

RECORD OF PROCEEDINGS

Minutes of the
City Council of the City of Cherry Hills Village, Colorado
Held on Tuesday, November 20, 2012 at 6:30 p.m.
At the Village Center

The City Council held a joint study session with the Parks, Trails and Recreation Commission beginning at 6:00 p.m.

Mayor Doug Tisdale called the meeting to order at 6:30 p.m.

ROLL CALL

Mayor Doug Tisdale, Councilors Mark Griffin, Russell Stewart, Alex Brown, Scott Roswell, and Klasina VanderWerf were present on silent roll call. Also present were City Manager John Patterson, City Attorney Ken Fellman, Municipal Judge James Turre, Finance Director Karen Proctor, Community Development Director Rob Zuccaro, Police Chief Michelle Tovrea, Human Resource Analyst Kathryn Barlow, Parks, Trails & Recreation Administrator Ryan Berninzoni, Street Superintendent Ralph Mason, and City Clerk Laura Smith.

Absent: Councilor Harriet LaMair

PLEDGE OF ALLEGIANCE

Angel Richardson, Ben Chonchol, Zander Diecidue, and Kyleena Lathram of the Cherry Hills Elementary School Destination Imagination Team led the Council in the pledge of allegiance.

RESOLUTION 21, SERIES 2012

City Manger Patterson presented Resolution 21, Series 2012 to City Council, appointing Katy Brown to the vacant District 6 Council seat. Ms. Brown's term would expire in January 2014, and she would have the opportunity to run for election to continue serving on Council during the November 2013 regular municipal election.

Councilor Griffin, seconded by Councilor Roswell moved to approve Resolution 21, Series 2012; a resolution of the City Council of the City of Cherry Hills Village appointing Katy Brown to the vacant District 6 City Council seat.

OATH OF OFFICE

Municipal Judge Turre gave the oath of office to Councilor Katy Brown.

AUDIENCE PARTICIPATION PERIOD

Christine Sterling, branch manager of Chase Bank at 3534 S. University Blvd., presented statistics to Council about Chase Bank's volunteer leadership. She invited the Council to the branch's ribbon cutting event on February 2nd and indicated that the grand opening would be January 24th.

Jan Wondra presented information about the group Families for Russian and Ukrainian Adoption.

CONSENT AGENDA

Councilor VanderWerf requested Item 7a be pulled from the Consent Agenda. City Attorney Fellman requested Item 7b be pulled from the Consent Agenda.

Mayor Pro Tem Stewart moved, seconded by Councilor Roswell to removed Items 7a and 7b from the consent agenda.

The motion passed unanimously.

ITEMS REMOVED FROM CONSENT AGENDA

Item 7a

Councilor VanderWerf amended her report on page 5 of the minutes to read "Councilor VanderWerf reported that the Cherry Hills Land Preserve would host the annual Young at Art event for Cherry Hills Elementary fourth and fifth grade students tomorrow evening at Glenmoor Country Club and encouraged Council to attend."

Mayor Pro Tem Stewart moved, seconded by Councilor VanderWerf to approve the October 16, 2012 minutes as amended.

The motion passed unanimously.

Item 7b

City Attorney Fellman indicated that the new version of the agreement with Arapahoe County had two minor changes, one regarding the signage requirement and the other regarding the person notified of changes.

Mayor Tisdale asked for confirmation that the amended version had been approved by the County Attorney.

City Attorney Fellman confirmed that it had been.

Mayor Pro Tem Stewart moved, seconded by Councilor Griffin to approve the First Amendment to Intergovernmental Agreement for Open Space Sales and Use Tax Shareback Funds between Arapahoe County and the City of Cherry Hills Village.

The motion passed unanimously.

UNFINISHED BUSINESS

Council Bill 12, Series 2012; Regarding the Issuance of a Special Assessment Revenue Refunding Note for Special Improvement District No. 7 and Approving Various Documents in Connection with the Note (second and final reading)

Director Proctor presented Council Bill 12, Series 2012 on second and final reading. She noted that there were two changes since first reading. First, "3%" had been added to page 9, and second a \$20,000 reserve fund had been created. She indicated that staff did not expect any of the \$20,000 to be used and that the entire amount would be returned to the Capital Fund after the final payment of the bonds.

