they have been fully authorized to execute this Agreement and to validly and legally bind such Party to all the terms, performances and provisions herein set forth.

M. Immigration Compliance. To the extent this Agreement constitutes a public contract for services pursuant to C.R.S. § 8-17.5-101 et seq., the following provisions shall apply: Company shall not knowingly employ or contract with an illegal alien to perform work under this Agreement. In addition, Company shall not enter into a contract with a subcontractor that fails to certify to the Company that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Agreement. If Company obtains actual knowledge that a subcontractor performing work under this Agreement knowingly employs or contracts with an illegal alien, Company shall notify the subcontractor and the City within three (3) days that Company has actual knowledge that the subcontractor is employing or contracting with an illegal alien. Furthermore, Company shall terminate such subcontract with the subcontractor if, within three (3) days of receiving the notice required pursuant to this paragraph, the subcontractor does not stop employing or contracting with the illegal alien. Except that Company shall not terminate the contract with the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Company certifies that, prior to executing this Agreement, it has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under this Agreement through participation in either the E-verify program administered by the United States Department of Homeland Security and the Social Security Administration (the "E-verify Program"), or the employment verification program administered by the Colorado Department of Labor and Employment (the "Colorado Verification Program"). Company shall not use either the E-verify Program or the Colorado Verification Program procedures to undertake pre-employment screening of job applicants while performing this Agreement.

Company shall comply with all reasonable requests by the Colorado Department of Labor and Employment made in the course of an investigation undertaken pursuant to the authority established in C.R.S. § 8-17.5-102(5).

To the extent required by C.R.S. § 8-17.5-102(1), by submitting a bid, the Company certifies that at the time of bid submission it did not knowingly employ or contract with an illegal alien who will perform work under this Agreement, and that the Company will participate in the E-verify Program or the Colorado Verification Program in order to verify the employment eligibility of all employees who are newly hired for employment to perform work under this Agreement.

INSURANCE CERTIFICATES REQUIRED BY THIS AGREEMENT SHALL BE SENT TO MUNICIPAL COURT, ATTENTION: COURT ADMINISTRATOR.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers on the date first appearing above.

~~WACKENHUT CORPORATION~~ G4S SECURE SOLUTIONS (USA), INC.
CITY OF WESTMINSTER

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Address:

Address:

4800 West 92nd Avenue

4200 Wackenhut Drive

Westminster, Colorado 80031

Palm Beach Gardens, Florida 33410

ATTEST:

ATTEST:

Title: _____

City Clerk

APPROVED AS TO LEGAL FORM

By: _____

City Attorney



Agenda Item 8 J

Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: Solid Waste and Recycling Services Contract

Prepared By: Jerry Cinkosky, Facilities Manager

Recommended City Council Action

Authorize the City Manager to execute a one year contract with two one year renewal options with Allied Waste Services of Colorado, Inc., in the amount of \$50,080 for the City's solid waste and recycling services. In addition, authorize a contingency amount of \$5,000 for a total contract amount of \$55,080.

Summary Statement

- For the past three years Alpine Waste and Recycling has provided solid waste removal for City facilities, as well as recycling services for four public recycling drop off locations and five City facilities.
- The City's current contract with Alpine Waste and Recycling Inc. will be expiring on February 1, 2012. On November 10 Staff sent requests for proposals to eleven solid waste companies that were licensed to operate in the City of Westminster.
- On November 17, a mandatory pre bid meeting was held to discuss and review specifications and schedule of services. Five solid waste removal and recycling services companies attended the pre bid meeting.
- On November 23, a bid opening was held with four companies submitting bids for solid waste removal and recycling services. As a result of the competitive bid process, Staff recommends awarding the solid waste and recycling contract to Allied Waste of Colorado, Inc., which submitted the lowest responsive bid.

Expenditure Required: \$55,080

Source of Funds: 2012 Utility Fund - \$8,840 -Public Works and Utilities Operating Budget
2012 General Fund - \$46,240 - Building Operations and Maintenance
Operating Budget



Policy Issue

Should City Council award a contract to Allied Waste Services of Colorado, Inc. for solid waste removal and recycling services at both City facilities and the four public drop-off locations?

Alternative

City Council could direct staff to break out solid waste collection and recycling services to be bid separately. Staff is not recommending this action based the overall savings achieved through having one company equipped to provide similar services.

Background Information

Over the past three years, Alpine Waste and Recycling, Inc. has provided solid waste and recycling pickup at City facilities. The majority of solid waste collection happens on a regular recurring schedule. In addition to regular facility solid waste collection, the City utilizes large roll-off containers at a number of City facilities to be picked up and disposed of on an “on call” basis. Big Dry Creek Waste Water Treatment Plant utilizes their roll-offs to dispose of grit collected from filters through the waste disposal process, while a separate roll-off dumpster at the Municipal Service Center is used for the Adopt-A-Street program, materials collected from storm sewer inlets, special events trash collection, and for non-recyclable materials illegally placed at all public recycling locations.

At present, recycling services are provided at five City facility locations as well as four public drop-off locations situated in City facility parking lots. The four public drop-off recycling locations are Fire Station # 1, Municipal Court, West View Recreation Center and the Municipal Service Center. As Council is aware, the four public drop-off locations are unattended and continue to be a challenge with the amount of recycling that is dropped off by businesses and citizens utilizing these sites.

In an attempt to address both business and citizen complaints received over the past two years regarding materials placed outside the containers and on the ground, as well as trash blowing around the neighborhoods, Staff has proposed including several enhancements for both City facility and public drop off locations.

The first enhancement would increase the number of days scheduled by adding Saturday collection for regular service pickups of recycling at Fire Station # 1, West View Recreation Center and the Municipal Service Center locations. The second enhancement would add twelve City facilities to the list of regularly scheduled buildings for recycle pickup. Over the past three years, Staff at these twelve locations would collect, retain, and transport recyclable materials to one of five existing City facility locations where pickup of recycling was available. Staff believes the addition of recycling pickups at these facility locations will improve employee participation by providing a more convenient way to recycle in the workplace.

Even with the addition of the two enhancements to the recycling program, the proposed annual cost of Allied Waste Services of Colorado, Inc. services will still be far less than the cost to the City for the previous three years of services with Alpine Waste.

The results of the November 23, 2011 bid opening for solid waste collection and recycling services are as follows:

Allied Waste Services of Colorado

- Trash collection - \$17,342 per month
- City facility recycling - \$4,592 per month
- Public drop off recycling - \$18,006 per month
- Roll-off containers - \$10,140 per month
- Annual Costs: \$50,080**

Alpine Waste and Recycling

Trash collection - \$19,740 per month
City facility recycling - \$6,216 per month
Public drop off recycling - \$21,948 per month
Roll-off containers - \$4,550 per month (no bid on grit roll-off container)
Annual Costs: \$52,454 (bid incomplete)

Waste Connections

Trash collection - \$22,858 per month
City facility recycling - \$5,398 per month
Public drop off recycling - \$20,904 per month
Roll-off containers - \$13,676 per month
Annual Costs: \$62,836

Waste Management

Trash collection - \$23,652 per month
City facility recycling - \$4,536 per month (only bid four city facilities)
Public drop off recycling - no bid
Roll-off containers - \$14,690 per month
Annual Costs: \$42,878 (bid incomplete)

After a thorough review of the solid waste and recycling bids, Staff is recommending awarding a one year contract, with the option to renew the solid waste contract for two 1 year periods to Allied Waste Services of Colorado, Inc. The Waste Management bid was reviewed and determined to be an incomplete bid, therefore it was not considered.

Staff is also requesting a contingency of ten percent to be added to the original contract amount for any unseen or unscheduled pickups or disposal of non recyclable materials placed at the City's public drop-off locations, and also the cost of proper disposal of any hazardous waste (paint, oil, antifreeze etc.) placed at the City's public recycling drop-off locations.

Awarding a solid waste and recycling services contract through the City's competitive bid process and adding the two enhancements to the City's recycling program, will help to achieve two of City Council's goals for a "Financially Sustainable City Government Providing Exceptional Services" and a "Beautiful and Environmentally Sensitive City" by making the City's recycling program more convenient while continuing to encourage a high level of participation.

Respectfully submitted,

J. Brent McFall
City Manager



Agenda Item 8 K

Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: Denial of Service Commitment Award Extension for Planning Area 4A of the Walnut Grove Planned Unit Development

Prepared By: Patrick Caldwell, Planner II

Recommended City Council Action

Deny extending the existing Category B-2 Service Commitment award for Planning Area 4A of the Walnut Grove single family attached residential project through December 31, 2012. This is based on the findings that: It is unlikely that a developer will be able to proceed with the development of the project within the extended time period; and the extension is not needed to avoid undue or inequitable hardship that would otherwise result if the extension were not granted; and it has not met the conditions of Resolution 46, Series of 2010, Subsection 2(i), (1)-(3).

Summary Statement

- In June 2006, the City awarded Service Commitments for single family attached residential units in the Walnut Grove Preliminary Development Plan at the southwest corner of 108th Avenue and Wadsworth Parkway. The 10.69-acres are shown as Planning Area 4A on the PDP with 59.5 Service Commitments, for a maximum of 85 attached residential units.
- In October 2009, the City extended these Service Commitments through December 31, 2010.
- In December 2010, the City extended these Service Commitments through December 31, 2011.
- If an Official Development Plan (ODP) is not approved by December 31, 2011, approval of the existing Service Commitments award for the site will expire. An ODP will not be approved by December 31, 2010, and the project owner is requesting an extension of 59.5 Service Commitments for a maximum of 85 attached residential units on Planning Area 4A for an additional year through December 31, 2012. A copy of the request is attached.
- Staff's analysis is that there is no reason to believe that a developer will be able to proceed with the development of the project within the extended time period; and the extension is not needed to avoid undue or inequitable hardship that would otherwise result if the extension were not granted; and the conditions of Resolution 46 have not been met. It has been five years and the applicant has not submitted any Official Development Plan for review or applied for an amendment to the City's Comprehensive Land Use Plan.

Expenditure Required: \$ 0

Source of Funds: N/A



Policy Issue

Should the City Council deny extending the Service Commitment award through December 31, 2012?

Alternative

Adopt a resolution extending Service Commitments for this project for the third time. This is not recommended, as staff believes the applicant has had ample time to pursue its project. Additionally, there have been changes to the City's Growth Management criteria since the initial award in 2006 such as green building criteria. This action would not preclude a future award under the 2012 competition (or later).

Background Information

Nature of Request

Service Commitments were awarded for this project on June 12, 2006. A total of 67.2 Service Commitments were made available on the 15-acre Planning Area 4 for this single family attached project in the B-2 category.

In December 2009, the City used Open Space funds to purchase 4.39 acres of the 15-acre Planning Area 4 and, with the 6th Amended Walnut Grove Preliminary Development Plan, designated the 4.39 acres as open space on Planning Area 4B. The remaining 10.69 acres are shown as Planning Area 4A on the PDP.

Westminster Municipal Code Section 11-3-5 (F) states that, "unless an extension is specifically approved by the City Council, a Service Commitment award for any Category B-1, B-2, B-3, or new senior housing project shall expire as specified on the City Council Service Commitment award resolution for the project."

Pursuant to City Council Resolution 44, Series of 2010, "In order to demonstrate continued progress on a project, the following deadline and expiration provision applies: 1) The project must proceed with the development review process and receive Official Development Plan approval by December 31, 2011, or the entire Service Commitment award for the project shall expire; and 2) The project must be issued at least one building permit by December 31, 2011, or the entire Service Commitment award for the project shall expire." Neither of these deadlines or provisions has been met.

The land owner, the Elizabeth L. Cooper Family Limited Partnership LLLP, has indicated that the need for a Service Commitment extension is the result of a depressed housing market, which is an unforeseeable circumstance beyond their reasonable control. At the time of the award in 2006, the property was under contract to DR Horton, Trimark, and the sale did not move forward, and the ground remains undeveloped.

Location

The 10.69 acre site is located at the southwest corner of 108th Avenue and Wadsworth Parkway. (Please see attached vicinity map.) To the north, across 108th Avenue, is the Ball Campus Planned Unit Development (PUD). To the east, across Wadsworth Parkway, is the K-L Plaza PUD, with a Comprehensive Land Use Plan designation of "Business Park." That parcel has not yet developed. Adjacent to the south is City-owned open space and Walnut Creek. Adjacent to the west Walnut Grove Filing 11 is an attached residential use.

Project Description

The 10.69-acre sloping grassland site is presently vacant. The proposed attached residential development may have vehicular access to Wadsworth Parkway only at the south end of Planning Area 4A, as noted on the PDP. This access is carved out of the City's open space purchase. The main point of access will be at the northwest corner of the site along 108th Avenue, and will align with potential access to the undeveloped part of the Ball Campus site that is on the north side of 108th Avenue. A secondary access to this development will connect to the existing secondary access in the Walnut Grove Filing 11 development adjacent to the west of this site. The City-owned open space in Walnut Creek forms the south edge of this site.

The City's CLUP designation for this parcel is Commercial/Retail. A Commercial designation is also shown in the Walnut Grove Preliminary Development Plan for this site. The required CLUP and PDP amendments would be coordinated with the review of the ODP for this site.

The CLUP and the PDP have not been submitted for review and approval to change the designations for this site in Planning Area 4A to a residential land use, nor has any proposed ODP been submitted for the property.

Staff considers the denial of Service Commitment extension to be consistent with the City Council's Strategic Plan goal of "Beautiful and Environmentally Sensitive City" because it allows the applicant to apply for new service commitments that include the green building criteria.

Respectfully submitted,

J. Brent McFall
City Manager

Attachments

- Vicinity Map
- Letter from property owner

Vicinity Map (Attachment A)



SW Corner of 108th Avenue and Wadsworth Parkway



**ELIZABETH L. COOPER FAMILY LIMITED PARTNERSHIP
LLLP**

3515 S. Tamarac Dr., Suite 300
Denver, CO 80237
(303) 771-8210



October 4, 2011

City of Westminster
Attn: Patrick Caldwell
Dept of Community Development
4800 West 92nd Ave.
Westminster, CO 80031

RE: Walnut Grove – 2006 Category B-2 Service Commitment Award
Southwest corner of W. 108th Ave. & Wadsworth Parkway

Dear Mr. Caldwell:

Please find attached Resolution No. 33 for Category B-2 (New Single-Family Attached) Competition and Service Commitment Award for a total of 67.2 awards for the above reference property.

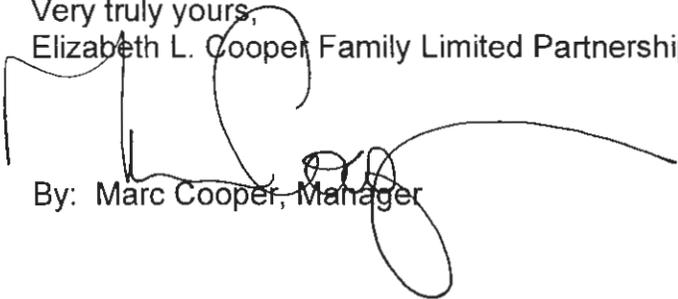
The original service commitment award indicated above was granted an extension in October 2009 and again in December 2010. In December 2010 the number of Service Commitments was also reduced to 59.5 Service Commitments due to the sale of approximately 5 acres to the City of Westminster.

Due to the continued economic downturn there has been very little interest in the property and it is also unfeasible for the owner at this time to consider developing the property. To maintain the availability of the Service Commitments will help in any effort to sell the property to potential buyers and for future development.

At this time we are asking that the 59.5 Service Commitments for the Walnut Grove Planned Unit Development Planning Area 4A be extended until December 31, 2012.

