

Minutes of the
City Council of the City of Cherry Hills Village, Colorado
Held on Tuesday, August 16, 2011 at 6:30 p.m.
At the Village Center

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

ROLL CALL

Mayor Mike Wozniak, Councilors Mark Griffin, Russell Stewart, Alex Brown, Scott Roswell, Klasina VanderWerf, and Harriet LaMair were present on silent roll call. Also present were Deputy City Manager and Public Works Director Jay Goldie, Finance Director Karen Proctor, Community Development Director Rob Zuccaro, Deputy Chief Jody Sansing, Parks, Trails & Recreation Administrator Ryan Berninzoni, and City Clerk Laura Smith.

City Attorney Ken Fellman arrived at 6:50 p.m.

Absent: City Manager John Patterson

AUDIENCE PARTICIPATION PERIOD

None

CONSENT AGENDA

Mayor Pro Tem Stewart moved, seconded by Councilor LaMair to approve the following items on the Consent Agenda:

- a. Approval of Minutes – August 2, 2011
- b. Resolution 13, Series 2011; Concerning the Reappointment of Members to the Planning & Zoning Commission

The motion carried unanimously.

ITEMS REMOVED FROM CONSENT AGENDA

None

UNFINISHED BUSINESS

Council Bill 8, Series 2011; A Bill for an Ordinance Authorizing a Supplemental Appropriation for Preconstruction Services Related to the Planning and Design of the Proposed New Joint Public Safety Facility and Contract for Services with Adolfsen and Peterson Construction

Deputy Police Chief Jody Sansing presented Council Bill 8, Series 2011 on second and final reading. He indicated that there had been no changes since first reading.

Councilor Roswell, seconded by Councilor Griffin to approve on second reading Council Bill 08 Series 2011, a Bill for an Ordinance of the City of Cherry Hills Village, Authorizing a Supplemental Appropriation for pre-construction services related to the planning and design of the proposed New Joint Public Safety Facility in the amount of \$5,625.00 plus a 15% contingency for a total maximum expenditure of \$6,468.75.

The following votes were recorded:

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

Vote on the Council Bill 8-2011: 6 ayes. 0 nays. The motion carried.

Recreation Reimbursement Program

Deputy City Manager and Public Works Director Jay Goldie indicated that Councilman Stewart had been working with City Attorney Fellman and staff to create a proposed new Recreation Reimbursement Policy that would be more flexible and would allow residents more opportunities to participate in the program. The expanded program would be easier to administer as there would be less staff time spent explaining to residents why their activity or membership was not eligible. Activities or memberships for organizations that are not eligible under the current policy, such as 24 Hour Fitness, the University of Denver, and the Highlands Ranch Recreation Center would become eligible under the proposed policy. He noted that because of the potential for expanded use of the program there would need to be some change to how the City processes payments. He also noted that the Parks Fund, from which recreation reimbursements are funded, will be reduced by approximately \$600,000 for 2012 due to lower property tax revenue and the creation of the Capital Fund. He suggested that some type of spending cap could be imposed on the program in an effort to control costs, or that Council may consider reducing the amount each household is eligible for in an effort to spread the funds out to all who may want to participate if the cap is reached. He recommended that any change in policy be implemented at the beginning of the new year.

Mayor Pro Tem Stewart indicated that he agreed with implementing the new policy at the beginning of 2012. He suggested that all reimbursements be held until the end of the year to determine how best to distribute the funds without going over budget. He also approved of expanding the program to include the Highlands Ranch Recreation Center because they offer special needs programs.

Mayor Wozniak noted that the court order had indicated that the City should reimburse for recreational activities that were of the same kind offered by South Suburban.

Mayor Pro Tem Stewart indicated that the spirit of the court order had been to reimburse for types of recreation as opposed to types of organizations.

Councilor Brown asked if staff usually received the majority of reimbursement requests at the end of the year.

Director Goldie confirmed that staff received the majority of reimbursement requests in November and December.

Mayor Wozniak indicated that Council could discuss the specifics of funding for the program during the 2012 budget discussions.

