

Minutes of the
City Council of the City of Cherry Hills Village, Colorado
Held on Tuesday, October 21, 2008 at 6:30 p.m.
At the Village Center

A Study Session was held at 5:30 p.m. to review the Citizen's City Center Committee Report and Recommendations.

Mayor Mike Wozniak called the regular meeting to order at 6:30 p.m.

ROLL CALL

Councilors Harriet LaMair, Klasina VanderWerf, Mark Griffin, Mike Wozniak, Scott Roswell, and Russell Stewart were present on silent roll call. Also present were City Manager Eric Ensey, City Attorney Ken Fellman, Finance Director Karen Proctor, Police Chief John Patterson, Public Works Director Jay Goldie, Planning Manager Rob Zuccaro, Parks, Trails & Recreation Administrator Ryan Berninzoni, Police Lieutenant Jody Sansing, and City Clerk Melissa Formby.

Absent: None

AUDIENCE PARTICIPATION PERIOD

No one from the audience wished to speak.

PRESENTATION

Parks, Trails and Recreation Commission- Budget Priorities for 2009

Parks, Trails and Recreation Administrator Ryan Berninzoni introduced Ms. Theresa Gilpatrick, Parks, Trails, and Recreation Commission (PTRC) Chair.

Ms. Gilpatrick presented the 2009 budget priorities for the Parks, Trails and Recreation Commission.

Mayor Wozniak mentioned he is excited the PTRC is going to look at the Mansfield Trail. He encouraged the Commission to look at creative ways to fund projects and look for citizen assistance with funding projects.

Councilor LaMair said she was happy there were representatives present for the meeting to discuss their priorities.

CONSENT AGENDA

Councilor LaMair moved, seconded by Councilor VanderWerf, to approve the following items on the Consent Agenda:

- Minutes – October 7, 2008
- Resolution 22, Series 2008; a resolution repealing and adopting an Official Zoning Map for the City
- Addendum No. 2 to the Intergovernmental Agreement with the Denver Regional Council of Governments for the City's Elevator and Escalator Safety Inspection Program

The following votes were recorded:

Scott Roswell	yes
Harriet LaMair	yes
Mark Griffin	yes
Russell Stewart	yes
Klasina VanderWerf	yes

Vote on the Consent Agenda: 5 ayes. 0 nays. The motion carried.

ITEMS REMOVED FROM CONSENT AGENDA

The following item was removed from the Consent Agenda:

Expenditure of Funds and Contracts for Services – Woodie Hollow Picnic Structure

Mr. Berninzoni said Council directed staff, on October 7, 2008, to ask a member of the Parks, Trails and Recreation Commission (PTRC) to be present at the next Council meeting to answer questions in regard to the proposed Woodie Hollow Picnic Shelter and additions. He stated he and Ms. Gilpatrick are present to answer any questions.

Councilor VanderWerf asked if this bid includes demolition. Mr. Berninzoni said this bid does not include demolition.

Councilor Griffin asked if anything is salvageable. Mr. Berninzoni said there is nothing worth salvaging.

Councilor Roswell said this is definitely a need that is going to be utilized by the community.

Councilor LaMair said she does not hear that many people use that park and encouraged the PTRC to get the word out to citizens once these renovations have been done.

Councilor Roswell moved, seconded by Mayor Pro Tem Stewart, to approve the Expenditure of Funds and Contracts for Services.

The motion passed unanimously.

UNFINISHED BUSINESS

Planning Manager Rob Zuccaro informed the Council that staff is presenting a request by Lorraine Salazar of 11 Blackmer Road for approval of a front yard setback variance in association with a *minor lot adjustment* request that will relocate the lot boundary separating Lots 1 and 2 of the Highline Park Subdivision. The applicant is the owner of both lots.

Mr. Zuccaro outlined the following specifications and history of the request:

- The property is zoned R-1 and has a front yard setback of 75 feet - the request is to reduce the front yard setback for the property from 75 to 50 feet.
- A *minor lot adjustment* is an administrative review; however the requested setback variance must be approved by the Council prior to administrative approval of the plat.
- One of the review criteria for the administrative review is that the plat conforms to all applicable requirements for the zone district. For this reason, a variance is

also requested to allow administrative approval of the *minor lot adjustment* if the setback variance is approved.