Please contact me if you have any questions.

Very truly yours,
Elizabeth L. Cooper Family Limited Partnership LLLP


By: Marc Cooper, Manager

MC:cml
Enc.



Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: Intergovernmental Cooperation Agreement Between the Westminster Economic Development Authority, the City of Westminster and the City of Westminster Orchard Park Place North General Improvement District Relating to the Release of Unpledged Property Tax Increment Collections to the District

Prepared By: Karen Creager, Special Districts Accountant
Barb Dolan, Sales Tax Manager

Recommended City Council Action

Authorize the City Manager to execute the Intergovernmental Cooperation Agreement between the Westminster Economic Development Authority, the City of Westminster and the City of Westminster Orchard Park Place North General Improvement District for the release of unpledged property tax increment collections to the District for payment to the City of assessments, recoveries, interest, maintenance and administrative costs associated with the Orchard View Property and the Centura Orchard View Property in substantially the same language as attached.

Summary Statement

- The City of Westminster (City) and Westminster Economic Development Authority (WEDA) entered into an economic development agreement (EDA) dated April 14, 2008 with Centura Health Corporation (Centura) and AZG Westminster, LLC (AZG), which was amended and restated on November 24, 2009.
- The EDA relates to a 56 acre parcel known as Orchard View Property owned by AZG. Of the 56 acres, 40 acres were subsequently sold to Centura (Centura Orchard View Property) for a planned medical complex, with the remaining 16 acres to be developed by AZG.
- Over the entire 56 acres, there were over \$8.4 million of recoveries and assessments due including \$4.9 million for a portion of the 144th Avenue interchange cost. The developers requested that the City either waive or allow the financing of the recoveries.
- The EDA provided for both the waiver of a portion of the recoveries as well as a financing mechanism to pay for the remaining recovery costs.



- The City of Westminster Orchard Park Place North General Improvement District (District) was established to pay the assessments, recoveries, interest, maintenance and administrative costs owed to the City via a property tax mill levy.
- The District lies within the boundaries of the WEDA North Huron Urban Renewal Area (URA). Since the URA captures all sales and property tax increment within its boundaries, an IGA is necessary to release to the District its property tax revenues that are captured by the URA. These revenues can then be paid by the District to the City towards the outstanding assessments, recoveries, interest, maintenance and administrative costs as originally contemplated in the EDA.

Expenditure Required: \$0

Source of Funds: N/A

Policy Issue

Should the City enter into an Intergovernmental Cooperation Agreement (ICA) with the District and WEDA regarding the release of property tax increment to the District to be paid to the City for assessments, recoveries, interest, maintenance and administrative costs?

Alternative

The alternative would be to not approve the ICA. This alternative is not recommended. The EDA specifically provided for the formation of the District to collect property tax revenues to pay assessments, recoveries, interest, maintenance and administrative costs to the City.

Background Information

On April 14, 2008, WEDA and the City entered into an EDA with Centura and AZG regarding the Orchard View Property and the Centura Orchard View Property. The EDA, which was amended and restated on November 24, 2009, is a multi-party agreement regarding the development of the Orchard View Property and the Centura Orchard View Property, which are both located in the North Huron URA and the District.

This project is important to the City's economic development efforts because:

- A new major medical complex and employer for the City is being provided.
- It will provide daytime population to support the retail development in the North I-25 area (i.e. the Orchard and Westminster Crossings areas).
- It will help jump start the vision of having a significant business park/employment center along I-25, north of 136th Avenue.
- The medical industry is considered part of the growth sector and this project will have a positive affect on the City's long-term economic outlook.
- The project gets the road and utility infrastructure in place that will facilitate future business development in the area.

The EDA relates to a 56 acre parcel known as Orchard View Property owned by AZG. Of the 56 acres, 40 acres were subsequently sold to Centura (Centura Orchard View Property) for a planned medical complex, with the remaining 16 acres to be developed by AZG. Over the entire 56 acres, there were over \$8.4 million of recoveries and assessments due including \$4.9 million for a portion of 144th Avenue interchange cost. The developers requested that the City either waive or allow the financing of the recoveries.

In response, the EDA provided for the following:

- a. I-25/144th Avenue Interchange Assessment - Waive half of this assessment and recoup the other \$2,461,000 through a new District property tax levy. The waiver of half the assessment is a direct benefit to Centura and allowed them to purchase the 40 acres parcel at a lower cost.
- b. Up Front Payment - The developer to pay recoveries and assessments up front to help cover costs relative to the McKay Lake outfall improvements: \$2,097,410.
- c. Financing - Total recoveries and assessment to be financed through a new District: \$4,154,549 (inclusive of \$2,461,000 for the portion of the interchange recovery that was not waived).

The Orchard Park Place North General Improvement District was established in September 2009 in accordance with the EDA. The terms of the financing are as follows:

City Recovery Mill Levy: 10 mill levy will be used to pay to the City \$4,154,549 in recoveries, assessments and interest. This mill levy will end once the principal and interest is paid to the City.

City Maintenance Mill Levy: 3 mill levy will be used to compensate the City for maintenance of the new public infrastructure built for the development and the City's standard administrative service fee for an indefinite amount of time.

Interest Rate: This will be assessed at six percent (6%) per annum against the principal balance of the recoveries and assessments.

The District is included in the boundaries of the North Huron URA. The URA captures all of the property tax increment associated with the District mill levy. An ICA is required to release the property tax increment collected by WEDA and to establish the terms by which the District will pay to the City the assessments, recoveries, interest, maintenance and administrative costs due to the City.

Once the ICA is approved, the District will annually pay to the City the property tax collected on the base valuation from the City Recovery Mill Levy and the City Maintenance Mill Levy and all incremental property tax released to the District by WEDA for the District's City Recovery Mill Levy and City Maintenance Mill Levy.

This recommended action supports the strategic objectives of a Financially Sustainable City Government Providing Exceptional Services; a Strong, Balanced Local Economy; and Vibrant Neighborhoods in One Livable Community. It does so by assuring that the City receives payment for associated costs related to redevelopment and development projects.

Respectfully submitted,

J. Brent McFall
City Manager

Attachment - Intergovernmental Cooperation Agreement

INTERGOVERNMENTAL COOPERATION AGREEMENT AMONG THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY, THE CITY OF WESTMINSTER AND THE CITY OF WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT REGARDING TAX INCREMENT REVENUES, GENERAL IMPROVEMENT DISTRICT FINANCED RECOVERY COSTS AND ADMINISTRATIVE, OPERATING AND MAINTENANCE COSTS

This Intergovernmental Cooperation Agreement (the "ICA"), dated as of _____, 2011, by and among the WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY ("WEDA"), a body corporate duly organized and existing as an urban renewal authority under the laws of the State of Colorado, the CITY OF WESTMINSTER (the "City"), a home rule municipality duly organized and existing under the Constitution and laws of the State of Colorado, the CITY OF WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT ("District"), a quasi-municipal corporation and body corporate of the State of Colorado duly organized and existing pursuant to Title 31, Article 25, Part 6, C. R. S., as amended (collectively the "Parties").

W I T N E S S E T H;

WHEREAS, the City Council of the City has adopted an urban renewal plan known as the "North Huron Urban Renewal Plan" ("Urban Renewal Plan") under and pursuant to the Colorado Urban Renewal Law, Section 31-25-101, et. seq., C.R.S., as amended (the "Act"); and

WHEREAS, in accordance with the Urban Renewal Plan and the Act, WEDA is authorized to undertake urban renewal projects and activities and to finance such projects and activities by utilization of certain incremental increases in property and sales taxes; and

WHEREAS, the Urban Renewal Plan defines an urban renewal area (the "Urban Renewal Area") which is generally described as property located west of the centerline of I-25, east of the centerline of North Huron Street, south of the centerline of 152nd Avenue and north of the centerline of 124th Avenue extended (except for three areas where the boundaries extend west of Huron Street, including the extended right-of-way of 144th Avenue); and

WHEREAS, an Amended and Restated Economic Development Agreement was entered into between Centura Health Corporation, AZG Westminster, LLC, the City of Westminster and the Westminster Economic Development Authority dated November 24th, 2009 (the "Agreement") incorporated herein by reference as Exhibit A;

WHEREAS, the District was one of the Districts established to assist in the financing of the public improvements for the development of the Orchard View Property including the Centura Orchard View Development; and

WHEREAS, the City ascertains that certain assessments and recovery costs are due on the Orchard View Property and the Centura Orchard View Property in the amount of \$4,154,549 plus accrued interest at the rate of six percent (6%) per annum accruing from April 14, 2008 as specified in Section 6 of the Agreement ("GID Financed Recovery Costs"); and

WHEREAS, the District is responsible for costs to operate and maintain the improvements that are the subject of the GID Financed Recovery Costs ("Improvements") in the District, as well as administering the District; and

WHEREAS, at an election held on November 3, 2009, a majority of the eligible electors of the District voting thereon approved the following questions (the "Election Questions"):

**WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT
DISTRICT BALLOT ISSUE 5A:**

SHALL WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT TAXES BE INCREASED \$100,000 ANNUALLY IN THE FIRST YEAR OF COLLECTION OR BY SUCH OTHER AMOUNT AS IS COLLECTED IN THE FUTURE FROM A MILL LEVY OF NOT TO EXCEED 3 MILLS (WITH THE ACTUAL MILL LEVY RATE FOR ANY FISCAL YEAR TO BE ADJUSTED DOWNWARDS OR UPWARDS BY THE BOARD OF DIRECTORS IN ITS DISCRETION) TO PAY THE ANNUAL EXPENSES TO OPERATE AND MAINTAIN CAPITAL IMPROVEMENTS AND TO ADMINISTER THE DISTRICT (AS SPECIFIED IN THE ECONOMIC DEVELOPMENT AGREEMENT ENTERED INTO APRIL 14, 2008 AMONG THE CITY, THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY, AZG WESTMINSTER, LLC, AND CENTURA HEALTH CORPORATION); AND SHALL THE REVENUES FROM SUCH TAXES AND ANY EARNINGS FROM THE INVESTMENT OF SUCH REVENUES BE COLLECTED AND SPENT AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION AND NOTWITHSTANDING THE 5.5% REVENUE LIMIT OF SECTION 29-1-301, C.R.S. OR THE LIMITS OF ANY OTHER LAW?

**WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT
DISTRICT BALLOT ISSUE 5B:**

SHALL WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT BE AUTHORIZED TO COLLECT, KEEP AND SPEND ALL REVENUES IT RECEIVES AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

**WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT
DISTRICT BALLOT ISSUE 5C:**

SHALL WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT DEBT BE INCREASED \$4,154,549.40 WITH A REPAYMENT COST OF \$50,000,000; AND SHALL THE DISTRICT TAXES BE INCREASED \$400,000 ANNUALLY IN THE FIRST YEAR OF COLLECTION OR BY SUCH OTHER AMOUNT AS IS COLLECTED IN THE FUTURE FROM A MILL LEVY OF NOT TO EXCEED 10 MILLS TO PAY THE DISTRICT DEBT; SUCH DEBT TO CONSIST OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE DISTRICT AND THE CITY OF WESTMINSTER FOR THE PURPOSE OF PAYING, REIMBURSING OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, STREET, WATER, SEWER AND STORM DRAINAGE IMPROVEMENTS (AS SPECIFIED IN THE ECONOMIC DEVELOPMENT AGREEMENT ENTERED INTO APRIL 14, 2008 AMONG THE CITY, THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY, AZG WESTMINSTER, LLC, AND CENTURA HEALTH CORPORATION), TOGETHER WITH ALL NECESSARY, INCIDENTAL AND APPURTENANT FACILITIES, EQUIPMENT, LAND AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES; SUCH DEBT TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 6%; SUCH DEBT TO BE TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, ANY OTHER REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT INCOME THEREON, BE COLLECTED AND SPENT BY THE DISTRICT AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION AND NOTWITHSTANDING THE 5.5% REVENUE LIMIT OF SECTION 29-1-301, C.R.S. OR THE LIMITS OF ANY OTHER LAW?

WHEREAS, WEDA acknowledges in the Agreement that any tax increment revenues that it receives which are attributable to the District's current and future levy of ad valorem taxes on real and personal taxable property within the District shall be remitted to the District; and

WHEREAS, the Improvements are located within the Urban Renewal Area and are the type of project which WEDA is authorized to undertake pursuant to the Act and the Urban Renewal Plan; and

WHEREAS, the Parties are authorized by Section 112 of the Act to enter into cooperative agreements with respect to projects and activities and are authorized by Section 29-1-203, C.R.S. to enter into contracts to provide any function, service or facility lawfully authorized to each; and

WHEREAS, the Parties desire to enter into an intergovernmental cooperation agreement setting forth their intent to cooperate as to the provisions of the Agreement and to assure that taxes levied by the District are made available to the District for purposes of paying the GID Financed Recovery Costs and costs to administer, operate and maintain the District.

NOW THEREFORE, in consideration of the foregoing recitals, and pursuant to the Agreement, the City, WEDA and the District hereby agree as follows:

1. GID Financed Recovery Costs; District Obligation To Levy Taxes. The Parties agree that the City is owed the GID Financed Recovery Costs and that the City has agreed to accept property tax revenues in payment of these costs. Therefore, the District shall annually levy a property tax of 10 mills ("City Recovery Mill Levy") to pay the City the total amount of the GID Financed Recovery Costs plus accrued interest at the rate of six percent (6%) per annum accruing as of April 14th, 2008. Payments will be applied first to current interest, then to outstanding accrued interest and lastly to principal. The obligation to levy the City Recovery Mill Levy shall end when the GID Financed Recovery Costs plus accrued interest have been paid.

2. Administration, Operation and Maintenance Costs; District Obligation To Levy Taxes. The Parties agree that the District shall annually levy a property tax of 3 mills ("City Maintenance Mill Levy") to pay the City for administering the District and for operating and maintaining the Improvements. The obligation to levy the City Maintenance Mill Levy will end when the Improvements are no longer operational.

3. District Revenues. The District agrees that any revenues not otherwise pledged that it receives as a result of the District's City Recovery Mill Levy and/or City Maintenance Mill Levy on real and personal taxable property plus applicable interest on the ad valorem taxes within the District (the "Property Tax Revenues"), shall be segregated upon receipt. All property tax revenues, plus any other revenues received by the District and legally available shall be remitted by the District to the City no later than December 31 of each calendar year commencing with taxable year 2011.

4. WEDA Tax Increment Revenues. The Improvements benefit the property located within the Urban Renewal Area and as a result benefit WEDA by facilitating development of the property within Urban Renewal Area. In order to assist the District in paying the City for the GID Financed Recovery Costs and for annual District administration, operation and maintenance costs, WEDA agrees that the portion of tax increment revenues that it receives pursuant to Section 107(9)(II) of the Act and the Urban Renewal Plan which are attributable to the District's Property Tax Revenues within the Urban Renewal Area (the "District Tax Increment Revenues"), shall be segregated upon receipt. WEDA shall remit the District Tax Increment Revenues received by WEDA to the District no later than December 31 of each calendar year commencing with taxable year 2011. The obligation of WEDA set forth herein shall constitute an obligation to the District to finance an urban renewal project within the meaning of Section 107(9) of the Act.

5. Use of Revenues. The City agrees to apply the District Tax Increment Revenues and the Property Tax Revenues to the assessments and recovery costs associated with the Orchard View Property and the Centura Orchard View Property. WEDA hereby covenants that so long as this ICA is in effect, it will not pledge, encumber or otherwise transfer the revenues or the right to the District Tax Increment Revenues paid to WEDA in accordance with the Act. The District hereby covenants that so long as this ICA is in effect, it will not pledge, encumber or otherwise transfer the revenues or the right to the Property Tax Revenues.

