Finance Administration
215 N. Mason
2nd Floor
PO Box 580
Fort Collins, CO 80522

970.221.6788
970.221.6782 - fax
fcgov.com

Finance Committee Meeting Minutes
August 11, 2021
3:00 - 5:00 pm
Hybrid Meeting - 222 Colorado River Community Room / Zoom

Council Attendees:	Julie Pignataro, Kelly Ohlson, Emily Gorgol, Shiley Peel, Susan Gutowsky
Staff:	Kelly DiMartino, Travis Storin, John Duval, Tyler Marr, Seve Ghose, Jim McDonald, Ken Mannon, Nina Bodenhamer, Brad Buckman, Dean Klingner, Tim Sellers, Dan Woodard, Blane Dunn, Victoria Shaw, Cody Forst, Ginny Sawyer, Teresa Roche, Nikki Daniels, Carolyn Koontz

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Meeting called to order at 3:00 pm

Julie Pignataro; I conferred with the City Manager and the City Attorney and have determined that the Committee should conduct this meeting as a hybrid meeting allowing both in person and remote participation because meeting in person may not be prudent for some or all persons due to the current public health situation.

Approval of minutes from the July 7, 2021, Council Finance Committee Meeting. Kelly Ohlson moved for approval of the minutes as presented. Emily Gorgol seconded the motion. Minutes were approved unanimously via roll call by; Julie Pignataro, Kelly Ohlson and Emily Gorgol.

A. Carnegie Center Renovation

Jim McDonald, Cultural Services Director
Ken Mannon, Operations Services Director

SUBJECT FOR DISCUSSION
Appropriate Community Capital Improvement Program Funds (CCIP) of $2,218,000 for the renovation of the historic Carnegie Library (Carnegie Center for Creativity).

EXECUTIVE SUMMARY
With the passing of the 2015 Community Capital Improvement Program Ballot Measure (Building on the Basic 2), the Carnegie Center for Creativity was scheduled for renovation beginning in 2024. With projected inflation per the ballot materials, the approved total allotment is $2,218,000. The ballot measure also included five years of Operations and Maintenance support of $25,000 per year.

Currently, the building is closed to the community due to budget reductions. Additionally, the elevator in the building is to be upgraded to meet ADA standards beginning this year. With the building closure and the elevator

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construction currently underway, staff recommends commencing the renovation work in 2021 to leverage the current situation and minimize future closure time.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

Does Council Finance Committee support bringing forward an appropriation to Council to renovate the historic Carnegie Library (Carnegie Center for Creativity) beginning in 2021 instead of 2024?

BACKGROUND/DISCUSSION

In April 2015, the voters of Fort Collins passed a 10-year quarter-cent tax renewal dedicated to community improvements (Building on the Basics 2). Improvements included ongoing funds to support affordable housing, intersection improvements, bicycle infrastructure, implementation of Nature in the City and the renovation of the historic Carnegie Library. Authorizing Ordinance No. 013, 2015 stated "This project will renovate the historic 1904 Carnegie library building to enhance its use as a Community Center. The Center will host special events, community meetings, art exhibits and symposiums in the heart of Downtown."

The historic 1904 Carnegie building is one of the oldest, continuously operating public buildings in Fort Collins, designated a local Historic Landmark District by Resolution in 1978. The building is also a contributing structure to the Laurel School Historic District, National Register 10/3/1980, 5LR.463. The building is now the Carnegie Center for Creativity and offers an affordable community-focused cultural space for gallery exhibitions, performances, classes and special events. It also serves as the home and studio of Fort Collins Public Media and the Fort Collins Downtown Creative District on the lower level.

The project focuses on infrastructure and historic restoration to ensure the building will continue to function as a public resource into the future. Some of the work to be completed includes:

- Uncover and restore windows
- Add a main staircase to connect floors
- Renovate and add restrooms
- Upgrade electrical and fiber
- Rehabilitate and improve mechanical systems
- Restore interior floors and finishes
- Restore and repair exterior masonry, eaves and cornice
- Address Americans with Disability Act (ADA) needs
- Address drainage issues

DISCUSSION / NEXT STEPS:

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

Does Council Finance Committee support bringing forward an appropriation to Council to renovate the historic Carnegie Library (Carnegie Center for Creativity) beginning in 2021 instead of 2024?