- When the lots were originally platted in 1968, the lots were both over the 2.5 acre minimum for the zone district. In 1969 one single family residence was constructed on the two lots. It appears that this structure was approved in a location that is bisected by the lot line separating the two lots (Exhibit A). In 1983, the City acquired .2 gross acres from Lot 1 to be used as a parking lot and access to the Highline Canal.
- In early 2007, the applicant submitted a request for a minor lot adjustment to relocate the lot line so that the existing structure would be contained in Lot 2 and be in conformance with the setback requirements for the zone district. Because of the dedication of land for the parking lot and canal access, the minimum lot area standard could not be met.
- The request was reviewed by the Planning and Zoning Commission (P&Z) at their April 24 and June 27th, 2007 meetings. The Commission recommended approval of both requests to the City Council.
- The City Council reviewed the request at meetings on August 7th and 21st, 2007 and approved the variance to the minimum lot area, but determined that the variance criteria for the setback could not be granted under the current code language.
- An amendment was made to the City Code in early 2008, Ord. 3, Series 2008, that clarified the variance language for subdivisions. The variance criteria now allows for approval of a setback variance, but only upon the granting of a minimum lot area variance.
- The P & Z Commission again reviewed the setback variance request based on the updated review criteria at their August 26th meeting and recommended approval.
- The variance criteria are outlined Sections 17-3-420 (d) and (e) of the City Code.

Mr. Zuccaro said staff found that there are exceptional conditions on the lot, not caused by the property owner, including the approval of the original building permit creating nonconformity, and the dedication of land to the city for the trail access and parking.

In closing, Mr. Zuccaro said that staff also found a 50 foot setback is consistent with the side-yard setback for the property to the north, and therefore consistent with the character of the neighborhood, and provides an adequate buffer to other adjacent properties providing reasonable protections to those properties.

Mayor Pro Tem Stewart asked if the variance procedure outlined in 16-3-50 gives the applicants all the relief they need.

Mr. Zuccaro said the applicant could make an application to the Board of Adjustment and Appeals.

Francis Salazar – 11 Blackmer Road

Mr. Salazar pointed out that the setback will put this property in direct line with the two homes to the north; house numbers one and two will be the same equal distance from

Dahlia. He mentioned the property is directly across the road from the Arapahoe Tennis Club.

Mayor Wozniak opened the public hearing.

Karyn Bristow – 5 Blackmer Road

Ms. Bristow stated she and her husband live at 5 Blackmer Road and own the property at 1 Blackmer Road. She requested the Council deny this variance because the ordinance itself does not purport what the applicants are requesting. She said the subdivider sought, on their own, to move the property line past the house that they purchased, which resulted in the homeowner's understanding of what they were creating. She also said she does not believe the variance follows the standards of the neighborhood and said it is important to be sensitive to the development of the property and neighborhood.

Ms. Bristow also said that if another house were built into this variance it would look very odd on Dahlia due to the setback. She also said there is quite a bit of traffic on Dahlia and it provides the one access that people and horses have to use to get to the Highline Canal. It is not a good situation for pedestrians or equestrians. She presented Council with a couple of letters submitted by other homeowners that would also like the request denied.

Councilor LaMair asked how many people bring horses down that road.

Ms. Bristow said she does not know an exact number but stated many people utilize the road with their horses.

Jeff Bennis – 3 Tenaya Lane

Mr. Bennis stated that when he moved into the neighborhood he understood the zoning and variance procedures. He said that if a variance is approved, a much larger home is going to be built and could result badly for the neighborhood. He also spoke to the traffic issues and said that if Council were going to approve the variance they should take into consideration the danger of the traffic in that area.

Mr. Salazar stated the reason there is horse traffic is because they donated the property so people could get to the Highline Canal. He said it is ludicrous to say that another home would result in more traffic since the tennis club is already across the street. He clarified that the home would be in direct line with house numbers 1 and 2. He closed by saying the original intent of this property was to build two homes.

Mayor Wozniak clarified that if the setback request was denied, the home could be built 75 feet from the road.

Mr. Salazar said that statement is true but a new home with a setback of 75 feet would have to be a very narrow home and would not be feasible.

Mayor Wozniak closed the public hearing.

Councilor Griffin asked City Attorney Ken Fellman if he has reviewed the letter submitted by attorneys Sherman and Howard.

Mr. Fellman said he understands the attorney's arguments but respectfully disagrees. He told the Council that there would be solid legal grounds whether the variance is approved or denied and added he could defend either decision on the part of the Council.