6. Cooperation. The Parties covenant with each other that in any action or challenge of the Urban Renewal Plan and/or this ICA, regarding the legality, validity or enforceability of any provision thereof, the Parties will work cooperatively and in good faith to defend and uphold each and every such provision.

7. Enforcement. WEDA agrees that it shall enforce the collection of all moneys which may qualify as District Tax Increment Revenues.

8. Effective Date; Term. This ICA shall become effective January 1, 2012. Unless sooner terminated by mutual consent of the Parties, this ICA shall remain in full force and effect until the District has fully performed its obligations under Sections 1, 2 and 3 of this ICA provided that WEDA's obligation under Sections 4 and 5 of this ICA terminate when the tax allocation provisions of the Urban Renewal Plan and the Act terminate.

9. Amendments and Waivers. No amendment or waiver of any provision of this ICA, nor consent to any departure herefrom, in any event shall be effective unless the same shall be in writing and signed by the Parties hereto, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

10. Governing Law. This ICA shall be governed by, and construed in accordance with the laws of the State of Colorado.

11. Headings. Paragraph headings in this ICA are included herein for convenience of reference only and shall not constitute a part of this ICA for any other purpose.

12. Severability. If any covenant, term, condition, or provision under this ICA shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

IN WITNESS WHEREOF, the Parties hereto have caused this ICA to be duly executed and delivered by their respective officers thereunto and duly authorized as of January 1, 2012.

WESTMINSTER ECONOMIC DEVELOPMENT
AUTHORITY

By: _____
Executive Director

ATTEST:

APPROVED AS TO FORM:

Secretary

Attorney for Authority

CITY OF WESTMINSTER

By: _____
City Manager

(SEAL)

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF WESTMINSTER ORCHARD PARK PLACE
NORTH GENERAL IMPROVEMENT DISTRICT

By: _____
Executive Director

ATTEST:

Secretary

APPROVED AS TO FORM:

District's Attorney



Agenda Item 10 A&B

Agenda Memorandum

City Council Meeting
December 19, 2011



SUBJECT: Councillor's Bill No. 45 Transferring Funds from the General Fund to the Fleet Fund for Fuel and Council's Approval of 2011 Cumulative Fuel Purchases

Prepared By: Jeffery Bowman, Fleet Manager

Recommended City Council Action

1. Pass Councillor's Bill No. 45 as an emergency ordinance transferring \$100,000 in energy savings from the 2011 Building Operations and Maintenance Division in the General Fund to the 2011 Fleet Maintenance Fund.
2. Authorize an additional \$100,000 beyond the \$916,680 previously authorized for fuel purchased from Chief Petroleum, Gray Oil and Hill Petroleum for the purchase of fuel through year-end 2011.

Summary Statement

- The Fleet Maintenance Division brought a request to purchase fuel to City Council on February 14, 2011. As 2011 fuel prices remained higher than expected, Fleet Maintenance Division continued to buy fuel via a spot pricing method, competitively bid between three vendors. The three vendors who provided unleaded gasoline and diesel fuel for use in all City of Westminster vehicles were Chief Petroleum, Gray Oil and Hill Petroleum companies.
- Three years prior, the City was able to lock in fuel prices. Westminster staff has closely watched futures pricing on fuel throughout 2011, but did not find this pricing to be favorable, so spot market pricing was used.
- It is estimated that fuel purchases will exceed the \$916,680 previously approved by Council before year end. Fuel purchases have reached \$915,585. Staff is asking for approval of purchases not to exceed \$1,016,680 among all three vendors through 2011.
- To cover this additional fuel expense, \$100,000 is requested to be transferred from energy savings realized in the General Services Department's Building Maintenance and Operations Division budget of the General Fund to the Fleet Fund.
- In order to meet the expedited timeframe for the purchase of fuel, the Council finds that an emergency exists, and this ordinance is declared to be necessary as fueling emergency vehicles is required to preserve the public peace, health and safety.

Expenditure Required: \$1,016,680

Source of Funds: 2011 Building Operation and Maintenance Division Operating General Fund and the Fleet Maintenance Fund



Policy Issue

Should Council approve the cumulative purchase of vehicle fuel from various vendors that total over \$916,680, but not to exceed \$1,016,680 in 2011?

Alternative

Do not approve the expenditures as recommended. This is not recommended, as bad weather and snow plowing operations can affect fuel consumption at year-end. Also, Building Operations and Maintenance Division has realized savings through energy conservation measures to cover the additional fuel cost.

Background Information

Fleet Maintenance uses a variety of fuel vendors to provide no-lead gasoline and #2 diesel fuel in City vehicles by Fleet personnel. The 2011 Fleet Maintenance Commodities budget contains \$916,680 in the line item for vehicle fuel. These on-going purchases include routine, competitively bid fuel deliveries.

Fleet Maintenance used three vendors on a regular basis in 2011. These vendors are: Chief Petroleum, Gray Oil and Hill Petroleum. Chief Petroleum held the 2010 fuel contract. Fleet Maintenance Division began watching futures prices for 2011 in July 2010, but prices were not favorable for a lock. Futures contracts remain a preferred method for fuel purchases, but uncertainty in the market kept futures pricing higher than anticipated throughout the year. Spot pricing however, has provided timely, reasonably-priced deliveries of fuel for the City. When fuel deliveries were necessary, prices were requested from three vendors and the low price for the day awards the purchase. The following is the solicitation results for each bid in 2011:

UNLEADED				DIESEL			
	Prices				Prices		
DATE	HILL	CHIEF	GRAY	DATE	HILL	CHIEF	GRAY
1/17/2011	2.4700	2.4200	2.5900	1/21/11	2.7900	2.7300	2.7960
2/3/11	2.5622	2.5200	2.6724	2/10/11	2.9234	2.8870	2.9157
2/21/11	2.6472	2.6500		2/22/11	2.9709		
3/8/11		2.8720		3/15/11	3.2909	3.2900	
3/15/11	2.8922	2.9220		3/31/11	3.3384		
3/25/11	2.9972	2.9670		4/26/11	3.4859	3.5290	3.5754
3/31/11		3.2940		5/10/11	3.2900	3.4090	3.2347
4/13/11	3.0722	3.0450		5/24/11	3.1584	3.2140	3.3454
4/26/11	3.2022	3.2740	3.3242	6/14/11	3.1709	3.2040	3.1550
5/2/11	3.2447	3.2720	3.2632	6/27/11	3.0559		3.1354
5/10/11		3.2790		7/5/11	3.1209	3.2650	No Bid
5/10/11	3.3500	3.4720	3.1900	7/12/11	3.2759	3.3190	3.4060
5/18/11	3.1172	3.0530	3.1600	7/19/11	3.2184	3.1860	3.2114
5/24/11	3.1449	3.2270	3.3694	7/22/11	3.2759		
6/3/11	3.0947	3.0640	3.0709	7/28/11	3.2834		3.4860
6/21/11	2.9249	2.7580	2.8902	8/5/11	3.2434		3.3144
6/27/11	2.8247		2.8945	8/16/11	3.2034	3.469	3.2504
7/5/11	2.9870	3.1150	No Bid	8/17/2011	3.1495	No Bid	3.1779
7/6/11	2.9497	2.9170	2.9400	8/23/11	3.2109	3.2740	3.2729

7/12/11	3.0497	3.0960			9/1/2011	3.3409		3.6078
7/20/11	2.9787	2.9894	3.0000		9/14/2011	3.2259		3.3030
7/22/11	3.0597				9/22/2011	3.0941	3.134	3.1104
7/28/11	3.0597		3.1142		10/7/11	3.1900		3.2654
8/5/11	2.8847		3.0293		10/21/11	3.3784		3.4254
8/5/11	2.8504	2.8490	2.9003		10/28/11	3.3630	3.3190	3.3644
8/16/11	2.9547	3.4990	3.0304		11/3/11	3.3884		No Bid
8/22/11	2.9314	2.9270	2.9840		11/29/11	3.3033	3.2290	3.4004
8/23/11	2.9972	3.0940	3.0979					
9/1/11	3.1197		3.4194					
9/6/11	3.0491	3.0270	3.1067					
9/14/11	3.0347		3.1042					
9/22/11	2.8591	2.8390	2.9152					
10/7/11	3.0825		3.1442					
10/12/11	3.0626	3.0320						
10/21/11	2.9897		3.0942					
10/28/11	2.9136	2.8790	2.9432					
11/3/11	2.9397		No Bid					
11/17/11	2.6311	2.6490	2.6725					
11/29/11	2.6747	2.6690	2.7544					

Staff anticipates that it will be purchasing fuel from all three vendors throughout the remainder of the year that will surpass \$916,680, but not exceed \$1,016,680 total.

An emergency ordinance is requested at this time due to the impact the increased fuel purchases have had on the overall Fleet Maintenance Fund. Per the City Charter, no expenditures of money may be obligated without an appropriation covering all payments. The potential additional \$100,000 for fuel expenditures in the Fleet Maintenance Fund are not available within the Fleet Maintenance Fund to be obligated, thus Staff is requesting to move monies from the General Fund into the Fleet Maintenance Fund to cover the expense prior to approving the modified expenditure authorization.

This recommended approach to purchasing fuel helps achieve the City Council’s Strategic Plan Goals of “Safe and Secure Community” and “Financially Sustainable City Government” by providing the basic resources necessary to ensure the timely response to emergency calls and provide other City services in a cost effective manner.

These appropriations will amend General Fund expense accounts as follows:

EXPENSES

Description	Account Number	Current Budget	Amendment	Revised Budget
Electricity & Gas	10012390.67200.0000	\$394,340	(\$100,000)	\$294,340
Transfers Fleet	10010900.79800.0300	0	100,000	\$100,000
Total Change to Expenses			<u>\$0</u>	

These appropriations will amend Fleet Fund revenue and expense accounts as follows:

REVENUES

Description	Account Number	Current Budget	Amendment	Revised Budget
TRF General Fund	3000.45000.0100	\$0	\$100,000	\$100,000
Total Change to Revenues			<u>\$100,000</u>	

EXPENSES

Description	Account Number	Current Budget	Amendment	Revised Budget
Fuel	30012460.74000.0000	\$590,806	\$100,000	\$690,806
Total Change to Expenses			<u>\$100,000</u>	

Respectfully submitted,

J. Brent McFall
City Manager

BY AUTHORITY

ORDINANCE NO.

COUNCILLOR'S BILL NO. **45**

SERIES OF 2011

INTRODUCED BY COUNCILLORS

**A BILL
FOR AN EMERGENCY ORDINANCE
AMENDING THE 2011 BUDGETS OF THE
GENERAL AND FLEET FUNDS**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The 2011 appropriation for the General and Fleet Funds, initially appropriated by Ordinance No. 3550 are hereby decreased and increased by \$100,000. This appropriation is due to the savings in City facility energy consumption and the need to transfer this money to the Fleet Fund to pay for City vehicle fuel use in 2011.

Section 2. The \$100,000 increase shall be allocated to City Fleet Fund from the General Fund as described in the City Council Agenda Item 10 A&B , dated December 19, 2011 (a copy of which may be obtained from the City Clerk) decreasing the General Fund and increasing the Fleet Fund as follows:

General Fund	(\$100,000)
Fleet Fund	<u>100,000</u>
Total	<u>\$0</u>

Section 3 – Severability. The provisions of this Ordinance shall be considered as severable. If any section, paragraph, clause, word, or any other part of this Ordinance shall for any reason be held to be invalid or unenforceable by a court of competent jurisdiction, such part shall be deemed as severed from this ordinance. The invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect the construction or enforceability of any of the remaining provisions, unless it is determined by a court of competent jurisdiction that a contrary result is necessary in order for this Ordinance to have any meaning whatsoever.

Section 4. In order to meet the expedited timeframe for the purchase of fuel, the Council finds that an emergency exists, and this ordinance is declared to be necessary for the immediate preservation of the public peace, health and safety. Wherefore, this ordinance shall be in full force and effect upon adoption of this ordinance on December 19, 2011, by an affirmative vote of six of the members of the Council if six or seven members of the Council are present at the meeting at which this ordinance is presented, or by an affirmative vote of four of the members of the Council if four or five members of the Council are present at the meeting at which this ordinance is enacted.

Section 5. This ordinance shall be published in full within ten days after its enactment.

INTRODUCED, READ IN FULL, AND PASSED AND ADOPTED AS AN EMERGENCY ORDINANCE this 19th day of December, 2011.

ATTEST:

Mayor

City Clerk

AGENDA

WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING

MONDAY, December 19, 2011

AT 7:00 P.M.

1. Roll Call

2. Minutes of Previous Meeting (November 14, 2011)

3. Purpose of Special WEDA Meeting is to

- A. Authorize Cumulative 2011 Purchases over \$50,000 from Advantage Security and The Laramie Property Company
- B. Approve an ICA with the City and the Orchard Park Place North GID relating to the release of Unpledged Property Tax Increment Collections to the District

4. Executive Sessions

- 1. Discussion of strategy and progress on negotiations related to an exclusive negotiating agreement for the Westminster Urban Center Redevelopment project and provide instructions to the Authority's negotiators as authorized by CRS 24-6-402(4)(e) - *Verbal*
- 2. Discussion of strategy and progress on negotiations related to an exclusive negotiating agreement for the Westminster Urban Center Redevelopment project and provide instructions to the Authority's negotiators as authorized by CRS 24-6-402(4)(e) and consultation with the Authority's legal counsel concerning status of the *Sears* litigation and settlement negotiations, as authorized by CRS 24-6-402(4)(b) and (e) - *Verbal*

5. Adjournment

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY
MONDAY, NOVEMBER 14, 2011, AT 7:39 P.M.

ROLL CALL

Present at roll call were Chairperson McNally and Board Members Atchison, Briggs, Kaiser, Lindsey, and Major. Vice Chairperson Winter was absent and excused. Also present were J. Brent McFall, Executive Director, Martin McCullough, Attorney, and Linda Yeager, Secretary.

APPROVAL OF MINUTES

Board Member Lindsey moved, seconded by Board Member Kaiser, to approve the minutes of the meeting of October 10, 2011, as written. The motion carried by a 5:1 vote with Board Member Atchison abstaining since he was not a member of the Authority when the meeting had been held.

CONTRACT AMENDMENT FOR PHASE 2 OF THE WESTMINSTER MALL DEMOLITION

Upon a motion by Board Member Lindsey, seconded by Board Member Briggs, the Authority voted unanimously to authorize the Executive Director to execute a contract amendment with Sturgeon Electric in the amount of \$72,899 for electrical work attendant to the demolition of the Westminster Mall, bringing their total contract amount to \$82,379.

ADJOURNMENT

There was no further business to be conducted, and the meeting adjourned at 7:40 p.m.

Chairperson

ATTEST:

Secretary

WEDA Agenda Item 3 A

Agenda Memorandum

Westminster Economic Development Authority
December 19, 2011



SUBJECT: Advantage Security and The Laramie Property Company Cumulative 2011 Purchases over \$50,000

Prepared By: Susan Grafton, Economic Development Director

Recommended Board Action

Based on the report and recommendation of the City Manager, determine that the public interest will be best served by ratifying the purchase of services from Advantage Security and The Laramie Property Company and to pay any past invoices not previously authorized with Advantage Security up to a maximum of \$69,000 as well as pay any past invoices not previously authorized with The Laramie Property Company up to a maximum of \$80,000.