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Project	2015 Project Cost (000's)	Project Cost + Inflation + O&M (000's)
1 - Affordable Housing Fund	$ 4,000	$ 4,000
2 - Arterial Intersection Improvements	$ 6,000	$ 6,000
3 - Bicycle Infrastructure Improvements	$ 5,000	$ 5,000
4 - Bike/Ped Grade Seperated Crossing Fund	$ 6,000	$ 6,100
5 - Bus Stop Improvements	$ 1,000	$ 1,000
6 - Carnegie Bldg Renovation	$ 1,700	$ 2,343
7 - City Park Train	$ 350	$ 350
8 - Club Tico Renovation	$ 250	$ 250
9 - Downtown Poudre River - Kayak Park	$ 4,000	$ 4,494
10 - Gardens on Spring Creek Visitor's Center	$ 2,000	$ 2,385
11 - Lincoln Ave. Bridge	$ 5,300	$ 5,721
12 - Linden St. Renovation	$ 3,000	$ 3,521
13 - Nature in the City	$ 3,000	$ 3,500
14 - Pedestrian Sidewalk / ADA-Compliance	$ 14,000	$ 14,000
15 - SE Community Center with Pool	$ 14,000	$ 18,811
16 - Transfort Bus Fleet Replacement	$ 2,000	$ 2,000
17 - Willow Street Improvements	$ 3,070	$ 3,487
Total	$ 74,670	$ 82,962

- Voter-approved taxes for capital projects date back to 1973
- Current 0.25% tax, Community Capital Improvement Program (CCIP) runs from 2016-2025
- Composed of 17 different projects or initiatives
- **For 2016-2020, City has collected $42.1M actual vs. $35.7M projected**

Julie Pignataro: where is the $2.2M coming from?

Travis Storin; the CCIP tax collections are set aside in a dedicated fund

Julie Pignataro; a risk is that it is possible we wouldn't collect what we project by 2025. Is it correct to say that using this excess at this point is a risk?

Travis Storin; it is a risk if revenues went down dramatically 2021 – 2025 we could potentially have a shortfall for the other projects, however, we anticipate meeting or exceeding based on history.

Julie Pignataro; City Park Train cost - chart shows $350K – isn't there a different amount?

Kelly DiMartino; increased costs for the train itself and increased costs to locate the train in a place that would require us to move the tennis / pickleball courts - you will hear more about this in your 2x2 meetings - this is a bigger conversation we need to have

Julie Pignataro; it would be helpful for us to see where all of the CCIP projects in the list are in the process. Would this be taking funding away from something else? With building materials cost fluctuations - Are current conditions volatile to determine those costs during the pandemic and now?

Jim McDonald; this was done before 2015 - we know that certain building materials are more expensive right now – what does that mean? costs fluctuations

Jim McDonald; City Give $300K needed to be raised – we are still projecting that, but we don't have a number yet until we see the new cost estimates – we were already discussing this as a high priority – a really attractive project to raise funds for – community based historical building - Nina felt comfortable with some possible individual donors in the community

Julie Pignataro; I don't feel like I have enough information to make a decision - would like to see more information on all of the projects in general. Great project and I understand why you are bringing it forward at this time.

Emily Gorgol; CCIP - were these allocated this way based on when the tax was passed, or did we allocate to the 17 different categories?

Travis Storin; the project list on slide 3 (included above)- those dollars were allocated when the ballot was approved and cannot be changed - this is the guaranteed minimum for each project – by appropriating $2.2M now instead of 2024 over the 10 years it doesn't deprive any of the other projects, they get the same dollar amount - it would just happen sooner- the dollars are set in stone by virtue of the ballot.

Emily Gorgol; why do some have inflation, and some do not?

Travis Storin; when the projects for inclusion on a given ballot measure are being considered - the staff looks at whether there needs to be an O&M or inflation component – will we own and operate it - so we are going to include - For affordable housing – we don't retain an asset. Plenty of high-level estimates of what might be O&M. The inflation assumption for that which we own – with the cost of housing going up over 10 years - it would appear that we only layered in inflation for that which we own 3%

Kelly DiMartino; we could dig back more but I think it is specific project versus general contribution to affordable housing versus it being a specific project – that is a policy or an approach that was taken that we could revisit

Emily Gorgol; for clarification - that wasn't adopted ballot language, it was a city decision after the CCIP passed for the inflation part of it

John Duval; the adopted ordinance language states that the estimated capital costs would be in 2015 dollars – to the extent that inflation effects what is costs later – no wording that included any factor for inflation. You could change this – factor in Inflation and additional costs. You are kind of balancing and looking at all of these making a decision now – are you going to have the money at the end to have the 2015 funds to fund each of these projects for minimum needs?

Emily Gorgol; I don't have enough information about what else is in the works and what we are not doing - what does that mean that we won't be doing critical bicycle improvements, etc. What is in the pipeline and what are we moving off to update Carnegie? That is the piece of information that I feel is missing.

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Because we know the costs of building materials are so inflated right now, would it be possible to do that piece with an architect to get those cost estimates?