Councilor LaMair said the property did not need to be cut the way it was cut.

Mayor Pro Tem Stewart said it is unusual for the Council to be deciding these issues. He also said the Board of Adjustment and Appeals (BOAA) have some requirements that should be reviewed.

Mayor Wozniak said that the Council and BOAA have different ordinances with regard to these issues. He added the Council has to decide if this request meets the Council's standards as opposed to the BOAA ordinance.

Mayor Pro Tem Stewart posed the question of what is most appropriate for this case. He added that this part of the Code is really intended for sub-dividers and said those types of issues are better addressed by the BOAA. He expressed his sympathy for the applicant but questioned why the applicant built his house in the middle of a lot line. He said the lot line needed to be changed but the consequence now is the narrowness of the lot.

Councilor LaMair asked whether staff felt the applicant had met these criteria. She clarified that a substantial size home could still be built in a narrow lot. She expressed the following concerns with the request:

- The lots could have been divided in such a way as to not necessitate such a request.
- The applicant should have known about the lot line.
- She did not believe the hardship was proven.
- The area is a high visibility area for citizens that travel Dahlia to the Highline parking lot.
- The home would be dramatic for the general public if it the front setback were moved.
- The Master Plan listed a goal to keep as much openness as the City can.
- The arguments are not strong enough to grant a variance.

Councilor VanderWerf said she feels that a 60 foot width is ample for many homes and is adequate to work with. She stated there would be a great adverse impact on the character of the neighborhood as the area offers a trailhead and a main area for people to walk and ride horses and have access to the Highline Canal. She added there would be less visibility if there was a 75-foot setback. She inquired as to why Council is looking at a variance to benefit a building envelope to the east rather than one that cuts into the setback on the west side, as it seems that could lessen the adverse impact on the character of the neighborhood and give a larger building envelope.

Mayor Wozniak stated he is sympathetic for the applicant as there would not currently be any access to the Highline Canal since the Salazars donated the surrounding area.

Mayor Pro Tem Stewart moved, seconded by Councilor LaMair, to deny the variance request of section 16-5-30 by Lorraine Salazar.

Mr. Fellman reviewed the Council's findings to support the denial:

- Under item D, Councilor LaMair did not believe there was an exceptional condition and that the lot line change proposed by the applicant was not sufficient.
- Under item D, Council did not believe the effect of having the front of the home that close to the street would have an adverse affect.
- Under item D1, Council was not comfortable comparing the Bristow's side setback to the front setbacks of the Salazar property.

- Under item D2, the 50-foot setback was too close to the street and would adversely impact the physical and environmental condition of the neighborhood.
- Under item D3, There was not sufficient evidence that the variance was the minimum required.
- Under item E, Councilor LaMair did not believe the variance was consistent with the goals of the Master Plan.

The following votes were recorded:

Scott Roswell	yes
Harriet LaMair	yes
Mark Griffin	yes
Russell Stewart	yes
Klasina VanderWerf	yes

Vote on the denial of the variance request: 5 ayes. 0 nays. The motion carried.

NEW BUSINESS

Mayor Wozniak commended staff for doing a wonderful job by finding places to cut items and still accomplish a successful budget.

Proposed 2009 Budget

- I. 2009 Proposed Budget for the City of Cherry Hills Village (*Public Hearing*)
- II. Five-year budget forecast
- III. Council Bill 19, Series 2008; A Bill for an Ordinance Adopting a Budget and Levying Property Taxes for the City of Cherry Hills Village, Colorado for the Fiscal Year 2008 (first reading)
- IV. Council Bill 20, Series 2008; A Bill for an Ordinance Authorizing Appropriations for Fiscal Year 2009 (first reading)

Director of Finance and Administration Karen Proctor presented the proposed 2009 budget. Ms. Proctor said staff is presenting the 2009 Proposed Budget, a five-year preliminary General Fund budget forecast, Council Bill 19, Series 2008 and Council Bill 20, Series 2008 on first reading and for public hearing.

She stated the City Council held a study session regarding the 2009 proposed budget following the Council meeting on Oct. 7th. As a result of public comment, Council discussion and further research by staff, the biggest change made was the reduction of motor vehicle use tax by \$120,000.