Summary Statement

- The Westminster Municipal Code requires that all purchases over \$50,000 be brought to City Council. Staff has taken a conservative approach in interpreting this requirement; to include transactions where the cumulative total purchases by individual City departments for similar commodities or services from one vendor in a calendar year exceeds \$50,000.
- During routine review of WEDA payments to Advantage Security and The Laramie Property Company, Staff has identified cumulative expenditures that have exceeded \$50,000 that require WEDA authorization. As of November 1, 2011, the Finance Department Accounts Payable Division reports that payments to Advantage Security total \$59,784 and payments to The Laramie Property Company total \$79,993.
- Funds were previously appropriated and are available in the 2011 Westminster Center Urban Reinvestment Project CIP budgets for the purchase of security services and property management services.

Expenditure Required: \$149,000

Source of Funds: WEDA – Westminster Center Urban Reinvestment Project



Policy Issue

Should WEDA ratify and approve the cumulative purchases of security services and property management services which total over \$149,000 in 2011?

Alternative

No alternatives identified.

Background Information

In May, WEDA acquired the Westminster Mall as part of WEDA's redevelopment efforts. Two of the services that immediately became WEDA's responsibility were providing security and managing the mall operations. At the time, contracts were signed with Advantage Security and The Laramie Property Company to handle those responsibilities on behalf of WEDA until the mall operations were closed down and all tenants were moved out. As operations of the mall proceeded it was determined that two former mall employees need to be retained so that we could more optimally operate the mall. Because the two employees were going to be answerable to the principal of The Laramie Property Company who was overseeing management of the mall it was decided it was best that the former employees work as contract labor for The Laramie Property Company.

The need for Advantage Security was expected to taper off after all the inline tenants were gone in the mall. Therefore staff budgeted and signed a contract assuming no services would be needed beyond June 2011. In actuality, staff has found that security services are still needed to monitor the full site as well as to show a presence at opening and closing of the stores.

Having never owned and operated a mall before, staff was charting new territory with cost estimates and time demands. As a result, both contracts unintentionally went over the \$50,000 spending limit. The property management services will no longer be needed. The security services will continue in 2012. Staff has a much better idea of security needs now and should be able to avoid future year end ratifications of security expenditures.

Respectfully submitted,

J. Brent McFall
Executive Director

WEDA Agenda Item 3 B

Agenda Memorandum

Westminster Economic Development Authority Meeting
December 19, 2011



SUBJECT: Intergovernmental Cooperation Agreement between the Westminster Economic Development Authority, the City of Westminster and the City of Westminster Orchard Park Place North General Improvement District relating to the release of unpledged property tax increment collections to the District

Prepared By: Karen Creager, Special Districts Accountant
Barb Dolan, Sales Tax Manager

Recommended Board Action

Authorize the Executive Director to execute the Intergovernmental Cooperation Agreement (ICA) between the Westminster Economic Development Authority (WEDA), the City of Westminster (City) and the City of Westminster Orchard Park Place North General Improvement District (District) for the release of unpledged property tax increment collections to the District for payment to the City for assessments, recoveries, interest, maintenance and administrative costs associated with the Orchard View Property and the Centura Orchard View Property in substantially the same language as attached.

Summary Statement

- The City and WEDA entered into an economic development agreement (EDA) dated April 14, 2008 with Centura Health Corporation (Centura) and AZG Westminster, LLC (AZG), which was amended and restated on November 24, 2009.
- The EDA relates to a 56 acre parcel known as Orchard View Property owned by AZG. Of the 56 acres, 40 acres were subsequently sold to Centura (Centura Orchard View Property) for a planned medical complex, with the remaining 16 acres to be developed by AZG.
- Over the entire 56 acres, there were over \$8.4 million of recoveries and assessments due including \$4.9 million for a portion of the 144th Avenue interchange costs. The developers requested that the City either waive or allow the financing of the recoveries.
- The EDA provided for both the waiver of a portion of the recoveries as well as a financing mechanism to pay for the remaining recovery costs.
- The District was established to pay the assessments, recoveries, interest, maintenance and administrative costs owed to the City via a property tax mill levy.
- The District lies within the boundaries of the WEDA North Huron Urban Renewal Area (URA). Since the URA captures all sales and property tax increment within its boundaries, an IGA is necessary to release to the District its property tax revenues that are captured by the URA. These revenues can then be paid by the District to the City towards the outstanding assessments, recoveries, interest, maintenance and administrative costs as originally contemplated in the EDA.

Expenditure Required: Amount to be determined annually in the WEDA budget

Source of Funds: Tax Increment Revenues



Policy Issue

Should WEDA enter into an ICA with the City and the District regarding the release of property tax increment to the District to be paid to the City for assessments, recoveries, interest, maintenance and administrative costs?

Alternative

The alternative would be to not approve the ICA. This alternative is not recommended. By entering into the EDA, WEDA agreed to release to the District property tax increment generated by the District's mill levy captured by WEDA.

Background Information

On April 14, 2008, WEDA and the City entered into an EDA with Centura and AZG regarding the Orchard View Property and the Centura Orchard View Property. The EDA, which was amended and restated on November 24, 2009, is a multi-party agreement regarding the development of the Orchard View Property and the Centura Orchard View Property, which are both located in the North Huron URA and the District.

This project is important to the City's economic development efforts because:

- A new major medical complex and employer for the City is being provided.
- It will provide daytime population to support the retail development in the North I-25 area (i.e. the Orchard and Westminster Crossings areas).
- It will help jump start the vision of having a significant business park/employment center along I-25, north of 136th Avenue.
- The medical industry is considered part of the growth sector and this project will have a positive affect on the City's long-term economic outlook.
- The project gets the road and utility infrastructure in place that will facilitate future business development in the area.

The EDA relates to a 56 acre parcel known as Orchard View Property owned by AZG. Of the 56 acres, 40 acres were subsequently sold to Centura (Centura Orchard View Property) for a planned medical complex, with the remaining 16 acres to be developed by AZG. Over the entire 56 acres, there were over \$8.4 million of recoveries and assessments due including \$4.9 million for a portion of 144th Avenue interchange cost. The developers requested that the City either waive or allow the financing of the recoveries.

In response, the EDA provided for the following:

- a. I-25/144th Avenue Interchange Assessment - Waive half of this assessment and recoup the other \$2,461,000 through a new District property tax levy. The waiver of half the assessment is a direct benefit to Centura and allowed them to purchase the 40 acres parcel at a lower cost.
- b. Up Front Payment - The developer to pay recoveries and assessments up front to help cover costs relative to the McKay Lake outfall improvements: \$2,097,410.
- c. Financing - Total recoveries and assessment to be financed through a new District: \$4,154,549 (inclusive of \$2,461,000 for the portion of the interchange recovery that was not waived).

The Orchard Park Place North General Improvement District was established in September 2009 in accordance with the EDA. The terms of the financing are as follows:

City Recovery Mill Levy: 10 mill levy will be used to pay to the City \$4,154,549 in recoveries, assessments and interest. This mill levy will end once the principal and interest is paid to the City.

City Maintenance Mill Levy: 3 mill levy will be used to compensate the City for maintenance of the new public infrastructure built for the development and the City's standard administrative service fee for an indefinite amount of time.

Interest Rate: This will be assessed at six percent (6%) per annum against the principal balance of the recoveries and assessments.

The District is included in the boundaries of the North Huron URA. The URA captures all of the property tax increment associated with the District mill levy. An ICA is required to release the property tax increment collected by WEDA and to establish the terms by which the District will pay to the City the assessments, recoveries, interest, maintenance and administrative costs due to the City.

Once the ICA is approved, the District will annually pay to the City the property tax collected on the base valuation from the City Recovery Mill Levy and the City Maintenance Mill Levy and all incremental property tax released to the District by WEDA for the District's City Recovery Mill Levy and City Maintenance Mill Levy.

This recommended action supports the strategic objectives of a Financially Sustainable City Government Providing Exceptional Services; a Strong, Balanced Local Economy; and Vibrant Neighborhoods in One Livable Community. It does so by assuring that the City receives payment for associated costs related to redevelopment and development projects.

Respectfully submitted,

J. Brent McFall
Executive Director

Attachment - Intergovernmental Cooperation Agreement

INTERGOVERNMENTAL COOPERATION AGREEMENT AMONG THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY, THE CITY OF WESTMINSTER AND THE CITY OF WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT REGARDING TAX INCREMENT REVENUES, GENERAL IMPROVEMENT DISTRICT FINANCED RECOVERY COSTS AND ADMINISTRATIVE, OPERATING AND MAINTENANCE COSTS

This Intergovernmental Cooperation Agreement (the "ICA"), dated as of _____, 2011, by and among the WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY ("WEDA"), a body corporate duly organized and existing as an urban renewal authority under the laws of the State of Colorado, the CITY OF WESTMINSTER (the "City"), a home rule municipality duly organized and existing under the Constitution and laws of the State of Colorado, the CITY OF WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT ("District"), a quasi-municipal corporation and body corporate of the State of Colorado duly organized and existing pursuant to Title 31, Article 25, Part 6, C. R. S., as amended (collectively the "Parties").

W I T N E S S E T H;

WHEREAS, the City Council of the City has adopted an urban renewal plan known as the "North Huron Urban Renewal Plan" ("Urban Renewal Plan") under and pursuant to the Colorado Urban Renewal Law, Section 31-25-101, et. seq., C.R.S., as amended (the "Act"); and

WHEREAS, in accordance with the Urban Renewal Plan and the Act, WEDA is authorized to undertake urban renewal projects and activities and to finance such projects and activities by utilization of certain incremental increases in property and sales taxes; and

WHEREAS, the Urban Renewal Plan defines an urban renewal area (the "Urban Renewal Area") which is generally described as property located west of the centerline of I-25, east of the centerline of North Huron Street, south of the centerline of 152nd Avenue and north of the centerline of 124th Avenue extended (except for three areas where the boundaries extend west of Huron Street, including the extended right-of-way of 144th Avenue); and

WHEREAS, an Amended and Restated Economic Development Agreement was entered into between Centura Health Corporation, AZG Westminster, LLC, the City of Westminster and the Westminster Economic Development Authority dated November 24th, 2009 (the "Agreement") incorporated herein by reference as Exhibit A;

WHEREAS, the District was one of the Districts established to assist in the financing of the public improvements for the development of the Orchard View Property including the Centura Orchard View Development; and

WHEREAS, the City ascertains that certain assessments and recovery costs are due on the Orchard View Property and the Centura Orchard View Property in the amount of \$4,154,549 plus accrued interest at the rate of six percent (6%) per annum accruing from April 14, 2008 as specified in Section 6 of the Agreement ("GID Financed Recovery Costs"); and

WHEREAS, the District is responsible for costs to operate and maintain the improvements that are the subject of the GID Financed Recovery Costs ("Improvements") in the District, as well as administering the District; and

WHEREAS, at an election held on November 3, 2009, a majority of the eligible electors of the District voting thereon approved the following questions (the "Election Questions"):

**WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT
DISTRICT BALLOT ISSUE 5A:**

SHALL WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT TAXES BE INCREASED \$100,000 ANNUALLY IN THE FIRST YEAR OF COLLECTION OR BY SUCH OTHER AMOUNT AS IS COLLECTED IN THE FUTURE FROM A MILL LEVY OF NOT TO EXCEED 3 MILLS (WITH THE ACTUAL MILL LEVY RATE FOR ANY FISCAL YEAR TO BE ADJUSTED DOWNWARDS OR UPWARDS BY THE BOARD OF DIRECTORS IN ITS DISCRETION) TO PAY THE ANNUAL EXPENSES TO OPERATE AND MAINTAIN CAPITAL IMPROVEMENTS AND TO ADMINISTER THE DISTRICT (AS SPECIFIED IN THE ECONOMIC DEVELOPMENT AGREEMENT ENTERED INTO APRIL 14, 2008 AMONG THE CITY, THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY, AZG WESTMINSTER, LLC, AND CENTURA HEALTH CORPORATION); AND SHALL THE REVENUES FROM SUCH TAXES AND ANY EARNINGS FROM THE INVESTMENT OF SUCH REVENUES BE COLLECTED AND SPENT AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION AND NOTWITHSTANDING THE 5.5% REVENUE LIMIT OF SECTION 29-1-301, C.R.S. OR THE LIMITS OF ANY OTHER LAW?

**WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT
DISTRICT BALLOT ISSUE 5B:**

SHALL WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT BE AUTHORIZED TO COLLECT, KEEP AND SPEND ALL REVENUES IT RECEIVES AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

**WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT
DISTRICT BALLOT ISSUE 5C:**

SHALL WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT DEBT BE INCREASED \$4,154,549.40 WITH A REPAYMENT COST OF \$50,000,000; AND SHALL THE DISTRICT TAXES BE INCREASED \$400,000 ANNUALLY IN THE FIRST YEAR OF COLLECTION OR BY SUCH OTHER AMOUNT AS IS COLLECTED IN THE FUTURE FROM A MILL LEVY OF NOT TO EXCEED 10 MILLS TO PAY THE DISTRICT DEBT; SUCH DEBT TO CONSIST OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE DISTRICT AND THE CITY OF WESTMINSTER FOR THE PURPOSE OF PAYING, REIMBURSING OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, STREET, WATER, SEWER AND STORM DRAINAGE IMPROVEMENTS (AS SPECIFIED IN THE ECONOMIC DEVELOPMENT AGREEMENT ENTERED INTO APRIL 14, 2008 AMONG THE CITY, THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY, AZG WESTMINSTER, LLC, AND CENTURA HEALTH CORPORATION), TOGETHER WITH ALL NECESSARY, INCIDENTAL AND APPURTENANT FACILITIES, EQUIPMENT, LAND AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES; SUCH DEBT TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 6%; SUCH DEBT TO BE TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, ANY OTHER REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT INCOME THEREON, BE COLLECTED AND SPENT BY THE DISTRICT AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION AND NOTWITHSTANDING THE 5.5% REVENUE LIMIT OF SECTION 29-1-301, C.R.S. OR THE LIMITS OF ANY OTHER LAW?

WHEREAS, WEDA acknowledges in the Agreement that any tax increment revenues that it receives which are attributable to the District's current and future levy of ad valorem taxes on real and personal taxable property within the District shall be remitted to the District; and

WHEREAS, the Improvements are located within the Urban Renewal Area and are the type of project which WEDA is authorized to undertake pursuant to the Act and the Urban Renewal Plan; and

WHEREAS, the Parties are authorized by Section 112 of the Act to enter into cooperative agreements with respect to projects and activities and are authorized by Section 29-1-203, C.R.S. to enter into contracts to provide any function, service or facility lawfully authorized to each; and

WHEREAS, the Parties desire to enter into an intergovernmental cooperation agreement setting forth their intent to cooperate as to the provisions of the Agreement and to assure that taxes levied by the District are made available to the District for purposes of paying the GID Financed Recovery Costs and costs to administer, operate and maintain the District.

NOW THEREFORE, in consideration of the foregoing recitals, and pursuant to the Agreement, the City, WEDA and the District hereby agree as follows:

1. GID Financed Recovery Costs; District Obligation To Levy Taxes. The Parties agree that the City is owed the GID Financed Recovery Costs and that the City has agreed to accept property tax revenues in payment of these costs. Therefore, the District shall annually levy a property tax of 10 mills ("City Recovery Mill Levy") to pay the City the total amount of the GID Financed Recovery Costs plus accrued interest at the rate of six percent (6%) per annum accruing as of April 14th, 2008. Payments will be applied first to current interest, then to outstanding accrued interest and lastly to principal. The obligation to levy the City Recovery Mill Levy shall end when the GID Financed Recovery Costs plus accrued interest have been paid.