Councilor A. Brown explained that the need for the reserve fund came from a difference between the principal balance due and the principal payments due. This appearance of a shortfall created an understandable concern by the bond investor. The difference was created by administrative mechanisms put in place when the bonds were first issued that resulted in not correctly redeeming bonds. Fortunately, this process has brought the

issue to staff's attention and it can now be corrected. The reserve fund will likely not be used at all, but in the worse case scenario as shown in the staff memo \$1,280 of the reserve fund would be used if all properties prepaid in 2013. This scenario was very unlikely as the history of prepayment has been one property per year. Refinancing from 7% to 3.10% would result in an estimated savings of \$2,730 per homeowner. The savings would not be seen in 2013 because the timing of the refinancing did not allow for the change until 2014.

Mayor Tisdale thanked bond council Dan Lynch for attending and asked if he had any comments.

Mr. Lynch indicated that Councilor A. Brown had given a thorough explanation.

Councilor VanderWerf moved, seconded by Councilor A. Brown to approve Council Bill 12, Series 2012 on second and final reading; A bill for an ordinance of the City of Cherry Hills Village, Colorado, authorizing the issuance of a special assessment revenue refunding note, series 2012 in a aggregate principal amount not to exceed \$585,000; prescribing the form of the note; providing for the payment of the note from special assessments imposed upon properties within the City of Cherry Hills Village Special Improvement District No. 7 and making certain covenants in connection therewith: providing other details and approving various documents in connection with the note.

The following votes were recorded:

Katy Brown	yes
Mark Griffin	yes
Russell Stewart	yes
Scott Roswell	yes
Klasina VanderWerf	yes
Alex Brown	yes

Vote on the Council Bill 12-2012: 6 ayes. 0 nays. The motion carried.

Anthony Heinz May

Anthony Heinz May, one of the artists chosen by the Public Art Commission, introduced himself to Council and expressed his thanks and excitement at working in the City. He noted he had brought photos to share with Council.

Mayor Tisdale asked that he return on December 11th to share the photos.

Councilor VanderWerf indicated that part of artwork was the process and encouraged residents to visit Three Pond Park to watch Mr. May assemble the artwork.

NEW BUSINESS

Resolution 20, Series 2012; Making Findings and Declaring Council's Intent Regarding Special Improvement District No. 7

Director Proctor presented Resolution 20, Series 2012 to Council. She explained that it was associated with Council Bill 12, Series 2012 and meets requirements of state statute regarding refunding of special assessment bonds.

Councilor VanderWerf asked if staff had a plan to let the residents know about the refinancing.

Director Proctor replied that the method had not yet been decided upon.

Councilor VanderWerf moved, seconded by Councilor A. Brown to approve Resolution 20, Series 2012; a Resolution of the City Council of the City of Cherry Hills Village making findings and declaring council's intent as to the refinancing, at lower interest rates, of the bonds of the Cherry Hills Special Improvement District No. 7, and as to the reduction of the interest rate on special assessments in such district.

The following votes were recorded:

Mark Griffin	yes
Russell Stewart	yes
Scott Roswell	yes
Klasina VanderWerf	yes
Alex Brown	yes
Katy Brown	yes

Vote on the Resolution 20, Series 2012: 6 ayes. 0 nays. The motion carried.

Proposed 2013 Budget

City Manager Patterson presented the proposed 2013 budget to Council. He explained that the budget was prepared based on Council goals from the June retreat. He noted that the City had 46 full time employees in four departments. He stated that revenues were projected to increase by 6% in 2013, due to increases in property tax, use tax and building permit revenues. He indicated that \$147,363 of the Specific Ownership tax had been transferred back to the General Fund from the Capital Fund for 2013 to balance the General Fund budget. He noted several changes from the 2012 budget, including increases for employee training, IT support, health care, and workmen's comp. He explained that the proposed 3% salary increase was performance-based and not automatic. He noted that the budget for recreation reimbursements was the same as for 2012. He indicated that there were several equipment replacements in the proposed budget.