She added that due to this reduction of revenue, staff had to cut some expenses in order to present a balanced budget. Staff is recommending a reduction to the amount of tuition reimbursement. Staff will be bringing forward a recommendation to put a cap on the annual reimbursement amount. By doing this, the 2009 tuition reimbursement expenditure is reduced by \$27,700.

In addition, staff removed one in car camera video system from the Police department budget in the amount of \$9,310. Chief of Police John Patterson felt that because these cameras would be new to the police department, he could try one to evaluate its effectiveness.

Capital for Street Improvements and Curb and Gutter were reduced by approximately \$20,000. The Public Works department will still be able to complete the work necessary in 2009.

For informational purposes, Ms. Proctor said staff has also included a preliminary five year forecast of the General Fund. Staff is forecasting a minimal increase in revenues of between 2-5% to the year 2012. She added they do not expect to see another 21% increase in property tax revenues as were seen in 2008. Building permit revenues and sales tax are forecasted to remain at similar levels to what is in the 2009 budget. A slight increase is expected in municipal court fines with the addition of a new code enforcement officer, police officer and potentially another photo red light.

She mentioned that most expenditures are forecasted to increase 3-5%. However, equipment maintenance, vehicle maintenance, gas and utilities are forecasted to increase about 10%. In 2011 and 2012 the City will begin to see a significant decrease in capital expenditures related to street improvements and curb/gutter as most will have been replaced.

In closing, Ms. Proctor said that, overall, staff is forecasting the General Fund Balance through 2012 to remain at about \$9 million, growing slightly each year. Staff will continue to work on the five year plan and would like to have a study session in January and perhaps, quarterly in 2009 to continue to monitor the budget and keep Council informed.

Mayor Wozniak asked how overtime would be paid out if there were another significant winter storm which would result in a large amount of staff overtime.

Director of Public Works Jay Goldie stated there is currently an administrative contingency of \$10,000 in the General Fund that could be used. He stated that last year we received some reimbursement from FEMA and would try to receive those funds again if they were available. We have also increased the amount in the budget for overtime and will try to keep overtime to a minimum.

Mayor Wozniak opened the public hearing.

Kevin Iverson – 1170 E. Tufts Avenue

Mr. Iverson stated he went through the budget very carefully and commended the staff for being so conservative with it. He said he is concerned with the "Specific Ownership Tax" on page 20, and recommended this money be placed into the General Fund. He said his rationale is based on flexibility. Page three details what this tax is and it looks like we are getting \$180,000 that is going into the General Fund and \$150,000 into the PTR fund. He asked Ms. Proctor if there are specific statutory requirements as to where this money goes and she said the allocation of this money is at the discretion of the Council. He said that if the money goes into the General Fund, the money can be spent on anything, whereas, if the money is in the PTRC fund, it has to be spent for PTRC.

Ms. Proctor said this ownership tax did increase as a result of the South Suburban Exclusion which is why it is going into the PTRC fund. She said she is communicating with Arapahoe County as to how they distribute the tax. She also said she believes it is broken up like property tax which would explain why it increased after the exclusion and was placed in the Fund 30.

Stephanie Bluher – 82 Glenmoor Place

Ms. Bluher said she was here on behalf of the Cherry Hills Land Preserve. She said she noticed that each item on page one, with regard to PTRC and Open Space,

experienced significant reductions since 2001, and wondered why these items were decreased when it is such an important subject to the citizens of Cherry Hills Village. She asked why the "Land Purchase" line item does not have any money allocated through the year 2012. She also mentioned there was money expended for Open Space in 2004 and 2005 and wondered why there are no additional funds budgeted.

Ms. Proctor said the decreases reflect what was appropriated in 2008 versus what was appropriated in 2009. If you take the three small funds that can be used to purchase open space their combined reserves total about \$600,000 which is not enough to purchase open space.

Mr. Ensey said the expenditures in the PTR fund are down from 2008 because it does not include a payment to South Suburban as it did this year.

Ms. Proctor addressed Ms. Blucher's concern regarding there being nothing budgeted for "Land Purchase" in the Capital Improvements section of the General Fund budget. Ms. Proctor stated that the \$600,000 was the balance in the small funds earmarked for open space. This line item is in the General Fund and staff could add an expenditure here for open space. By doing this, the budget would be negative and fund balance would be decreased.

Mr. Ensey recommended the Council sit down and look at these items and include them in the five year forecast.