Mayor Pro Tem Stewart noted that the policy and funding level could be re-evaluated at the end of 2012.

Mayor Wozniak noted that the new policy would mean very few restrictions would remain to determine eligibility for reimbursement and suggested that the City give each resident a certain amount each year and ask them to donate it to the Cat Anderson Fund. He stated that this would also allow staff to avoid all the paperwork associated with the program. He asked Council to consider the proposed policy change and indicated that Council would revisit the issue during the 2012 budget discussions.

NEW BUSINESS

Intergovernmental Agreement between the City of Cherry Hills Village and the South Metro Fire Rescue Authority for the Construction, Ownership, Administration and Operation of a Public Safety Facility

Deputy Chief Sansing explained that on February 15, 2011 City Council approved a Memorandum of Understanding (MOU) pertaining to the planning and design process of a combined fire/police Public Safety Facility. The MOU was broad in scope with the intention of both parties to gather information during the design phase in order to compose a more comprehensive Intergovernmental Agreement (IGA) at a later date. Along with representatives from South Metro Fire Rescue (SMFR), staff has completed an IGA which addresses in detail the financing, development, construction, ownership and operation of the new facility. The IGA illustrates the allocation of land to both entities in that the City is willing to convey certain real property to the City and SMFR, as tenants in common, on which the facility will be constructed. In return, SMFR will convey the current fire department property on Meade Lane to the City. He indicated that all decisions regarding the construction, administration, operation and management of the facility shall be made by an appointed management board which will consist of one executive level representative from each entity. The City shall initially act as the administrator of the facility and in this capacity will receive an administrative fee of five percent (5%) of operating costs and minor repair costs. He explained that the costs associated with construction of the facility will be divided. Costs and expenses related to construction of the common areas shall be shared equally by the City and the SMFR. Common areas include, but are not limited to, the community/training room, workout room, lobby and overall "shell" of the facility. Costs and expenses related to the construction of exclusive areas shall be the sole responsibility of each entity. Exclusive areas are those that are "exclusive to either the police department or the fire department". The annual operating budget for the facility shall be prepared by the administrator and submitted to the management board no later than August 1 for review and preliminary approval. The annual budget will be submitted no later than October 15 to the governing board of each entity for preliminary approval. The annual budget shall receive final approval and appropriation by each entity's governing board that includes each party's operating share no later than December 15 of the year proceeding the budget year.

Councilor Brown indicated that he believed that borrowing against the facility would probably not be feasible with the proposed ownership structure. He also asked for clarification on Section XII section C which he believed indicated that if one party is unable to pay its operating share and the second party agrees to pay the deficiency then the ownership interest of the second party would increase by the amount paid. He asked if this would in turn affect the amount of ongoing operating costs the second party would pay as well.

Deputy Chief Sansing replied that he did not believe that the share of the operating cost would be affected in that situation.

Councilor Brown asked how the operating costs of the common areas would be divided between the City and SMFR.

Deputy Chief Sansing replied that they would be divided 50/50.

Councilor Brown asked for clarification on Section XV. A. 5 which seemed to indicate that if one party wished to sell their interest in the facility and the second party did not wish to purchase the first party's interest then the second party would be required to sell their interest in the facility. He stated that this clause seemed to be at odds with the voluntary spirit of the arrangement and that it seemed to him to be a financial obligation that would span multiple years.

Mayor Wozniak indicated that in such a situation in the private sector the terms would be very favorable to the buying party. He noted that if SMFR ever chose to leave that the City would be able to use their portion of the new facility. He stated that both parties needed some kind of exit strategy.

City Attorney Fellman arrived and Mayor Wozniak explained the issue under discussion.

City Attorney Fellman agreed that the language was intended to give an option for purchase but not require party to purchase or sell. He indicated that the agreement was intended to restrict to whom a party could sell its interest to a government entity with a similar purpose. He asked if Council would have any problem with simply removing the second half of Section XV. A. 5 of the IGA.

Councilor LaMair indicated that the party leaving should not be allowed to sell their interest to just anyone.

Mayor Wozniak agreed that the remaining party should have the right to consent to the new owner.