2. Administration, Operation and Maintenance Costs; District Obligation To Levy Taxes. The Parties agree that the District shall annually levy a property tax of 3 mills ("City Maintenance Mill Levy") to pay the City for administering the District and for operating and maintaining the Improvements. The obligation to levy the City Maintenance Mill Levy will end when the Improvements are no longer operational.

3. District Revenues. The District agrees that any revenues not otherwise pledged that it receives as a result of the District's City Recovery Mill Levy and/or City Maintenance Mill Levy on real and personal taxable property plus applicable interest on the ad valorem taxes within the District (the "Property Tax Revenues"), shall be segregated upon receipt. All property tax revenues, plus any other revenues received by the District and legally available shall be remitted by the District to the City no later than December 31 of each calendar year commencing with taxable year 2011.

4. WEDA Tax Increment Revenues. The Improvements benefit the property located within the Urban Renewal Area and as a result benefit WEDA by facilitating development of the property within Urban Renewal Area. In order to assist the District in paying the City for the GID Financed Recovery Costs and for annual District administration, operation and maintenance costs, WEDA agrees that the portion of tax increment revenues that it receives pursuant to Section 107(9)(II) of the Act and the Urban Renewal Plan which are attributable to the District's Property Tax Revenues within the Urban Renewal Area (the "District Tax Increment Revenues"), shall be segregated upon receipt. WEDA shall remit the District Tax Increment Revenues received by WEDA to the District no later than December 31 of each calendar year commencing with taxable year 2011. The obligation of WEDA set forth herein shall constitute an obligation to the District to finance an urban renewal project within the meaning of Section 107(9) of the Act.

5. Use of Revenues. The City agrees to apply the District Tax Increment Revenues and the Property Tax Revenues to the assessments and recovery costs associated with the Orchard View Property and the Centura Orchard View Property. WEDA hereby covenants that so long as this ICA is in effect, it will not pledge, encumber or otherwise transfer the revenues or the right to the District Tax Increment Revenues paid to WEDA in accordance with the Act. The District hereby covenants that so long as this ICA is in effect, it will not pledge, encumber or otherwise transfer the revenues or the right to the Property Tax Revenues.

6. Cooperation. The Parties covenant with each other that in any action or challenge of the Urban Renewal Plan and/or this ICA, regarding the legality, validity or enforceability of any provision thereof, the Parties will work cooperatively and in good faith to defend and uphold each and every such provision.

7. Enforcement. WEDA agrees that it shall enforce the collection of all moneys which may qualify as District Tax Increment Revenues.

8. Effective Date; Term. This ICA shall become effective January 1, 2012. Unless sooner terminated by mutual consent of the Parties, this ICA shall remain in full force and effect until the District has fully performed its obligations under Sections 1, 2 and 3 of this ICA provided that WEDA's obligation under Sections 4 and 5 of this ICA terminate when the tax allocation provisions of the Urban Renewal Plan and the Act terminate.

9. Amendments and Waivers. No amendment or waiver of any provision of this ICA, nor consent to any departure herefrom, in any event shall be effective unless the same shall be in writing and signed by the Parties hereto, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

10. Governing Law. This ICA shall be governed by, and construed in accordance with the laws of the State of Colorado.

11. Headings. Paragraph headings in this ICA are included herein for convenience of reference only and shall not constitute a part of this ICA for any other purpose.

12. Severability. If any covenant, term, condition, or provision under this ICA shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

IN WITNESS WHEREOF, the Parties hereto have caused this ICA to be duly executed and delivered by their respective officers thereunto and duly authorized as of January 1, 2012.

WESTMINSTER ECONOMIC DEVELOPMENT
AUTHORITY

By: _____
Executive Director

ATTEST:

APPROVED AS TO FORM:

Secretary

Attorney for Authority

CITY OF WESTMINSTER

By: _____
City Manager

(SEAL)

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF WESTMINSTER ORCHARD PARK PLACE
NORTH GENERAL IMPROVEMENT DISTRICT

By: _____
Executive Director

ATTEST:

Secretary

APPROVED AS TO FORM:

District's Attorney

AGENDA

WESTMINSTER HOUSING AUTHORITY SPECIAL MEETING

MONDAY, December 19, 2011

AT 7:00 P.M.

- 1. Roll Call**
- 2. Minutes of Previous Meeting** (August 22, 2011)
- 3. Purpose of Special WHA Meeting is to**
 - A. Consider adopting Resolution No. 44 to approve the 2012 WHA and Westminster Commons Budgets
 - B. Consider adopting Resolution No. 45 authorizing a South Westminster Arts Group Lease of the Rodeo Market and Vehicle Service Center Properties
- 4. Adjournment**

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE WESTMINSTER HOUSING AUTHORITY
MONDAY, AUGUST 22, 2011 AT 7:18 P.M.

ROLL CALL

Present at roll call were Chairperson McNally, Vice Chairperson Dittman, and Members Briggs, Kaiser, Lindsey, Major and Winter. Also present were J. Brent McFall, Executive Director, Martin McCullough, Attorney for the Authority, and Linda Yeager, Secretary.

MINUTES OF PRECEDING MEETING

Board Member Briggs moved, seconded by Lindsey, to accept the minutes of the meeting of July 25, 2011 as written and distributed. The motion carried unanimously.

RESOLUTION NO. 43 ACCEPTING CITY'S 2011 PRIVATE ACTIVITY BOND ALLOCATION

Board Member Major moved, seconded by Vice Chairperson Dittman, to adopt Resolution No. 43 accepting assignment of \$5,169,425 of private activity bond allocation for 2011 from the City of Westminster for the qualified purposes set forth in the assignment and authorize the Chair to execute the necessary documents. On roll call vote the motion passed unanimously.

ADJOURNMENT:

There being no further business to conduct, it was moved by Winter, seconded by Major, to adjourn. The motion carried and the meeting adjourned at 7:19 p.m.

Chairperson

ATTEST:

Secretary

WHA Agenda Item 3 A

Agenda Memorandum

Westminster Housing Authority Meeting
December 19, 2011



SUBJECT: Resolution No. 44 re 2012 Westminster Housing Authority and Westminster Commons Budgets

Prepared By: Tony Chacon, Senior Projects Coordinator

Recommended Board Action

Adopt Resolution No. 44 approving the 2012 Westminster Housing Authority Budget and the 2012 Westminster Commons Senior Housing Project Budget.

Summary Statement

- The 2012 operating budget revenues for the Westminster Housing Authority (WHA) include an estimated \$10,000 owner distribution from Westminster Commons. This estimate is substantially lower than previous years given WHA is due to close on the sale of the Westminster Commons to Volunteers of America in February, 2012.
- The operating budget expenses for the WHA include \$8,000 for utilities, maintenance, and insurance expenses, and \$16,000 in contractual services for property maintenance and consultant costs relative to the Westminster Commons sale and other affordable housing endeavors.
- The proposed budget includes \$27,548 for debt payment for a Brownfields Revolving Loan Fund loan used to remediate environmental contamination on WHA property along Little Dry Creek.
- The 2012 Budget of Westminster Commons is shown separately from the WHA Budget.
- The Westminster Commons Budget includes net rental revenue of \$925,068 and other revenues of \$6,156 for total revenues of \$931,224. Expenses include administrative and payroll expenses of \$239,140, utilities expenses of \$109,308, repairs and maintenance expenses of \$154,416, taxes & insurance expenses of \$31,632, depreciation expense of \$96,984, and other miscellaneous expenses (including \$60,000 transfer to WHA) of \$149,958, for total expenses of \$781,438.

Expenditure Required: \$ 51,548 WHA Operations and Debt Service
 \$781,438 Westminster Commons Operations

Source of Funds: WHA Operating Revenues and Fund Balance
 Westminster Commons Revenues



Policy Issue

Does the Board of the WHA wish to support the activities of the Westminster Housing Authority and Westminster Commons by adopting the proposed 2012 budgets?

Alternative

Do not adopt the 2011 Westminster Housing Authority or Westminster Commons Budgets or adopt revised budgets. This is not recommended as an approved budget is necessary for the operation of the Commons, for the WHA to carry out financing activities and for the WHA to enter into contracts needed to pursue WHA projects and goals.

Background Information

Department of Community Development staff manages the WHA and the contract with Howard Bishop & Company, which is the property management company for the Westminster Commons. The Westminster Commons budget is presented separately from the remaining WHA activities.

Westminster Housing Authority

WHA revenues from operating activities for 2011 will come only from the Westminster Commons project that would be expected to generate \$60,000 per year as a distribution to the owner (the Authority). However, the WHA is in the process of selling the Westminster Commons to Volunteers of America (VOA) with a closing anticipated in February, 2012. Accordingly, the WHA budget takes into consideration this pending transaction and therefore only reflects a two month contribution of \$10,000 in 2012. The WHA also owns two buildings (Rodeo Market and Vehicle Service Center) that are currently being leased to the South Westminster Arts Group (SWAG) at a nominal rate of \$1.00, which is the only revenue produced from these buildings.

Authority expenses include \$8,000 for utilities, which is slightly less than budgeted in 2011, but more accurately reflects actual utility expenditure over the last year. A \$16,000 expense for contractual expenses covers the cost of insurance and mowing of weeds on WHA owned vacant property, and retaining consulting services relative to the sale of Westminster Commons and other affordable housing endeavors.

The 2010 budget also reflects a loan payment of \$27,548 to the Colorado Brownfields Revolving Loan Fund administered by the Colorado Housing Finance Authority. This payment is for a loan used to clean up contaminated property along Little Dry Creek in conjunction with the City's efforts to secure land between Federal Boulevard and Lowell Boulevard to be used for drainage and park improvements. The loan was taken on by the WHA due to "TABOR" limitations regarding incurring debt and multi-year contractual limitations. The WHA has a remaining balance of \$251,683 with four more installments of \$27,548 and a balloon payment of \$162,000 due December, 2016. It is Staffs recommendation that the remaining loan balance be repaid from proceeds of the Westminster Commons sale to Volunteers of America.

The 2012 budget contemplates WHA ending the 2012 budget year with a cash balance of \$131,918 that will be carried forward into 2013.

Westminster Commons

The Westminster Commons budget projects total income of \$931,224, which is a very slight increase over the 2011 budget amount of \$930,794. However, 2011 revenues are projected to fall short of budget by an estimated \$9,410 due to a higher than expected vacancy rate resulting from higher unit turnover. Rental income from the Westminster Commons senior housing facility is budgeted at \$925,068, of which \$502,620 would be provided by HUD in the form of tenant assistance payments provided through the Housing Assistance Payments (HAP) program. The income projection also includes \$6,156 from other miscellaneous sources.

Expenditures in the 2012 budget include operating expenses of \$781,438 including administration and payroll, utilities, repairs and maintenance, depreciation, taxes and insurance, and other miscellaneous costs for mortgage payment and a \$60,000 transfer to WHA. Although the Westminster Commons budget reflects a \$60,000 transfer to the WHA, the actual amount directed will be dependant upon a closing on the sale of the property to VOA.

The budgeted expenses for 2012 reflect a \$3,397 decrease over the 2011 budget. The most significant cost decreases are related to mortgage interest, insurance premiums, and utilities. Payroll and management fees are proposed to increase by \$1,442 over 2011 levels. Net cash flow is expected to be positive in the amount of \$149,786 for 2012.

Respectfully submitted,

J. Brent McFall
Executive Director

Attachments:

- Resolution
- 2012 WHA Proposed Budget
- 2012 Westminster Commons Budget

WESTMINSTER HOUSING AUTHORITY

RESOLUTION NO. **44**

INTRODUCED BY BOARD MEMBERS

SERIES OF 2011

**A RESOLUTION ADOPTING THE 2012 BUDGET FOR THE
WESTMINSTER HOUSING AUTHORITY AND THE 2012 WESTMINSTER COMMONS
FACILITY BUDGET**

WHEREAS, the Westminster Housing Authority (the "Authority") is a political subdivision of the State of Colorado, duly organized, existing, and acting pursuant to C.R.S. section 29-4-201 *et seq.* (the "Act"); and

WHEREAS, the Authority was created to carry out the purposes of a public housing authority pursuant to the Act; and

WHEREAS, the Westminster Housing Authority Board has not yet adopted a formal operating budget for fiscal year 2012 for the Westminster Housing Authority and the Westminster Commons senior apartment facility; and

WHEREAS, the Westminster Housing Authority has received revenue and anticipates receiving additional revenues; and

WHEREAS, the Westminster Housing Authority anticipates expenditures for various purposes relating to the goals of the Authority and operating the Westminster Commons senior housing project.

NOW, THEREFORE, be it resolved by the Board of Commissioners of the Westminster Housing Authority that the attached 2012 Westminster Housing Authority Budget and 2012 Westminster Commons Facility Budget are hereby approved and the amounts stated therein are hereby appropriated for the fiscal year 2012.

PASSED AND ADOPTED this 19th day of December, 2011.

ATTEST:

Chairperson

Authority Secretary

APPROVED AS TO LEGAL FORM:

Authority Attorney

WESTMINSTER HOUSING AUTHORITY (Excluding Commons)
2012 Proposed Budget

	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2011 Estimated</u>	<u>2012 Proposed</u>
Revenues				
Monthly Revenue Transfers from Commons	\$ 60,000	\$ 40,000	\$ 60,000	\$ 10,000
Rental Income (Rodeo Market)	2	-	-	-
Interest	1,836	500	500	500
<i>Total Operating Revenues</i>	<u>61,838</u>	<u>40,500</u>	<u>60,500</u>	<u>10,500</u>
Expenditures				
Administrative Fee	70,000	-	-	-
Utilities	7,103	9,000	7,800	8,000
Contractual	391,814	18,000	16,500	16,000
<i>Total Operating Activities</i>	<u>468,917</u>	<u>27,000</u>	<u>24,300</u>	<u>24,000</u>
Net Operating Surplus (Deficit)	<u>(407,079)</u>	<u>13,500</u>	<u>36,200</u>	<u>(13,500)</u>
Other Financing Sources (Uses)				
Debt Service:				
Principal	-	24,109	24,109	22,514
Interest expense	(5,651)	3,439	3,439	5,034
Capital Contributions	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(5,651)</u>	<u>27,548</u>	<u>27,548</u>	<u>27,548</u>
Net change in cash balance	(412,730)	(14,048)	8,652	(41,048)
Cash balance beginning	207,846	144,499	164,314	172,966
<i>Accrual and Balance Sheet Adjustments</i>	<u>369,198</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balance ending	<u>\$ 164,314</u>	<u>\$ 130,451</u>	<u>\$ 172,966</u>	<u>\$ 131,918</u>