Councilor LaMair asked about taking the South Suburban payment amount and using it as a "place holder" for open space. She said that if the payment does not need to be made to South Suburban, it should be allocated to Open Space and Land Acquisition.

Mayor Wozniak said the money is owed to South Suburban and added that the City has a stay of payment right now; therefore the money should not be allocated elsewhere until a final decision is made with regard to South Suburban.

Ms. Proctor said the PTR fund owes the General Fund 1.5 million dollars and said that money should be paid off first.

Mayor Pro Tem Stewart said that Council had talked about South Suburban being explained in the budget as a footnote. He recommended asking the City's auditors how they want it described.

Mr. Ensey said a footnote would be added to the budget for second reading.

Councilor Griffin said he is a little concerned with the current state of the economy and added it is going to have a large impact on all government levels. He said the budget needs to be watched carefully as a lot of items are going to see deductions in the area of property taxes, use tax, building permits, etc.

Mayor Wozniak opened the public hearing for Council Bills 19-08 and 20-08. No one from the audience wished to speak. Mayor Wozniak closed the public hearing.

Mayor Pro Tem Stewart moved, seconded by Councilor VanderWerf, to approve CB 19-08, A Bill for an Ordinance Adopting a Budget and Levying Property Taxes for the City of Cherry Hills Village, Colorado for the Fiscal Year 2009 on first reading.

The following votes were recorded:

Scott Roswell	yes
Harriet LaMair	yes
Mark Griffin	yes
Russell Stewart	yes
Klasina VanderWerf	yes

Vote on CB 19-08: 5 ayes. 0 nays. The motion carried.

Mayor Pro Tem Stewart moved, seconded by Councilor LaMair, to approve CB 20-08, A Bill for an Ordinance Authorizing Appropriations for Fiscal Year 2009 on first reading.

The following votes were recorded:

Scott Roswell	yes
Harriet LaMair	yes
Mark Griffin	yes
Russell Stewart	yes
Klasina VanderWerf	yes

Vote on CB 20-08: 5 ayes. 0 nays. The motion carried.

Council Bill 18, Series 2008; a bill for an ordinance amending Chapter 18 of the Municipal Code by amending Section 18-1-20(10) concerning amendments to Section 108.2.1 of the International Building Code, Table 1-E, Elevator Inspection Fees

Mr. Zuccaro presented CB 18-08 and told the Council staff is presenting Council Bill 18, Series 2008 for consideration on first reading. The Council Bill increases the annual fee charged for non-residential elevator and escalator safety inspections from \$200 to \$250.

He said there are a total of 17 non-residential elevators in the City; therefore this fee increase would increase revenues from \$3,400 to \$4,250 per year.

The fee increase is intended to cover the City's administrative costs for elevator and escalator inspections and the costs associated with the City's participation in the DRCOG Elevator and Escalator Inspection Program.

He mentioned that in 2009, the inspection fee charged by DRCOG will increase from \$65 to \$90 per inspection, increasing the amount charged to the City for this service from \$2,210 to \$3,060. This fee increase was included in Addendum No. 2 to the Intergovernmental Agreement (IGA) with DRCOG.

Lastly, he said new State requirements for elevator and escalator inspections and registrations will require additional administrative duties, including providing annual reports to the State on inspection activities.

Councilor LaMair moved, seconded by Councilor Roswell, to approve CB 18-08, a bill for an ordinance amending Chapter 18 of the Municipal Code by amending Section 18-1-20(10) concerning amendments to Section 108.2.1 of the International Building Code, Table 1-E, Elevator Inspection Fees.

The following votes were recorded:

Scott Roswell	yes
Harriet LaMair	yes

Mark Griffin	yes
Russell Stewart	yes
Klasina VanderWerf	yes

Vote on CB 18-08: 5 ayes. 0 nays. The motion carried.

Cherrymoor Sanitary Sewer System Repairs

- I. Council Bill 21, Series 2008; a bill for an ordinance authorizing a supplemental appropriation for the repair and replacement of sanitary sewer lines for Fiscal Year 2008
- II. Contract for Services – RNR Enterprises and Black and Veatch Corporation
- III. Intergovernmental Agreement regarding sewer system maintenance and replacement

Mr. Goldie informed the Council that staff is presenting the repair and maintenance of a portion of the Cherry Hills Rancho sanitary sewer system. He said the item is a complex one that requires three separate agenda items, all of which require a separate vote by the Council and he added that each item goes hand-in-hand with the project.