Jim McDonald; re: Carnegie specifically - we worked with Finance and Operations Services to find the money ($30K) to engage the architect - we are trying to get that number as soon as possible

Ken Mannon; not sure where we are with engaging them

Emily Gorgol; I support this coming back to Council Finance with that number and more information about the status of the other projects.

Travis Storin; hearing more on the way - opportunity for a dedicated agenda item for all 17 projects
All things CCIP - we will present that at a future meeting

Kelly Ohlson; I would say yes - If you are in there working already, it is easier to do the work while you are in there. By prioritization - most things on this list would be more important to me than the Carnegie - such as affordable housing and safety but that is not the way the ballot language reads.
We do need to have a corresponding chart with the status of all other projects. When you have projected, it would be helpful to include actual - ¼ cent post Covid – projection is between $8-9M in sales tax. Part of it - you could seize on part of the Covid funds to help in the restoration
That may be part of the equation - nothing else suffers as far as I can see because we have more than projected $7 - 8M more dollars - nothing else is going to suffer. I am comfortable and have the information I need but 2 out of 3 do not have the information. Have you looked at the asbestos issue?

Ken Mannon; yes -we always look into that as we do the buildings

Kelly Ohlson; sustainability – this is a historical building – assuming we are going to do that to the A level

Ken Mannon; we will look at everything we can for sustainability – a lot of the work we are doing is more upgrades than a true full renovation - some of that work would have to be additional -

Kelly Ohlson; I believe we will have significant funds at the end of this ($5-15M range) at the end of this – whenever the end is – these things have to be completed – those funds could go to affordable housing if Council so chose – a lot of these will be done and some are completed– there are only a few that are general like affordable housing that could go on forever - we make sure the 5 years of O&M is taken care of – that is easy to predict and not wait until the 5 year period is over to put money to Affordable Housing – you could easily put more money into the fund for O&M

Travis Storin; the Vine and Lemay that is happening right now was in large part funded from the residual from the last ¼ cent

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Kelly Ohlson; when a $350K project becomes a $5M project – it damages credibility of the city and the council – (more about tennis and pickleball). That is not right

Kelly DiMartino; we need to have more conversation - how do we approach this because the scope has far surpassed what the original intent was.

Julie Pignataro; if you could provide where the projects are also include when they are projected to be completed over the next 3-4 years. Do we have a roadmap for that?

Travis Storin; to recap;
We are going to do a dedicated agenda item on CCIP including the status of each of the 17 projects / status / actual revenue to track against projected

Julie Pignataro; it would be ok if a sub discussion after the full CCIP discussion to bring this back in the same session

Kelly Ohlson; we could get more of the information if it were preceded by the architectural thing – get comfortable with this - because Carnegie is closed right now
If we are comfortable with them moving forward - how old is that estimate before we move to the architectural?

Jim McDonald; 2014 is when the estimate was done

Ken Mannon; we could have an answer from the architectural firm within the next couple months

Kelly Ohlson; would it be ok if they move forward with this part because then you would have better numbers? $25-$30k to get more information that way we are not losing a couple months as we move forward

Committee agreed to move forward with architectural assessment which will provide more detailed information ($25 – 30k)

Jim McDonald; we engaged the firm a year ago and we can immediately go to them and start working with them

Travis Storin; would it be ok to calendar a first reading on this for shortly after the next Council Finance Committee reading? Would it be acceptable if First Readings were scheduled for subsequent to the next Council Finance?

The Finance Committee agreed that it is fine to go ahead and put it on the schedule for First Reading.

B. Laporte Multimodal / Siphon Ped/Bike Overpass

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Brad Buckman, Interim City Engineer
Tim Sellers, Civil Engineer II
Dan Woodward, Interim Capital Projects Manager

SUBJECT
Appropriation of the Multimodal Options Fund Grant, the Transportation Alternatives Program Grant, the Revitalizing Mainstreet Grant, and Transportation Capital Expansion Fee funds for the Laporte Avenue Multi-Modal Improvement Project. Additionally, appropriation of Transportation Capital Expansion Fee funds and Multimodal Options Fund Grant to the Siphon Pedestrian Overpass Project.

EXECUTIVE SUMMARY
The purpose of this item is to seek support from the Council Finance Committee to in order to bring a full appropriation to Council to receive federal funds for the Laporte Avenue Multi-Modal Improvement Project (Laporte Project). This item will also appropriate $390,000 from the Transportation Capital Expansion Fee (TCEF) into the Capital Projects fund for the Laporte Avenue Multi-Modal Improvement Project. The City was awarded a Multimodal Options Fund (MMOF), as well as a Transportation Alternatives Program (TAP) grant for the Laporte Project. These funds will be used for design, any necessary property acquisition, and construction of roadway improvements along Laporte Avenue from Fishback Avenue to Sunset Street, excluding the bridges and roadway crossing the New Mercer Canal north of Grandview Cemetery. The bridges and roadway north of Grandview Cemetery are being replaced as part of a separate capital project using local Bridge Program funding.