Director Proctor noted that changes made to the proposed budget based on input from Council during the study sessions were listed in the staff memo.

Councilor Griffin asked when staff would have the final assessment information from Arapahoe County.

Director Proctor replied that it would be before the December 11th meeting when Council considered the proposed budget on final reading.

Mayor Pro Tem Stewart asked about funds for undergrounding power lines.

Director Proctor replied that she had added an account within the Capital Fund for undergrounding of power lines but had not designated any money for the account.

Mayor Tisdale opened the public hearing at 7:19pm.

Jeff Welborn of the Parks, Trails and Recreation Commission (PTRC) thanked the Council for their work, and congratulated Councilor K. Brown on her appointment. He explained that he had been unable to participate in the study sessions for the budget but that he had questions about the process. He noted that more than 24% of the budget was under Parks and Trails, but that there was no direct participation by the PTRC in the budget process. He suggested there might be another way to handle the

payments to South Suburban, for instance. He indicated that PTRC needed to know the resources available and the limits on those resources in order to be more effective. He stated that he would like Council to formally request input from PTRC. He noted that it may be too late in the process this year, but that input could be sought next year.

Mayor Tisdale asked for other public comments. Hearing no comments, the public hearing was closed at 7:27pm.

Councilor Griffin agreed that PTRC should be involved.

Mayor Pro Tem Stewart agreed that PTRC's input would be helpful. He indicated he would be happy to discuss the South Suburban payments, but that the City had a very low interest rate and that pre-payment would not necessarily be an advantage.

Councilor Roswell agreed.

Councilor A. Brown noted that the PTRC could provide input on Fund 30, the Cat Anderson Fund and the Arapahoe County Open Space Fund. He suggested that Director Proctor could attend a PTRC meeting to explain the rules and restrictions associated with the different funds. He indicated that the South Suburban payment schedule may have been court ordered, but in any case the interest rate was about 0.2% and agreed with Mayor Pro Tem Stewart that pre-payment, if it were a possibility, would not necessarily be an advantage.

Councilor K. Brown agreed that input from PTRC on the next budget cycle would be beneficial. She suggested that in conjunction with this Council consider what role PTRC plays because it does not oversee day to day operations and that it would be difficult to have one organization set priorities and another spend the funds.

Mayor Tisdale suggested that PTRC could take a more active and substantial role in the Parks Division without micromanaging. He indicated that PTRC's input would be addressed at the beginning of the budget cycle in 2013.

Council Bill 14, Series 2012; A Bill for an Ordinance Adopting a Budget and Levying Property Taxes for the City of Cherry Hills Village, Colorado for Fiscal Year 2013 (first reading)

Mayor Pro Tem Stewart moved, seconded by Councilor Griffin to approve Council Bill 14, Series 2012; A Bill for an Ordinance Adopting a Budget and Levying Property Taxes for the City of Cherry Hills Village, Colorado for Fiscal Year 2013 on first reading.

The following votes were recorded:

Russell Stewart	yes
Scott Roswell	yes
Klasina VanderWerf	yes
Alex Brown	yes
Katy Brown	yes
Mark Griffin	yes

Vote on the Council Bill 14-2012: 6 ayes. 0 nays. The motion carried.

Council Bill 15, Series 2012; A Bill for an Ordinance of the City Council of the City of Cherry Hills Village, Colorado Authorizing Appropriations for Fiscal Year 2013 (first reading)

Mayor Pro Tem Stewart moved, seconded by Councilor Griffin to approve Council Bill 15 Series 2012 A Bill for an Ordinance of The City Council of the City of Cherry Hills Village, Colorado Authorizing Appropriations for Fiscal Year 2013 on first reading.