2012 WESTMINSTER COMMONS BUDGET

	Acct	10'Budget	10'Actual	11'Budget	11'Projtd	12'Budget
Ordinary Income						
Rent Income - Apartments	5120	456,204	469,319	464,046	443,784	443,784
Income - Tenant Assist Pmts.	5121	458,196	470,166	470,166	492,780	502,620
Vacancies - Apartments	5220	-9,144	-9,395	-9,395	-21,336	-21,336
Interest Rev - Proj Operations	5410	552	461	461	324	324
Inc From Inv - Replacement Res	5440	1,344	532	532	300	300
Laundry & Vending Revenue	5910	2,400	3,466	3,466	3,732	3,732
Forfeited Security Deposits	5940	240	1,278	1,278	1,152	1,152
Other Revenue	5991	240	2,956	240	648	648
Other Revenue (loss) on Sale	5992	120	0	0	0	0
Total Income		910,152	938,783	930,794	921,384	931,224
Expense						
Adminstrative Expense						
Advertising	6210	1,200	827	828	1,068	1,068
Office Supplies	6311	17,676	18,072	18,072	19,140	19,140
Management Fees	6320	52,356	53,480	54,446	53,784	53,784
Manager Rent Free Unit	6331	21,600	21,834	22,068	22,164	22,164
Professional Fees						
Audit Expense	6350	5,496	5,500	5,500	5,500	5,500
Telephone Expense	6360	10,320	10,341	10,320	11,364	11,364
Total Adminstrative Expense		108,648	110,054	111,234	113,020	113,020
Utilities						
Electricity	6450	37,000	39,126	39,120	37,044	39,120
Water	6451	14,292	16,496	17,004	16,272	17,004
Gas	6452	37,000	38,944	38,940	38,424	38,940
Sewer	6453	17,028	16,357	16,356	14,244	14,244
Total Utilities Expense		105,320	110,054	111,234	105,984	109,308
Repairs and Maintenance						
Janitorial & Cleaning						
Janitorial Supplies	6515	804	1,700	1,692	2,544	2,544
Janitorial Contracts	6517	4,680	7,539	7,536	6,660	6,660
Extermination	6519	1440	2,150	3,192	3084	3084
Garbage & Trash Removal	6525	5,976	6,612	6,612	7,800	7,992
Landscaping & Groundskeeping						
Grounds Supplies	6536	432	432	432	432	432
Grounds Contracts	6537	2,856	5,884	2,892	2,124	2,124
Repairs and Maintenance						

Repairs Material	6541	11,892	11,144	11,892	10,308	10,308
Repairs Contract	6542	24,000	16,360	21,000	16,668	16,668
Elevator Maintenance/Contract	6545	19,596	27,990	25,140	25,740	25,740
Heating/Cooling Repr & Maint	6546	21,996	15,424	25,900	21,708	21,708
Snow Removal	6548	1,608	1,608	1,608	1,884	1,884
Fire Alarm Maintenance	6581	9,132	7,248	7,248	6,804	6,804
Decorating						
Decorating Contract	6560	24,000	33,585	30,000	39,432	39,432
Decorating Supplies	6561	3,720	6,568	6,000	9,036	9,036
Total Repairs and Maintenance		132,132	144,244	151,144	154,224	154,416
Depreciation Expense						
Depr-Land Improve.	6611	18,078	8,974	0	0	0
Depr.-Bldgs & Improv	6620	67,112	67,112	67,112	67,112	67,112
Depr-Bldg Equip F&P	6630	29,872	29,872	29,872	29,872	29,872
Depr-Bldg Equip Port	6640	14,327	14,327	0	0	0
Total Depreciation Expense		129,389	120,285	96,984	96,984	96,984
Taxes & Insurance						
Property & Liab. Ins.	6720	17,982	17,982	22,920	18,108	18,108
Fidelity Bond Ins.	6721	1,185	1,185	468	816	816
Health Ins.	6723	9,504	9,437	11,040	11,244	12,708
Total Taxes & Insurance		28,671	28,604	34,428	30,168	31,632
Payroll Expenses						
Office Salaries	6310	59,172	61,514	62,552	62,844	62,844
Manager's Salaries	6330	40,668	39,232	40,272	40,812	40,812
Cleaning Payroll	6510	11,316	11,093	11,088	11,328	11,328
SS ER 6.29%	6712	6,888	6,900	6,900	7,104	7,104
Medicare ER 1.45%	6713	1,608	1,614	1,620	1,656	1,656
FUTA Expense .08%	6714	888	385	384	456	456
SUTA Expense 1.22%	6715	1,356	1,200	1,200	1,920	1,920
Total Payroll Expenses		121,896	121,938	124,016	126,120	126,120
Other Expense						
Workmen's comp	6722	3,960	4,174	4,176	3,732	3,732
Other-D&O, Discrimination	6729	4,272	4,272	4,272	4,272	4,272
Interest - Mortgage	6820	86,004	86,255	86,255	81,048	81,048
Transfer to City	6850	60,000	60,000	60,000	60,000	60,000
Deferred Loss Amortized	6891	906	906	906	906	906
Total Other Expense		155,142	155,607	155,609	149,958	149,958
Total Expenses		766,068	791,655	784,835	776,458	781,438

Net Ordinary Income

144,084 147,128 145,959 144,926 149,786

WESTMINSTER COMMONS

Notes to the 2012 Proposed Budget

Income

5120	<u>Resident Portion of Rent</u> Projected through end of year based on October figures. (Managers + Maint. Assist. Units - 3 not included)
5121	<u>Income - Tenant Assist Pmts.</u> Does not reflect any HAP increase in 2012
5220	<u>Vacancies: huge increase due to sale of project.</u>
5410	<u>Interest Income - Project Operations</u> Historic
5440	<u>Income from Interest - Reserve for Replacements</u> Historic
5910	<u>Laundry & Vending Income - no change/increase in charges planned</u>
5991	<u>Other Revenue</u> Contains refunds/rebates.

Administrative Expenses

6331	<u>Manager Rent Free Units</u> 2 manager units + 1 maintenance assistant unit
6360	<u>Telephone</u> Based on historical charges.

Utilities

6450 - 6453	<u>Utilities</u> Lower figures for 2011 based on increased vacancies.
6330	<u>Manager Salary</u> No increases planned for 2012. No increase planned for maintenance assistant.
6331	<u>Manager Rent-Free Unit</u> 3 units @\$613 x 6 months + \$621 x 6 months

Repairs & Maintenance

6515	<u>Janitorial Supplies</u> Increase in 2011 due to increased vacancies and more cleaning req.
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6519	<u>Extermination</u> 2012 based on historical information.
6537	<u>Grounds Contract</u> <u>2012 savings due to hiring of maintenance assistant.</u>
6542	<u>Repairs Contract</u> Continued savings realized due to hiring of a maintenance assistant
6545	<u>Elevator Maintenance/Contract</u> 2012 based on historical information.
6546	<u>Heating /Cooling Repair & Maintenance</u> 2011/2012 decrease due to the replacement of 5 boilers and fewer n
6560	<u>Decorating Contract</u> Increase due to higher vacancies.
6561	<u>Decorating Supplies</u> Same as above.

Depreciation Expense

6611	<u>Depreciation Land Improvements</u> - fully depreciated
6640	<u>Depreciation Building Equipment Portable</u> - fully depreciated

Taxes & Insurance

6720	<u>Property & Liability Insurance</u> Contains Commercial Package (hazard on buildings), Umbrella Polic and Tenant Descrimination Policy.
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Payroll Expenses

6310	<u>Office Salaries</u> No increases planned.
6330	<u>Manager's Salaries</u> No increases planned.

WHA Agenda Item 3 B

Agenda Memorandum

Westminster Housing Authority Meeting
December 19, 2011



SUBJECT: Resolution No. 45 re South Westminster Arts Group Lease of Rodeo Market and Vehicle Service Center Properties

Prepared By: Tony Chacon, Senior Projects Coordinator

Recommended Board Action

Adopt Resolution No. 45 authorizing the Executive Director to execute a one-year lease for the South Westminster Arts Group for the use of properties located at 3915 West 73rd Avenue, 3630 W. 73rd Avenue, and 7287 Lowell Boulevard.

Summary Statement

- The Westminster Housing Authority (WHA) Board is requested to approve a lease between the Authority and the South Westminster Arts Group (SWAG) to utilize the Rodeo Market building and adjoining property located at 3915 West 73rd Avenue, and 3630 W. 73rd Avenue and 7287 Lowell Boulevard commonly known as the Vehicle Service Center (VSC). The lease amount is proposed to be \$1.00 per year.
- SWAG will use the space to facilitate cultural activities such as art shows, theatrical performances, community meetings and programming that support the growth of non-profit cultural activities and arts businesses in South Westminster.
- At year end, SWAG will be responsible for reimbursing the WHA for the cost of utilities in excess of \$7,500.
- The lease agreement would be for one year. There are no substantive changes to the lease.

Expenditure Required: \$7,500

Source of Funds: 2012 WHA Budget



Policy Issue

Should the Westminster Housing Authority continue to lease the Rodeo Super Market and VSC properties to the non-profit South Westminster Arts Group (SWAG) for \$1.00 per year and cover a significant portion of the cost to maintain water, sewer, heat, and electrical utilities and provide minor maintenance?

Alternatives

1. Do not lease the premises to SWAG. This alternative is not recommended given the tremendous strides SWAG has made in attracting artistic talent, raising community goodwill, and promoting arts related activities. A failure to lease the premises to SWAG could result in the demise of the organization and potentially negatively impact the positive strides made to date.
2. Lease the premises with a required higher financial contribution from SWAG. This alternative is not recommended because SWAG is attempting to establish a higher level of cultural activity using only existing minimal resources. If it is required to pay higher rent and utility costs, a lease would be financially infeasible at this time.

Background Information:

The Westminster Housing Authority acquired the property at 3915 West 73rd Avenue in 2005 with the proposed concept of establishing a community arts center. The property is zoned C-1, which zone permits the uses conducted by SWAG. The City of Westminster and the WHA had been paying the cost of utilities and maintenance for about four years prior to occupancy of the premises by SWAG as it was necessary to protect the internal building infrastructure. Since entering into a lease with SWAG a few years ago, the WHA and City have continued to pay a substantial portion of the utility and maintenance costs so as to ensure the continued financial viability of SWAG.

In an effort to increase non-profit arts-related activity in the City, staff has worked to create arts business incubator opportunities by identifying potential spaces in which arts activities could be conducted on a temporary or permanent basis. City staff has also worked with local artists to incorporate the South Westminster Arts Group (SWAG), a community-based arts network. The goals of SWAG include:

- Establishing a network of artists, arts supporters and art supportive businesses for communication, advocacy, and identification of needs, and progress toward solutions for the creative community.
- Promoting and fostering a population of creative workers by encouraging them to reside or work in the historic, established South Westminster neighborhood, in order to better meet mutual goals.
- Focusing on diversity, tolerance and inclusiveness in order to strengthen the arts community and help it to serve the needs of its supporters and audience, and providing an influential voice for all facets of the community.
- Maintaining a commitment to public service through education, outreach, public artistic endeavors and other means of connecting with the larger community.
- Showcasing the strength and diversity of the arts community.

Local artists have shown their enthusiasm about the gallery by participating in many activities including art shows, classes and meetings, and utilization of community studio space since occupying the Rodeo Market.

SWAG has been operating for four years, with just over two years having been operated out of the Rodeo Market building. Previous operations were conducted out of the VSC building housing the 73rd Avenue Community Theater at 73rd Avenue and Lowell Boulevard. SWAG remains instrumental in ensuring the continued presence of the theater and operating a community artist gallery that has hosted many art exhibitions since its opening in September 2008. This helped attract three local art galleries that have opened nearby, which along with the member gallery at the Rodeo Market, conduct monthly art walks and other arts related programs throughout the year. SWAG also assumes the lead for coordinating the Orchard Festival and an arts fair, which have drawn up to 1,000 people to the South Westminster neighborhood and continues to grow.

In 2011, SWAG entered into a lease with the WHA to use the Rodeo Market building for \$1.00 for the year. At the time the lease was signed, it was anticipated that SWAG would receive its 501(c)3 non-profit designation from the IRS, which would allow for grant opportunities that would assist the organization to become self-sustaining. After an eighteen month application process with the IRS, SWAG was finally awarded its 501(c)3 tax-exempt status in April, 2011. While SWAG is now confirmed a legal non-profit entity, its funding capabilities may continue to be a challenge given some technical issues pertaining to SWAG's "effective" date of operation. This issue has already resulted in the organization being ruled ineligible for funding from the Denver area Scientific and Cultural Facilities District (SCFD) for 2012. The SCFD rule that a non-profit entity is eligible for funding only after having provided programming for 3 years as a designated 501c3 effectively will keep SWAG from being awarded any SCFD funding until 2014. SWAG's board of directors continues to work diligently to build the organization's financial capacity and has identified several program based (not operational) grant opportunities it intends to pursue in 2012, however with no operational budget SWAG will be maintaining operations with its existing volunteer base, while continuing to pursue new funding opportunities.

Given its continued funding challenges, SWAG has been successful in establishing itself in the community by providing programming that benefits the community through free children's art classes, community festivals, monthly art walks and free art exhibits, including the Sculpture on 73rd Avenue sculpture display. Based on these endeavors, SWAG is requesting consideration of the WHA to extend the lease at the Rodeo Market building for \$1.00 in 2012 and is requesting that the amount of funds provided by the WHA to cover utilities be maintained at \$7,500. The proposed 2012 WHA Budget provides for funds to cover the utility and maintenance expenses. Per the lease, SWAG will also be required to carry its own liability insurance in addition to the coverage obtained by the WHA through CIRSA.

The approval of the proposed lease to SWAG meets the City's Strategic Plan Goal of creating "Vibrant Neighborhoods and Commercial Areas," with the Objective to "Develop Westminster as a cultural art community."

Respectfully submitted,

J. Brent McFall
Executive Director

- Attachments
- Resolution
 - Lease Agreement

WESTMINSTER HOUSING AUTHORITY

RESOLUTION NO. **45**

INTRODUCED BY BOARD MEMBERS

SERIES OF 2011

**A RESOLUTION
APPROVING A LEASE BETWEEN THE WESTMINSTER HOUSING AUTHORITY AND THE
SOUTH WESTMINSTER ARTS GROUP FOR 3915 WEST 73RD AVENUE, 3630 W. 73RD
AVENUE AND 7287 LOWELL BOULEVARD**

WHEREAS, the Westminster Housing Authority owns property located at 3915 West 73rd Avenue, 3630 W. 73rd Avenue and 7287 Lowell Boulevard (“the Premises”); and

WHEREAS, the South Westminster Arts Group is a non-profit organization dedicated to promoting community arts activities and providing an incubator for artists’ businesses; and

WHEREAS, the South Westminster Arts Group proposes to use the Premises to promote community arts activities, including operation of a community theater, art shows, meetings, classes and programming that support the growth of non-profit cultural activity and artists’ businesses; and

WHEREAS, the attached Lease Agreement would allow the South Westminster Arts Group to operate out of the Premises.

NOW, THEREFORE, be it resolved by the Board of Commissioners of the Westminster Housing Authority that the Executive Director is hereby authorized to execute and the Authority Clerk to attest the attached Lease Agreement, or a substantially similar form of Lease Agreement as approved by the Authority Attorney.

PASSED AND ADOPTED this 19th day of December, 2011.

Chairperson

ATTEST:

APPROVED AS TO LEGAL FORM:

Secretary

Authority Attorney

LEASE AGREEMENT

This **Lease** is made between the **WESTMINSTER HOUSING AUTHORITY**, a Colorado public housing authority (hereinafter called "Lessor" or "Authority"), and **SOUTH WESTMINSTER ARTS GROUP**, a Colorado nonprofit corporation (hereinafter called "Lessee" or "SWAG").

Lessor hereby agrees to lease to Lessee, and Lessee hereby agrees to lease from Lessor, the Premises described in Paragraph 1 below, subject to the terms, conditions, and agreements set forth hereinbelow:

1. Premises. The Premises consist of the buildings and property located at 3915 West 73rd Avenue, 3630 W. 73rd Avenue and 7287 Lowell Boulevard.

2. Term and Rent. Lessor demises the above Premises for a term of one year, commencing 12:00 a.m. on January 1, 2012, terminating 12:00 a.m. on January 1, 2013, or sooner as provided herein (hereinafter, the "Term"), for a nominal rent payment for the Term in the sum of One Dollar (\$1.00), and for other good and valuable consideration described below and in Exhibit 1.