Mr. Goldie discussed the details of the repair and maintenance:

- At the September 16, 2008 City Council meeting, staff presented an executive summary of the evaluation report for the Cherry Hills Rancho, Cherrymoor, and Cherryridge sanitary sewer systems currently owned and operated by the City.
- Staff began a full evaluation of the report and will make future recommendations to City Council. Because of the current construction project at the Cherry Hills Country Club, staff has concentrated its review on the portion of the sewer system that is within the Country Club. The lines that run through the Country Club are part of the Cherrymoor sanitary sewer system that was obtained by the City in the early 1990's.
- The combined estimated cost of the high and low priority repairs at the Country Club total \$192,000.00, which includes a 25% contingency of \$38,400.00. This cost estimate was created by Black and Veatch, the engineering firm that did the study for the City. Additional costs would include an inspection by Black and Veatch engineers for \$11,352.00 to ensure proper installation, as well as supervision by the Cherry Hills Village Sanitation District (CHVSD) through an IGA for \$9,600.00, making the grand total for this portion of the project \$212,952.00.
- Staff believes the cost estimate is a little high based on similar work that is currently being performed for the CHVSD by RNR Enterprises (dba Roto-Rooter). Staff feels that the lowest cost can be achieved by contracting with RNR Enterprises based on, "time and materials" and a, "not to exceed" price agreement for the project.
- RNR Enterprises is the firm that did the cleaning and camera work in order to gather the raw data for this evaluation; they are familiar with the project. CHVSD recently contracted with RNR Enterprises for repairs, as well as preventative maintenance and has been very pleased with their work and ability to control costs. The cost estimates for engineering oversight and CHVSD staff are also based on a "not to exceed" price. Because of the nature of this type of repair and possible unforeseen problems, staff feels more comfortable having some

additional reserves in the budget allowing them to react fast and make decisions if problems arise.

- CHVSD is involved in this project for a number of reasons; first is the knowledge they have in this type of work, but more importantly because of future considerations. If CHVSD does take over the sanitation lines from the City they will have already inspected the work being done on these lines, and will eliminate the need to clean and camera the lines a second time and save the City these additional costs.
- Staff contacted the Cherry Creek School District to set up a meeting the week of October 27th to discuss issues with the service lines that, according to correspondence in the City's files, are to be maintained by the School District (Exhibit A). Upon inspection, these lines are in danger of failing and this matter needs to be addressed as part of the recommended work within the Country Club. More importantly, the elementary school is not within the area attained by the City during the consolidation process. Attorney Tim Flynn of Collins, Cockrel, and Cole is assisting staff in finding any contracts or agreements involving the School District to help clarify this issue. Staff is also researching why the school district is not paying the City for sewer service. In reviewing the evaluation report it appears that it will be more cost effective for the school to abandon its current sewer lines and properly hook into the CHVSD lines.

Staff recommended that City Council support this action, and formally take action to correct this problem by requesting the school properly connect to CHVSD at their own cost. The City could then abandon the school's service line as part of the immediate work that needs to be performed on Country Club property.

- Staff is currently working on correcting a number of problems with the billing system. Upon review, and in cooperation with the CHVSD, it has been discovered there are some deficiencies with the billing system and a number of users have never been billed by the City for their use of the sanitary sewer system. This may include the Country Club and a number of sanitation districts to the south that use the sewer mains owned by the City. Staff is working with Mr. Flynn on this issue. Mr. Flynn is reviewing agreements with other sanitation districts to verify contractual obligations and payment for use of City owned facilities. Additionally, staff is looking into the City's ability to collect fees from users that have not paid in previous years.

The City never formally adopted a management plan for the consolidated sanitary systems, and may have to rely on state statute for the maximum number of years that can be collected in back-pay. Mr. Flynn is researching the City's ability to collect on fees from previous years. City Council will need to make a formal decision on this issue prior to staff sending out notices. Any additional revenue that could be collected would be used to offset the cost of repairs for the entire system.

- CHVSD would be involved to oversee the repair of the sanitation lines with City staff to ensure that repairs are done properly and to eliminate the need for CHVSD to re-inspect the repairs prior to possibly taking over the operations for the City of Cherry Hills Village in the future. The maximum cost for overview of the work that would be performed in 2008 by the CHVSD staff would be \$9,600.00. This is based on 120 hours of work at \$80.00 per hour. This number is included in the requested Supplemental Appropriation of Funds. The proposed IGA is attached (Exhibit D).