The following votes were recorded:

Scott Roswell	yes
Klasina VanderWerf	yes
Alex Brown	yes
Katy Brown	yes
Mark Griffin	yes
Russell Stewart	yes

Vote on the Council Bill 15-2012: 6 ayes. 0 nays. The motion carried.

REPORTS

Mayor's Report

Mayor Tisdale reported that Deputy City Manager and Public Works Director Jay Goldie was in Missouri attending to the passing of his mother. He reported that the City hosted the monthly Arapahoe County Commissioners/Mayors/Managers breakfast at Cherry Hills Country Club and that the meeting had been well attended and successful. He thanked staff for their assistance with the breakfast.

Mayor Tisdale noted that according to the Municipal Code the Board of Adjustment and Appeals needed an alternate member. He reminded Council of the vacancies on the Planning & Zoning Commission and the Parks, Trails and Recreation Commission. He reported that he, Councilor VanderWerf and City Manager Patterson had conducted interviews. He reported that the Public Art Commission was not formalized in the Municipal Code and that it should be. He suggested that the Commission seemed to prefer the acronym CHVAC instead of PAC and that change could be reflected in the Code. He indicated that the Municipal Code included the CHV Rehabilitation Authority, established in the 1950s, and suggested repealing the ordinance.

Mayor Tisdale reported that he and City Manager Patterson had a positive meeting with several members of Denver Water. Finance Director Angela Brickmont offered to do a presentation on water rates for Council, and the Denver Water staff had taken under advisement the City's suggestion of a water tap partnership for the High Line Canal.

Mayor Tisdale made new liaison assignments. Councilor K. Brown would be the liaison to the PTRC, the Parks & Trails Division, and the alternate for the Crier Committee. Councilor LaMair had been the Council's informal liaison to the High Line Canal Working Group and that Councilor VanderWerf would now be the formal liaison. Councilor VanderWerf would also be the liaison for the Crier Committee and the alternate for the Parks & Trails Division. Councilor Griffin would be the alternate for DRCOG.

Mayor Tisdale reported that the City's annual Holiday Tree Lighting Event would be Friday December 7th from 6-8pm and would feature Santa, the Mayor's treelighting, hayrides, face painting, hot chocolate, cider, and other treats. He noted that City Engineer interviews were complete and that staff was waiting for Deputy City Manager and Public Works Director Goldie to return before making a final decision. He indicated that the entire Council had participated in interviewing four firms for City Attorney and that they were waiting for additional information on rates before making a final decision,

hopefully by the January 2, 2013 meeting. He noted that December 4th was Colorado Gives Day and encouraged everyone to support their favorite charity.

Mayor Tisdale reported that he, Councilor VanderWerf and City Manager Patterson would like to bring a resolution to Council at the next meeting to appoint Al Blum to the Planning and Zoning Commission. He noted that Districts 3 and 4 were unrepresented on the PTRC and that there were two vacancies.

Members of City Council

Councilor A. Brown reported that Denver Water was close to completing their long-running project on Dahlia Street, and that he was not convinced that the street was being re-built to the same standard as it was before. He suggested that Council visit the idea of Council liaisons for City departments and discuss if this was the most effective way of communication.

Councilor VanderWerf encouraged Council to spread the word about Mr. May working in Three Pond Park.

Mayor Pro Tem Stewart asked if the information was on the City website.

City Clerk Smith confirmed that it was.

PTRC Commissioner Welborn suggested installing a camera to record the process.

Councilor Roswell reported that staff would be bringing a council bill concerning construction times to the December 11th meeting. He indicated that he was working with City Attorney Fellman on short-term rental issues. He noted that Devonshire residents had been blocked from their egress during a recent funeral at the Church of the Nazarene.

Mayor Pro Tem Stewart indicated that the Art Commission had been established by resolution as opposed to ordinance for a reason and asked staff to research the minutes for those meetings when the discussion had occurred. He noted he was working with staff on possible changes to the City's barking dog ordinance.

Councilor Griffin reported that a coyote attack in his neighborhood had killed one dog and injured another.