3. Use. Lessee shall use and occupy the Premises for activities and functions specifically related to the purpose and mission of the South Westminster Arts Group. The Premises shall be used for no other purpose unless approved in writing by the Lessor.

4. Utilities, Care and Maintenance of Premises.

a. Lessee's responsibilities: Lessee acknowledges and accepts the Premises in their as-is condition. Lessee shall, at its own expense and at all times during the Term of this Lease, maintain the Premises in good and safe condition, and shall surrender the same, at termination hereof, in as good condition as received, normal wear and tear excepted. Lessee shall be responsible for the routine care and maintenance of the interior of the Premises of a housekeeping nature, including custodial and janitorial services, normal and reasonable cleaning, and the replacement of all consumable or expendable items such as light bulbs, cleaning, bathroom and office supplies and all items brought into the Premises by the Lessee. The Lessee shall be responsible for utility costs as defined in item 8.

b. Lessor's responsibilities: The Lessor shall be responsible for utilities as defined in item 8, but not to exceed \$7,500. The Lessor shall be responsible for all general repairs relative to the principal structure of the Premises, including roofing, plumbing, mechanical and electrical equipment. Minor interior repairs, not to exceed \$500 in cost can be submitted to the City of Westminster Building Operations and Maintenance Department and will be handled subject to the availability of City staff. Minor repairs in excess of \$500 shall be made by Lessor only upon approval of the Executive Director of the Authority.

5. Alterations. Lessee shall not, without first obtaining the prior written consent of Authority staff, make any interior alterations, additions, or improvements to the principal structure of the Premises. Lessee shall not make any changes to the exterior of the Premises. In particular, the south elevation is a historic restoration funded in 2009 by the State Historical Fund. As a result of this funding and the local historic landmark designation, no alterations, including signage, may be made to any part of the exterior of the building without permission from both the Westminster Historic Landmark Board and the State Historical Fund.

6. Ordinances and Statutes. Lessee shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in force, or which may hereafter be in force, pertaining to the Premises, occasioned by or affecting the use thereof by Lessee.

7. Assignment and Subletting. Lessee shall not assign this Lease or sublet any portion of the Premises without prior written consent of the Lessor, which shall be granted or refused in Lessor's sole discretion. Any such assignment or subletting without Lessor's consent shall be void and, at the option of the Lessor, grounds for Lessor's forthwith termination of this Lease.

8. Utilities. The Lessor shall provide and pay for utility charges as they become due, including those for heat, electricity, water and sewer for the 2012 year only as outlined in section 4.b. The Lessee shall reimburse the Lessor for costs incurred above \$7,500 for utilities pertaining to electrical, gas, water and sanitary sewer service. Such utility cost reimbursement shall be due from the Lessee to Lessor by no later than December 31, 2012. All applications and connections for other services desired by Lessee for the Premises shall be made in the name of Lessee only, and Lessee shall be solely liable for such charges as they become due, including those for cable, Internet, alarm and telephone services.

9. Entry and Inspection. Lessee shall permit Lessor or Lessor's agents to enter upon the Premises at reasonable times and upon reasonable notice, for the purpose of inspecting the same, and will permit Lessor at any time within sixty (60) days prior to the expiration of this Lease, to place upon the Premises any usual "To Let" or "For Lease" signs, and permit persons desiring to lease the same to inspect the Premises thereafter.

10. Possession. If Lessor is unable to deliver possession of the Premises at the commencement hereof, Lessor shall not be liable for any damage caused thereby.

11. Indemnification of Lessor. Lessor shall not be liable for any damage or injury to any person or property occurring on the Premises during the Term of this Lease. Lessee agrees to indemnify and save and hold Lessor harmless from any claims for such damage or injury, no matter how caused, except to the extent such damage or injury was the direct and proximate result of Lessor's negligent act or omission, provided, however, that nothing herein shall be deemed or construed as a waiver by Lessor of any of the protections or limitations against liability to which Lessor may be entitled under the Colorado Governmental Immunity Act. Lessee may satisfy its obligations pursuant to this paragraph by assuming the defense of and liability, if any, for any such claim brought against the Lessor, and retaining for such defense qualified legal counsel reasonably acceptable to the Authority.

12. Insurance.

a. Lessee, at its expense, shall maintain comprehensive commercial liability insurance, including coverage for bodily injury and property damage, insuring Lessee and naming Lessor as an additional insured with minimum coverage as follows: \$1,000,000 per occurrence. The insurance shall include coverage for contractual liability. Additional insurance shall be obtained in the event any aggregate limitations result in per occurrence coverage of less than \$1,000,000.

b. Prior to taking possession of the Premises pursuant to this Lease, Lessee shall provide Lessor with a Certificate of Insurance showing Lessor as additional insured. The Certificate shall provide for a ten-day written notice to Lessor in the event of cancellation or material change of coverage. To the maximum extent permitted by insurance policies that may be owned by Lessor or Lessee, Lessee and Lessor, for the benefit of each other, waive any and all rights of subrogation that might otherwise exist.

13. Eminent Domain. If the Premises or any part thereof or any estate therein, or any other part of the building materially affecting Lessee's use of the Premises, shall be taken by eminent domain, this Lease shall terminate on the date when title vests pursuant to such taking.

14. Destruction of Premises. In the event that the Premises or any part of the building in which the Premises may be situated is damaged or destroyed by any cause to an extent that renders the Premises unsafe or unusable for Lessee's purposes, either Lessee or Lessor may terminate this Lease forthwith. In no event shall the Lessor have any obligation to repair or replace the Premises in the event of any such damage or destruction and Lessee's sole and exclusive remedy in the event of such damage to or destruction of the Premises or the building in which it is located is the termination of this Lease.

15. Lessor's Remedies on Default. If Lessee defaults in the performance of any of the covenants or conditions hereof, Lessor may give Lessee notice of such default and if Lessee does not cure any such default within ten (10) days, after the giving of such notice (or if such other default is of such nature that it cannot be completely cured within such period, if Lessee does not commence such curing within such ten (10) days and thereafter proceed with reasonable diligence and in good faith to cure such default),

then Lessor may terminate this Lease on not less than twenty (20) days' notice to Lessee. On the date specified in such notice, the Term of this Lease shall terminate, and Lessee shall then quit and surrender the Premises to Lessor, without extinguishing Lessee's liability. If this Lease shall have been so terminated by Lessor, Lessor may at any time thereafter resume possession of the Premises by any lawful means and remove Lessee or other occupants and their effects. No failure to enforce any Term shall be deemed a waiver.

16. Taxes. Lessee shall be solely responsible for the payment of any property or other taxes that may arise as a result of Lessee's use of the Premises. The Lessee covenants and warrants to Lessor that Lessee is exempt from all federal, state and local taxes and further, that Lessee shall take no action to cause the loss of its exemption from said taxes. Lessee further covenants and agrees with the Lessor that in the event Lessee shall lose its exemption from taxes for any reason, Lessee shall timely pay all and any taxes accruing as a result thereof. Lessee further covenants and agrees to indemnify and hold Lessor harmless against any claims or judgments for unpaid taxes resulting from Lessee's use of the Premises.

17. Attorneys' Fees. In case suit should be brought for recovery of the Premises, or for any sum due hereunder, or because of any act which may arise out of the possession of the Premises, by either party, the prevailing party shall be entitled to all costs incurred in connection with such action, including reasonable attorneys' fees. For any controversy or claim arising out of or relating to this Lease, or the breach thereof, the parties agree to attempt to mediate any such disputes in good faith prior to filing any action against the other.

18. Waiver. No failure of Lessor to enforce any Term hereof shall be deemed to be a waiver.

19. Heirs, Assigns, Successors. This Lease is binding upon and shall inure to the benefit of the heirs, assigns and successors in interest to the parties.

20. Subordination. This Lease is and shall be subordinated to all existing and future liens and encumbrances against the Premises.

21. Early Termination. The WHA retains to the right to terminate the lease on the properties located at 3630 W. 73rd Avenue and 7287 Lowell Boulevard upon 30 days written notice to the Lessor.

22. Entire Agreement. This Lease constitutes the entire agreement between the parties concerning the Premises and may be modified only by a written amendment signed by both parties.

23. Survival. Paragraphs 8, 11, and 15 through 20 inclusive shall survive any termination of this Lease by either Lessee or Lessor.

Signed as of this ___ day of _____, 2011.

WESTMINSTER HOUSING AUTHORITY

SOUTH WESTMINSTER ARTS GROUP

By: _____
Nancy McNally, Chairperson

By: _____
Debbie Teter, Chair

Attest: _____
Authority Clerk

Attest: _____

APPROVED AS TO LEGAL FORM:

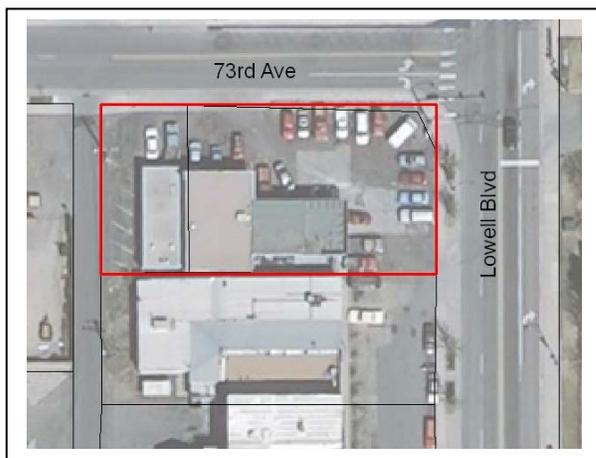
Authority Attorney

EXHIBIT 1

As further consideration for the use of the Premises, SWAG agrees to operate the building pursuant to the following public purposes:

1. The Premises, as outlined on the map below, are located in a low and moderate-income neighborhood, in which revitalization activities and projects are a City priority. The Westminster Housing Authority is permitted by state law to own a community center that supports its affordable housing goals. SWAG is expected to operate the Premises for the benefit of the neighborhood, keeping in mind the diversity of the neighborhood, including incomes, ethnicity, age and abilities.
2. Goals for use of the outlined Premises may include:
 - a. Community use and access.
 - b. Providing resources and programming to support the careers of emerging creative professionals.
 - c. Providing opportunities for users of the building to engage in volunteerism and community service.
 - d. Educational opportunities for both youth and adults
 - e. Promotion of a variety of cultural and creative activities including, but not limited to, visual arts, music, digital art and video, historic preservation, ethnic cultural programming, festivals and other projects and activities of interest to the inhabitants of the neighborhood.
3. SWAG is expected to coordinate its events and activities with neighboring landowners and businesses in order to manage parking and other impacts efficiently and with consideration of all concerned.
4. SWAG is expected to keep the outlined Premises clean and free of weeds and debris.

3630 W. 73rd Avenue and 7287 Lowell Boulevard



3915 W. 73rd Avenue



AGENDA

**CITY OF WESTMINSTER ORCHARD PARK PLACE NORTH
GENERAL IMPROVEMENT DISTRICT
MEETING**

MONDAY, December 19, 2011

AT 7:00 P.M.

1. **Roll Call**
2. **Minutes of Previous Meeting** (October 10, 2011)
3. **New Business**
 - A. ICA with the City and WEDA re the Release of Unpledged Property Tax Increment Collections to the District
4. **Adjournment**

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE ORCHARD PARK PLACE NORTH
GENERAL IMPROVEMENT DISTRICT MEETING
MONDAY, OCTOBER 10, 2011 AT 7:33 P.M.

ROLL CALL

Present at roll call were Chairperson McNally, Vice Chairperson Dittman and Board Members Briggs, Kaiser, Lindsey, Major and Winter. Also present were J. Brent McFall, Executive Director, Martin McCullough, Attorney, and Linda Yeager, Secretary.

CONSIDERATION OF MINUTES

Board Member Kaiser moved, seconded by Vice Chairperson Dittman, to approve the minutes of the meeting of August 22, 2011, with no additions or corrections. The motion passed with all members voting favorably.

PUBLIC HEARING CONCERNING THE 2012 BUDGET

At 7:34 p.m., the Chairperson opened a public hearing to consider the proposed 2012 budget. Mr. McFall reported that Staff had no formal presentation and was present to answer any questions the Board might have. There were no questions and no member of the public wished to testify. The Chairperson closed the hearing at 7:35 p.m.

RESOLUTION NO. 3 ADOPTING THE 2012 BUDGET AND SETTING THE 2011 MILL LEVY

Board Member Lindsey moved, seconded by Major, to adopt Resolution No. 3 setting the mill levy for the taxable year 2011 for collections in 2012 at 13 mills for the City of Westminster Orchard Park Place North General Improvement District, formally adopting the 2012 budget for the District as presented, and appropriating the funds as budgeted. On roll call vote, the motion carried unanimously.

RESOLUTION NO. 4 AUTHORIZING SUPPLEMENTAL APPROPRIATION TO 2011 BUDGET

Board Member Lindsey moved to adopt Resolution No. 4 authorizing a supplemental appropriation to the 2011 Orchard Park Place North General Improvement District Budget. The motion was seconded by Vice Chairperson Dittman and passed unanimously on roll call vote.

ADJOURNMENT

There was no further business and the meeting adjourned at 7:41 p.m.

Chairperson

ATTEST:

Secretary

Orchard Park Place North GID Agenda Item 3 A

Agenda Memorandum

Orchard Park Place North General Improvement District Meeting
December 19, 2011



SUBJECT: Intergovernmental Cooperation Agreement between the Westminster Economic Development Authority, the City of Westminster and the City of Westminster Orchard Park Place North General Improvement District relating to the release of unpledged property tax increment collections to the District

Prepared By: Karen Creager, Special Districts Accountant
Barb Dolan, Sales Tax Manager

Recommended Board Action

Authorize the Executive Director to execute the Intergovernmental Cooperation Agreement (ICA) between the Westminster Economic Development Authority, the City of Westminster and the City of Westminster Orchard Park Place North General Improvement District (District) for the release of unpledged property tax increment collections to the District for payment to the City for assessments, recoveries, interest, maintenance and administrative costs associated with the Orchard View Property and the Centura Orchard View Property in substantially the same language as attached.

Summary Statement

- The City of Westminster (City) and Westminster Economic Development Authority (WEDA) entered into an economic development agreement (EDA) dated April 14, 2008 with Centura Health Corporation (Centura) and AZG Westminster, LLC (AZG), which was amended and restated on November 24, 2009.
- The EDA relates to a 56 acre parcel known as Orchard View Property owned by AZG. Of the 56 acres, 40 acres were subsequently sold to Centura (Centura Orchard View Property) for a planned medical complex, with the remaining 16 acres to be developed by AZG.
- Over the entire 56 acres, there were over \$8.4 million of recoveries and assessments due including \$4.9 million for a portion of the 144th Avenue interchange cost. The developers requested that the City either waive or allow the financing of the recoveries.
- The EDA provided for both the waiver of a portion of the recoveries as well as a financing mechanism to pay for the remaining recovery costs.
- The City of Westminster Orchard Park Place North General Improvement District (District) was established to pay the assessments, recoveries, interest, maintenance and administrative costs owed to the City via a property tax mill levy.
- The District lies within the boundaries of the WEDA North Huron Urban Renewal Area (URA). Since the URA captures all sales and property tax increment within its boundaries, an IGA is necessary to release to the District its property tax revenues that are captured by the URA. These revenues can then be paid by the District to the City towards the outstanding assessments, recoveries, interest, maintenance and administrative costs as originally contemplated in the EDA.