- Staff would recommend the City continue to have Englewood clean the system for now and perform inspections and minor maintenance on the system. Staff will continue to work with CHVSD to negotiate a price for their “certified operator” to oversee operations for 2009.
- Because of the improvement project that is currently being carried out at the Cherry Hills Country Club, it is an opportune time to complete these needed repairs to the City’s sanitary sewer lines that run through the Country Club golf course with minimal disruption to the Country Club. The cost to the City will be lower because the repairs can be made while the course is already torn up without the need to accommodate golfers. If the project is delayed, the City’s cost to repair the golf course will rise due to new landscaping that will be disturbed. RNR Enterprises is able to start the work as soon as November 1st making the timing of this project optimal for saving both time and money.
- Once this portion of the work is complete, staff can better evaluate how the City should move forward with the remainder of the repair project. The biggest hurdle with the remaining work will be to create an innovative funding strategy that will not over burden the residents that are served by this sanitary sewer system. Having this portion of the repairs finished will be a step in the right direction.

Mr. Goldie said staff recommends that City Council approve a Supplemental Appropriation of funds for the repair and maintenance of the sanitary sewer lines owned by the City, and located within the Cherry Hills Country Club, and that City Council approve the contract with RNR Enterprises with costs not to exceed \$192,000.00, based on actual time and materials for these repairs.

Additionally, staff recommends that City Council approve a contract with Black and Veatch at a cost of \$11,352.00 for engineering oversight, and the IGA with the CHVSD for \$9,600.00 for project management and oversight, making the total Appropriation of Funds \$212,952.00.

Mr. Goldie concluded by saying staff recommends the City begin the process of discussing with the Cherry Hills Village Elementary School converting their sanitary sewer lines to CHVSD lines, and have the school district abandon their current service line which has not been maintained properly.

Mayor Wozniak asked if the school district is obligated to do these repairs.

Mr. Goldie stated it is the school district’s obligation and they would like to sit down with the school district to discuss their options.

Mayor Wozniak asked if Mr. Goldie has spoken to the School District.

Mr. Goldie said he has a meeting scheduled with the administration.

Mayor Wozniak asked staff to schedule a Council meeting on Tuesday, November 4th to discuss this issue and have a public hearing.

Councilor LaMair asked what the estimated cost is for the full repair.

Mr. Goldie said the cost for the entire system is approximately 1 million dollars.

Councilor LaMair asked how they are looking for alternative ways to fund this.

Mr. Goldie said he is currently looking at asking Council to approve the funds to come from some of the reserves in order to get it done quickly. Then, the users of these systems will be charged for the service. The Water and Sewer Fund has half of the money available.

Mayor Wozniak said if there are any alternatives to pay for this or to spread it over time, it is worth looking at.

Councilor LaMair asked if there is a long term plan or option for the City to get out of this role.

Mr. Goldie said the CHVSD is willing to take these lines over, but not until the lines are repaired. The CHVSD has taken over about 75% of the sewer lines and it is only appropriate for them to take them over.

Mayor Wozniak asked if they are requesting a supplemental appropriation for \$212,952 without exceeding that amount.

Mr. Goldie confirmed that is the accurate amount.

Councilor Roswell said he would like to attend the meeting with the school district.

Mayor Pro Tem Stewart said the Country Club does not want a sewer line running through the course.

Mr. Goldie said the Country Club understands the situation and they will work with the City each year when it comes to the sewer cleanings.

Councilor LaMair moved, seconded by Councilor VanderWerf, to approve CB 21-08, a bill for an ordinance authorizing a supplemental appropriation for the amount of \$212,952 for the repair and replacement of sanitary sewer lines owned by the City for Fiscal Year 2008.

The following votes were recorded:

Scott Roswell	yes
Harriet LaMair	yes
Mark Griffin	yes
Russell Stewart	yes
Klasina VanderWerf	yes

Vote on CB 21-08: 5 ayes. 0 nays. The motion carried.

Councilor LaMair moved, seconded by Councilor Griffin to approve the Contract for Services for RNR Enterprises and Black and Veatch Corporation.

The motion passed unanimously.

Councilor Griffin moved, seconded by Councilor VanderWerf to approve the IGA with the Cherry Hills Village Sanitation District for project management and oversight at a price not to exceed \$9,600.