Councilor Roswell suggested that Council discuss the coyote management issue again.

Mayor Tisdale directed staff to put the discussion on the January 2nd agenda.

Councilor K. Brown noted that the patching on the portion of Dahlia Street in Cherry Hills Village was superior to the patching on the portion in Denver, and that she believed the street would be repaved in the spring.

Members of City Boards and Commissions

There were no reports.

City Manager & Staff

City Manager Patterson indicated that department monthly reports and unaudited financial statements were included in Council packets. He reported that Kent Denver had won their football game on Saturday. He noted that the Holiday Tree Lighting Event

was on December 7th from 6-8pm. He reported that the funeral held at Denver First Church last week for the Lakewood police officer had 2800 attendees and was the fourth this year. He indicated that the Police Department would like to present a plaque of recognition to the Denver First Church at a Council meeting. He reported that Rose Lynch had updated the City's Emergency Operation Plan. He indicated that the Joint Public Safety Facility was on budget, on track, and on scope to be completed in late December. He noted that there would be a grand opening sometime in January. He thanked Deputy City Manager and Public Works Director Goldie for all his work on the new facility.

City Attorney

City Attorney Fellman spoke to the Council about Amendment 64. He indicated that the Amendment gave municipalities the ability to prohibit retail establishments and asked Council to consider whether they wanted to do this or not. He noted that the state had until July 1st to form regulations. He explained that it was still not known if statewide taxation on recreational marijuana could be established without a TABOR election. He stated that he would work with Directors Goldie and Zuccaro regarding safety and land use issues for home grow operations and with Human Resources Analyst Barlow regarding personnel policies. He noted that the Governor would be having discussions with the Attorney General and that a big concern was whether state employees would be federally liable for enforcing the state law. He indicated that he would keep Council informed of updates.

Councilor Griffin added that Representative Diana DeGette was working on federal legislation.

City Attorney Fellman agreed that Representative DeGette was working on legislation that would exempt states that had legalized marijuana from the federal laws prohibiting marijuana.

Mayor Tisdale directed Council to consider the issue and be prepared to discuss the possibility of prohibiting retail establishments at the December 11th meeting.

Councilor Griffin asked about levying a tax if retail establishments were not prohibited.

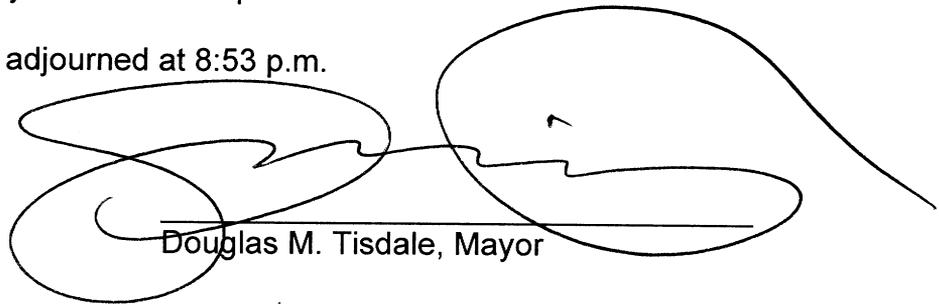
City Attorney Fellman replied that if they wanted to charge higher tax than the currently established sales tax rate, a TABOR election would be required, and Amendment 64 required that any TABOR election be in even numbered years, so the next opportunity would be November 2014. He advised that Council could pass a moratorium if they wanted to consider a TABOR election to tax retail establishments.

ADJOURNMENT

Mayor Pro Tem Stewart, seconded by Councilor Griffin moved to proceed into Executive Session pursuant to C.R.S. Sec. 24-6-402(4)(a) and (e) for purposes of discussing the possible purchase, acquisition, lease, transfer, or sale of a real property interest; and for determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators, and immediately upon completion of the Executive Session to be adjourned.

The regular meeting adjourned at 8:32 p.m.

The executive session adjourned at 8:53 p.m.



Douglas M. Tisdale, Mayor



Laura Smith, City Clerk