Councilor Griffin asked what the ratio of ownership interest would be for the facility.

Councilor Brown and Mayor Pro Tem Stewart replied that it should be 50/50.

City Attorney Fellman clarified that the ratio of ownership interest would be determined based on the amount of space needed by each entity in the new facility.

Councilor Griffin asked where that final ratio would be described.

Mayor Wozniak indicated that the final ratio would be included in the deed.

Councilor Brown restated his concern with Section XII. C.

Mayor Wozniak commented that in a for-profit venture increased ownership interest would result in higher profits, but in this case it would result in higher liability.

Mayor Pro Tem Stewart added that the clause reduced the disincentive to default on payments.

Mayor Wozniak indicated that Council could approve the IGA subject to the changes discussed but that he would rather see the final agreement before approving it.

Councilor Brown agreed.

City Attorney Fellman asked if staff had anything scheduled in the next several weeks that would be negatively impacted by not approving the IGA at tonight's meeting.

Deputy Chief Sansing replied that he did not.

City Attorney Fellman suggested that he work with staff and SMFR to make the changes discussed by Council. This would allow the revised IGA to be brought to the SMFR Board Meeting on August 22nd and the final version to Council at the September 6th meeting for final approval.

Mayor Wozniak agreed with this timeline and thanked staff for their hard work on this project.

Preliminary Cost Estimate for the Proposed Joint Public Safety Facility Prepared by Roth Sheppard Architects and Adolph and Peterson Construction

Deputy Chief Sansing explained that Roth Sheppard Architects and Adolph and Peterson Construction had prepared a presentation regarding an initial cost estimate for the joint public safety facility.

Jeff Sheppard of Roth Sheppard Architects presented an update on the new facility to Council. He explained that since the July 18th Study Session they had held two meetings, one with SMFR and one with the community, to present the two design schemes of the new facility. The attendees of the community meeting had preferred Scheme A while SMFR had been split between the two schemes. Those at SMFR who had preferred Scheme B had believed it would be less costly to build. He described Scheme A as having an equestrian or agrarian tone and appearing more rural or residential than civic. Adolphson and Peterson Construction had estimated the construction costs for both schemes and had determined that there was only a \$50,000-\$100,000 difference between the two. He noted that a meeting with representatives of the Duvall property had been set for next week. He reviewed updates to the design including an eight foot high screen wall on the east side of the building and a thirty foot area on which a berm would be constructed and landscaping planted to create a buffer between the Duvall property and the new facility. He also explained that stormwater would be drained to a detention pond behind the current fire station site because there was no room on the development site for the detention facilities. The entry area and parallel parking on Meade Lane was designed in tune with the overall Village Center Conceptual Plan. The design plan included 15 public parking spaces and 29 staff parking spaces. He presented a diagram of the proposed facility color coded to distinguish common areas, City Police areas, and SMFR areas. Common areas totaled approximately 3000 square feet, City Police areas totaled approximately 8100 square feet, and SMFR areas totaled approximately 9300 square feet. He presented the preliminary cost estimates for the project. Soft costs included design, water tap, furniture, and equipment, while hard costs included construction. The preliminary soft cost estimates were approximately \$470,000 for City Police and \$370,000 for SMFR. The preliminary hard cost estimates were approximately \$3.092 million for City Police and \$3.404 million for SMFR. The preliminary total cost estimates were approximately \$3.561 million for City Police and \$3.771 million for SMFR. These total cost estimates included a 13% contingency. Mr. Sheppard noted that the contingency amount would decrease as the project was refined.

Mayor Wozniak thanked Mr. Sheppard and staff for the cost estimates. He directed Council to begin thinking about how the City might fund this project and indicated that Council would revisit this issue at the September 20th meeting. He asked Mr. Sheppard why there was so little difference in cost between the two design schemes.

Mr. Sheppard explained that Scheme A had more roof area and Scheme B had more wall area, so they evened each other out.

Mayor Wozniak asked for a construction timeframe.

Chad Jelinek from Adolfsen and Peterson Construction replied that they expected construction to take approximately nine months.

Mayor Pro Tem Stewart asked what the foundation would be.