The motion passed unanimously.

Councilor Griffin informed Mr. Goldie that Cherryridge is one word, not two. He also said that the report by Black and Veatch does not reflect the fact that Cherry Hills Farm comes out through Cherryridge.

Mr. Goldie said that is because that line is owned and operated by the CHVSD and the only lines shown in this report reflect the lines the City owns.

Councilor Griffin stated that if Cherry Hills Farms is sharing the lines, they should share in the cost for repairs.

Mr. Goldie said there are a number of agreements outlining these details that staff needs to review.

REPORTS

Mayor's Report

Mayor Wozniak had a meeting with Mayor Nancy Sharpe to discuss a traffic study of Belleview and I-25. He said they are both very concerned because Denver is not going to assist in funding a traffic study. He said the cost for the study will be six digits and the City of Englewood is willing to give \$50,000. He said he would be coming before Council to ask for a supplemental appropriation.

Mayor Wozniak said that he and Mr. Goldie drafted and sent a letter to the residents of the Goldsmith District with regard to repairing the damaged fence.

Mayor Wozniak said the Denver Mayor asked if he would endorse the "Labor" amendment on the ballot and he stated he did so because it did not bind the City and it was only asked of him.

South Suburban has requested he and Mayor Pro Tem Stewart set up a meeting for further discussion.

Mayor Wozniak was approached by the Arapahoe County Mayor's and Commissioners Youth Award to donate \$500 to the organization. He said he would pass the request on to Mr. Ensey.

Mayor Wozniak said the Southeast Metro Chamber has been doing a lot for this part of the City and they have asked the City to sponsor at least half of a table at their year-end luncheon.

Members of City Council

Councilor Griffin had no report.

Councilor LaMair had no report.

Mayor Pro Tem Stewart had a very productive meeting with Brian Searles and Joan Reardon to discuss all South Suburban issues.

Councilor Roswell said he has a breakfast meeting with Jerry Pressley of Greenwood Village to discuss traffic studies and asked that it be put on the next agenda for Council to discuss. He also said he and Councilors LaMair and VanderWerf have attended the

Residential Development Standards Committee meetings and said how wonderful the committee is.

Councilor VanderWerf stated she received an email from a resident concerned with the intersection at Holly St. and said she would speak to the resident and work with Mr. Goldie on the issue as well.

Members of City Boards and Commissions

There were no reports.

City Manager & Staff

Departmental Monthly Reports were included in Council packets. There were no questions from members of the City Council.

City Manager Eric Ensey informed Council there were five applications submitted for the vacant District 3 Council seat. He mentioned that interviews would be held on Tuesday, October 21st and Thursday, October 23rd. The following is a list of all the applications received for the vacant seat in alphabetical order by last name:

- Stephanie Blucher
- Alex Brown
- David Heller
- Ann Kerr
- Tom White

Mr. Ensey reminded the Council and staff of the annual Volunteer Recognition event on Friday, October 24th.

City Attorney

Mr. Fellman said he would not be able to attend the Volunteer Recognition Event.

Mr. Fellman discussed cellular phone tower issues and options.

EXECUTIVE SESSION

Councilor VanderWerf moved, seconded by Mayor Pro Tem Stewart, to hold an executive session for the purpose of receiving legal advice from the City Attorney concerning a pending legal matter pursuant to the provisions of C.R.S. § 24-6-402(4)(b) and adjourn the regular meeting following the adjournment of the executive session.

The following votes were recorded:

Scott Roswell	yes
Harriet LaMair	yes
Mark Griffin	yes
Russell Stewart	yes
Klasina VanderWerf	yes

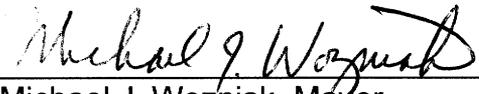
The motion passed unanimously.

Council adjourned to an Executive Session at 8:53 p.m.

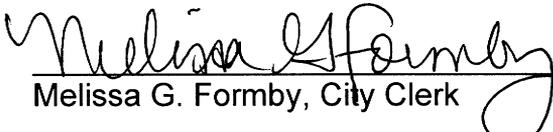
The Executive Session adjourned at 9:05 p.m.

ADJOURNMENT

The meeting adjourned at 9:05 p.m.



Michael J. Wozniak, Mayor



Melissa G. Formby, City Clerk