Expenditure Required: Amount to be determined annually in the District budget

Source of Funds: Property Tax, Intergovernmental and other District excess revenues



Policy Issue

Should the District enter into an Intergovernmental Cooperation Agreement (ICA) with the City and WEDA regarding the release of property tax increment to the District to be paid to the City for assessments, recoveries, interest, maintenance and administrative costs?

Alternative

The alternative would be to not approve the ICA. This alternative is not recommended. The EDA specifically provided for the formation of the District to collect property tax revenues to pay assessments, recoveries, interest, maintenance and administrative costs to the City.

Background Information

On April 14, 2008, WEDA and the City entered into an EDA with Centura and AZG regarding the Orchard View Property and the Centura Orchard View Property. The EDA, which was amended and restated on November 24, 2009, is a multi-party agreement regarding the development of the Orchard View Property and the Centura Orchard View Property, which are both located in the North Huron URA and the District.

This project is important to the City's economic development efforts because:

- A new major medical complex and employer for the City is being provided.
- It will provide daytime population to support the retail development in the North I-25 area (i.e. the Orchard and Westminster Crossings areas).
- It will help jump start the vision of having a significant business park/employment center along I-25, north of 136th Avenue.
- The medical industry is considered part of the growth sector and this project will have a positive affect on the City's long-term economic outlook.
- The project gets the road and utility infrastructure in place that will facilitate future business development in the area.

The EDA relates to a 56 acre parcel known as Orchard View Property owned by AZG. Of the 56 acres, 40 acres were subsequently sold to Centura (Centura Orchard View Property) for a planned medical complex, with the remaining 16 acres to be developed by AZG. Over the entire 56 acres, there were over \$8.4 million of recoveries and assessments due including \$4.9 million for a portion of 144th Avenue interchange cost. The developers requested that the City either waive or allow the financing of the recoveries.

In response, the EDA provided for the following:

- a. I-25/144th Avenue Interchange Assessment - Waive half of this assessment and recoup the other \$2,461,000 through a new District property tax levy. The waiver of half the assessment is a direct benefit to Centura and allowed them to purchase the 40 acres parcel at a lower cost.
- b. Up Front Payment - The developer to pay recoveries and assessments up front to help cover costs relative to the McKay Lake outfall improvements: \$2,097,410.
- c. Financing - Total recoveries and assessment to be financed through a new District: \$4,154,549 (inclusive of \$2,461,000 for the portion of the interchange recovery that was not waived).

The Orchard Park Place North General Improvement District was established in September 2009 in accordance with the EDA. The terms of the financing are as follows:

City Recovery Mill Levy: 10 mill levy will be used to pay to the City \$4,154,549 in recoveries, assessments and interest. This mill levy will end once the principal and interest is paid to the City.

City Maintenance Mill Levy: 3 mill levy will be used to compensate the City for maintenance of the new public infrastructure built for the development and the City's standard administrative service fee for an indefinite amount of time.

Interest Rate: This will be assessed at six percent (6%) per annum against the principal balance of the recoveries and assessments.

The District is included in the boundaries of the North Huron URA. The URA captures all of the property tax increment associated with the District mill levy. An ICA is required to release the property tax increment collected by WEDA and to establish the terms by which the District will pay to the City the assessments, recoveries, interest, maintenance and administrative costs due to the City.

Once the ICA is approved, the District will annually pay to the City the property tax collected on the base valuation from the City Recovery Mill Levy and the City Maintenance Mill Levy and all incremental property tax released to the District by WEDA for the District's City Recovery Mill Levy and City Maintenance Mill Levy.

This recommended action supports the strategic objectives of a Financially Sustainable City Government Providing Exceptional Services; a Strong, Balanced Local Economy; and Vibrant Neighborhoods in One Livable Community. It does so by assuring that the City receives payment for associated costs related to redevelopment and development projects.

Respectfully submitted,

J. Brent McFall
Executive Director

Attachment - Intergovernmental Cooperation Agreement

INTERGOVERNMENTAL COOPERATION AGREEMENT AMONG THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY, THE CITY OF WESTMINSTER AND THE CITY OF WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT REGARDING TAX INCREMENT REVENUES, GENERAL IMPROVEMENT DISTRICT FINANCED RECOVERY COSTS AND ADMINISTRATIVE, OPERATING AND MAINTENANCE COSTS

This Intergovernmental Cooperation Agreement (the "ICA"), dated as of _____, 2011, by and among the WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY ("WEDA"), a body corporate duly organized and existing as an urban renewal authority under the laws of the State of Colorado, the CITY OF WESTMINSTER (the "City"), a home rule municipality duly organized and existing under the Constitution and laws of the State of Colorado, the CITY OF WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT ("District"), a quasi-municipal corporation and body corporate of the State of Colorado duly organized and existing pursuant to Title 31, Article 25, Part 6, C. R. S., as amended (collectively the "Parties").

W I T N E S S E T H;

WHEREAS, the City Council of the City has adopted an urban renewal plan known as the "North Huron Urban Renewal Plan" ("Urban Renewal Plan") under and pursuant to the Colorado Urban Renewal Law, Section 31-25-101, et. seq., C.R.S., as amended (the "Act"); and

WHEREAS, in accordance with the Urban Renewal Plan and the Act, WEDA is authorized to undertake urban renewal projects and activities and to finance such projects and activities by utilization of certain incremental increases in property and sales taxes; and

WHEREAS, the Urban Renewal Plan defines an urban renewal area (the "Urban Renewal Area") which is generally described as property located west of the centerline of I-25, east of the centerline of North Huron Street, south of the centerline of 152nd Avenue and north of the centerline of 124th Avenue extended (except for three areas where the boundaries extend west of Huron Street, including the extended right-of-way of 144th Avenue); and

WHEREAS, an Amended and Restated Economic Development Agreement was entered into between Centura Health Corporation, AZG Westminster, LLC, the City of Westminster and the Westminster Economic Development Authority dated November 24th, 2009 (the "Agreement") incorporated herein by reference as Exhibit A;

WHEREAS, the District was one of the Districts established to assist in the financing of the public improvements for the development of the Orchard View Property including the Centura Orchard View Development; and

WHEREAS, the City ascertains that certain assessments and recovery costs are due on the Orchard View Property and the Centura Orchard View Property in the amount of \$4,154,549 plus accrued interest at the rate of six percent (6%) per annum accruing from April 14, 2008 as specified in Section 6 of the Agreement ("GID Financed Recovery Costs"); and

WHEREAS, the District is responsible for costs to operate and maintain the improvements that are the subject of the GID Financed Recovery Costs ("Improvements") in the District, as well as administering the District; and

WHEREAS, at an election held on November 3, 2009, a majority of the eligible electors of the District voting thereon approved the following questions (the "Election Questions"):

**WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT
DISTRICT BALLOT ISSUE 5A:**

SHALL WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT TAXES BE INCREASED \$100,000 ANNUALLY IN THE FIRST YEAR OF COLLECTION OR BY SUCH OTHER AMOUNT AS IS COLLECTED IN THE FUTURE FROM A MILL LEVY OF NOT TO EXCEED 3 MILLS (WITH THE ACTUAL MILL LEVY RATE FOR ANY FISCAL YEAR TO BE ADJUSTED DOWNWARDS OR UPWARDS BY THE BOARD OF DIRECTORS IN ITS DISCRETION) TO PAY THE ANNUAL EXPENSES TO OPERATE AND MAINTAIN CAPITAL IMPROVEMENTS AND TO ADMINISTER THE DISTRICT (AS SPECIFIED IN THE ECONOMIC DEVELOPMENT AGREEMENT ENTERED INTO APRIL 14, 2008 AMONG THE CITY, THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY, AZG WESTMINSTER, LLC, AND CENTURA HEALTH CORPORATION); AND SHALL THE REVENUES FROM SUCH TAXES AND ANY EARNINGS FROM THE INVESTMENT OF SUCH REVENUES BE COLLECTED AND SPENT AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION AND NOTWITHSTANDING THE 5.5% REVENUE LIMIT OF SECTION 29-1-301, C.R.S. OR THE LIMITS OF ANY OTHER LAW?

**WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT
DISTRICT BALLOT ISSUE 5B:**

SHALL WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT BE AUTHORIZED TO COLLECT, KEEP AND SPEND ALL REVENUES IT RECEIVES AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

**WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT
DISTRICT BALLOT ISSUE 5C:**

SHALL WESTMINSTER ORCHARD PARK PLACE NORTH GENERAL IMPROVEMENT DISTRICT DEBT BE INCREASED \$4,154,549.40 WITH A REPAYMENT COST OF \$50,000,000; AND SHALL THE DISTRICT TAXES BE INCREASED \$400,000 ANNUALLY IN THE FIRST YEAR OF COLLECTION OR BY SUCH OTHER AMOUNT AS IS COLLECTED IN THE FUTURE FROM A MILL LEVY OF NOT TO EXCEED 10 MILLS TO PAY THE DISTRICT DEBT; SUCH DEBT TO CONSIST OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE DISTRICT AND THE CITY OF WESTMINSTER FOR THE PURPOSE OF PAYING, REIMBURSING OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, STREET, WATER, SEWER AND STORM DRAINAGE IMPROVEMENTS (AS SPECIFIED IN THE ECONOMIC DEVELOPMENT AGREEMENT ENTERED INTO APRIL 14, 2008 AMONG THE CITY, THE WESTMINSTER ECONOMIC DEVELOPMENT AUTHORITY, AZG WESTMINSTER, LLC, AND CENTURA HEALTH CORPORATION), TOGETHER WITH ALL NECESSARY, INCIDENTAL AND APPURTENANT FACILITIES, EQUIPMENT, LAND AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES; SUCH DEBT TO BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 6%; SUCH DEBT TO BE TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, ANY OTHER REVENUE USED TO PAY SUCH DEBT, AND INVESTMENT INCOME THEREON, BE COLLECTED AND SPENT BY THE DISTRICT AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION AND NOTWITHSTANDING THE 5.5% REVENUE LIMIT OF SECTION 29-1-301, C.R.S. OR THE LIMITS OF ANY OTHER LAW?

WHEREAS, WEDA acknowledges in the Agreement that any tax increment revenues that it receives which are attributable to the District's current and future levy of ad valorem taxes on real and personal taxable property within the District shall be remitted to the District; and

WHEREAS, the Improvements are located within the Urban Renewal Area and are the type of project which WEDA is authorized to undertake pursuant to the Act and the Urban Renewal Plan; and

WHEREAS, the Parties are authorized by Section 112 of the Act to enter into cooperative agreements with respect to projects and activities and are authorized by Section 29-1-203, C.R.S. to enter into contracts to provide any function, service or facility lawfully authorized to each; and

WHEREAS, the Parties desire to enter into an intergovernmental cooperation agreement setting forth their intent to cooperate as to the provisions of the Agreement and to assure that taxes levied by the District are made available to the District for purposes of paying the GID Financed Recovery Costs and costs to administer, operate and maintain the District.

NOW THEREFORE, in consideration of the foregoing recitals, and pursuant to the Agreement, the City, WEDA and the District hereby agree as follows:

1. GID Financed Recovery Costs; District Obligation To Levy Taxes. The Parties agree that the City is owed the GID Financed Recovery Costs and that the City has agreed to accept property tax revenues in payment of these costs. Therefore, the District shall annually levy a property tax of 10 mills ("City Recovery Mill Levy") to pay the City the total amount of the GID Financed Recovery Costs plus accrued interest at the rate of six percent (6%) per annum accruing as of April 14th, 2008. Payments will be applied first to current interest, then to outstanding accrued interest and lastly to principal. The obligation to levy the City Recovery Mill Levy shall end when the GID Financed Recovery Costs plus accrued interest have been paid.

2. Administration, Operation and Maintenance Costs; District Obligation To Levy Taxes. The Parties agree that the District shall annually levy a property tax of 3 mills ("City Maintenance Mill Levy") to pay the City for administering the District and for operating and maintaining the Improvements. The obligation to levy the City Maintenance Mill Levy will end when the Improvements are no longer operational.

3. District Revenues. The District agrees that any revenues not otherwise pledged that it receives as a result of the District's City Recovery Mill Levy and/or City Maintenance Mill Levy on real and personal taxable property plus applicable interest on the ad valorem taxes within the District (the "Property Tax Revenues"), shall be segregated upon receipt. All property tax revenues, plus any other revenues received by the District and legally available shall be remitted by the District to the City no later than December 31 of each calendar year commencing with taxable year 2011.

4. WEDA Tax Increment Revenues. The Improvements benefit the property located within the Urban Renewal Area and as a result benefit WEDA by facilitating development of the property within Urban Renewal Area. In order to assist the District in paying the City for the GID Financed Recovery Costs and for annual District administration, operation and maintenance costs, WEDA agrees that the portion of tax increment revenues that it receives pursuant to Section 107(9)(II) of the Act and the Urban Renewal Plan which are attributable to the District's Property Tax Revenues within the Urban Renewal Area (the "District Tax Increment Revenues"), shall be segregated upon receipt. WEDA shall remit the District Tax Increment Revenues received by WEDA to the District no later than December 31 of each calendar year commencing with taxable year 2011. The obligation of WEDA set forth herein shall constitute an obligation to the District to finance an urban renewal project within the meaning of Section 107(9) of the Act.

5. Use of Revenues. The City agrees to apply the District Tax Increment Revenues and the Property Tax Revenues to the assessments and recovery costs associated with the Orchard View Property and the Centura Orchard View Property. WEDA hereby covenants that so long as this ICA is in effect, it will not pledge, encumber or otherwise transfer the revenues or the right to the District Tax Increment Revenues paid to WEDA in accordance with the Act. The District hereby covenants that so long as this ICA is in effect, it will not pledge, encumber or otherwise transfer the revenues or the right to the Property Tax Revenues.

6. Cooperation. The Parties covenant with each other that in any action or challenge of the Urban Renewal Plan and/or this ICA, regarding the legality, validity or enforceability of any provision thereof, the Parties will work cooperatively and in good faith to defend and uphold each and every such provision.

7. Enforcement. WEDA agrees that it shall enforce the collection of all moneys which may qualify as District Tax Increment Revenues.

8. Effective Date; Term. This ICA shall become effective January 1, 2012. Unless sooner terminated by mutual consent of the Parties, this ICA shall remain in full force and effect until the District has fully performed its obligations under Sections 1, 2 and 3 of this ICA provided that WEDA's obligation under Sections 4 and 5 of this ICA terminate when the tax allocation provisions of the Urban Renewal Plan and the Act terminate.

9. Amendments and Waivers. No amendment or waiver of any provision of this ICA, nor consent to any departure herefrom, in any event shall be effective unless the same shall be in writing and signed by the Parties hereto, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

10. Governing Law. This ICA shall be governed by, and construed in accordance with the laws of the State of Colorado.

11. Headings. Paragraph headings in this ICA are included herein for convenience of reference only and shall not constitute a part of this ICA for any other purpose.

12. Severability. If any covenant, term, condition, or provision under this ICA shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

IN WITNESS WHEREOF, the Parties hereto have caused this ICA to be duly executed and delivered by their respective officers thereunto and duly authorized as of January 1, 2012.

WESTMINSTER ECONOMIC DEVELOPMENT
AUTHORITY

By: _____
Executive Director

ATTEST:

APPROVED AS TO FORM:

Secretary

Attorney for Authority

CITY OF WESTMINSTER

By: _____
City Manager

(SEAL)

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF WESTMINSTER ORCHARD PARK PLACE
NORTH GENERAL IMPROVEMENT DISTRICT

By: _____
Executive Director

ATTEST:

Secretary

APPROVED AS TO FORM:

District's Attorney