Mr. Jelinek replied that it would be slab on grade and that the structure of the facility would be steel.

Mayor Wozniak asked about storage in the new facility.

Mr. Sheppard replied that there would be a loft under one of the gabled roofs.

Mayor Wozniak noted that there would be additional space in the Village Center after the Police Department had moved into the new building. He directed staff to provide the details of the cost estimate to Council before the next meeting. He also noted that the next meeting was the day after Labor Day and asked staff to distribute Council packets a few days earlier than normal in case some Council members were out of town for the holiday.

REPORTS

Members of City Council

Councilor Brown had no report.

Councilor VanderWerf reported that the Exotic Car Show had been set for October 1st. She also reported that staff would be working on several projects in Dahlia Hollow Park including new irrigation for trees, construction of a split rail fence and repair of steps that provided access to the park.

Councilor Roswell had no report.

Mayor Pro Tem Stewart reported that school would start next week. He asked staff if the start times would be offset like they were last year.

Director Goldie replied that they would.

Councilor LaMair reported that there would be a large memorial service for George Beardsley tomorrow at 10am at the Kent Denver School cafeteria. She also reported that Director Goldie had been extremely helpful with the High Line Canal Working Group and that she, Councilor VanderWerf, and Director Goldie would be working with the new Director of Arapahoe County Open Space on some of the City's projects.

Councilor Griffin reported that Brian and Jana Wilkenson had donated their home on Stanford Avenue to SMFR and thanked them. He also reported that he had received a letter from the City of Englewood offering a warranty on replacement of water lines.

Mayor Wozniak indicated that Mayor Woodward of Englewood had explained these letters at the last Metro Mayors Caucus. Mayor Woodward had explained that there was a high percentage of residents in Englewood who had problems with old trees interfering with water lines and he was encouraging Englewood residents to sign up for this warranty program.

Director Goldie explained that the City of Englewood had Cherry Hills Village resident addresses because most of the City's sewer lines go to the Englewood/Littleton facility.

Mayor's Report

Mayor Wozniak reported that he had met with City Manager John Patterson, Greenwood Village Mayor Rakowsky and the regional CDOT officer. He noted that it was a very positive meeting and that the CDOT officer had indicated a willingness to work with cities on local issues. They had discussed the Belleview medians and increased traffic over the next 10 years.

Councilor Brown suggested that a note from Mayor Wozniak to the CDOT director about the meeting would be impactful.

Mayor Wozniak agreed. He also noted that the Belleview medians looked a lot better and thanked the public works staff for maintaining them. He explained that CDOT did not have any money to dedicate to the maintenance of the medians and was working with staff from Cherry Hills Village and Greenwood Village to come up with a design plan that would require minimum maintenance.

He reported that he had attended a day-long Metro Mayors Caucus. He also stated that the City had committed to renew its Colorado Municipal League membership.

Members of City Boards and Commissions

There were no reports.

City Manager & Staff

Deputy City Manager Goldie stated that departmental monthly reports and unaudited financial statements were available in Council packets. He reported that staff anticipated increased cut-through traffic in the City as more people tried to avoid the Kent Place construction at the University and Hampden intersection.

Mayor Wozniak directed staff to review the applications received for other Board & Commission vacancies to find a resident to fill the vacancy on the Planning & Zoning Commission.

City Attorney

City Attorney Fellman had no report.

ADJOURNMENT

Mayor Pro Tem Stewart moved, seconded by Councilor Roswell to proceed into Executive Session pursuant to CRS §24-6-402(4)(f) for the purpose of discussing personnel matters and immediately upon completion of the Executive Session to stand adjourned.

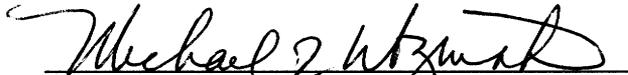
The following votes were recorded:

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

Vote on the Executive Session: 6 ayes. 0 nays. The motion carried.

The meeting adjourned into Executive Session at 7:40 p.m.

The Executive Session adjourned at 8:30 p.m.


Michael J. Wozniak, Mayor


Laura Smith, City Clerk