In addition, this item will enable the city to receive federal funds for the Siphon Pedestrian Overpass Project (Siphon Project) by appropriating $500,000 from the TCEF as local matching funds for the project's MMOF grant.

STAFF RECOMMENDATION
Staff supports bringing forward an appropriation to Council.

BACKGROUND/DISCUSSION
Laporte Avenue between Fishback Avenue and Sunset Street is a two-lane arterial roadway. Most of the roadway within the Project limits lacks adequate bicycle and pedestrian facilities including sidewalk, bike lanes, curb and gutter. The roadway experiences heavy bicycle and pedestrian traffic especially with Poudre High School, and many residential neighborhoods and businesses being located adjacent to the Project limits. Several near misses and at least one serious vehicle-pedestrian accident have occurred within the Project limits. The corridor currently experiences a higher-than-expected volume of traffic accidents due to the lack of adequate infrastructure. Laporte Avenue is master planned to be on the City's low-stress bicycle network.

The Project will address the safety concerns and lack of multi-modal infrastructure. In 2019, the City applied for two grants: a federal Transportation Alternatives Program (TAP) grant and a state Multi-Modal Options Fund (MMOF) grant. In early 2021 the City applied for the Revitalizing Mainstreet (RMS) Grant, and anticipates award of this grant in fall of 2021. In 2020 the TAP and MMOF funds were awarded to the City through the North Front Range Metropolitan Planning Organization (NFRMPO) and CDOT for the design, right-of-way acquisition, and construction of the Project. The MMOF, TAP funds are available immediately. Local funds from TCEF will be used for grant matching funds for the TAP grant and the MMOF grant.

Funds from all three grants are ineligible for use toward public art. Community Capital Improvement Program (CCIP) local funds are eligible for Art in Public Places (APP), and have been appropriated for APP.

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It's not currently anticipated, but if right-of-way acquisition will be required for construction of the Project, Staff will bring authorization for acquisition to City Council.

The Siphon Project is a connecting trail to the Power Trail, which is a multi-use recreational and commuter trail connecting the Spring Creek Trail at the north end to the Fossil Creek Trail at the south end. Between Harmony Road and Trilby Road, there is no safe or legal way to get from east of the Union Pacific Railroad tracks to the Power Trail. Users must travel either to Harmony Road or Trilby Road and cross the tracks at the roadway crossing. There is evidence of trail users crossing the railroad tracks at unauthorized locations between Harmony and Trilby. The need for a grade separated crossing between Harmony and Trilby is amplified with the number of schools and residential subdivisions on both sides of the railroad tracks.

The Siphon Project will design, acquire right-of-way, and construct a pedestrian overpass for the Power Trail crossing the Union Pacific Railroad Tracks as well as a trail east of the railroad tracks to connect the Power Trail to the residential road network.

The City submitted applications for two grants in 2019: The Multi-Modal Options Fund (MMOF) and Transportation Alternatives Program (TAP). The City was not awarded TAP funds for the Project but was awarded MMOF funds through the North Front Range Metropolitan Planning Organization (NFRMPO) for design, right-of-way acquisition, and construction of the Project.

Staff anticipates bringing future items to City Council, as needed which may include; authorization to acquire right-of-way and Union Pacific Railroad easement.

CITY FINANCIAL IMPACTS
The following is a summary of the funding anticipated for design, right-of-way acquisition, and construction for both of these Projects:

Laporte – we should receive word on the grant any day now
Design is 30% - bring that to 100% by spring – construction next summer

Emily Gorgol; all happening at the same time

Kelly Ohlson; you don't anticipate you don't anticipate any right of way

Brad Buckman; we think we can get what we want with existing right of way
I don't want some parts of town getting quality landscaping – trees
Is there any landscaping as part of this?

Brad Buckman; no medians - somewhat of a constrained but we will have parkway landscaping with the same standards as anywhere else in the city

Julie Pignataro; will construction be done before school gets back in session?

Brad Buckman; we wouldn't be able to do the whole project before school starts – would have to go through the winter months too

Julie Pignataro; is this almost like a median type of structure – between – tree lawn

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Brad Buckman; a typical parkway -separates the road from the sidewalk – smaller form a typical median

Emily Gorgol; have we worked with Safe Routes to School? school back in session
Encourage traffic to go in west direction – designed to be used either way

Brad Buckman; you can go both ways -working closely with FC Moves and Safet Routes to School – lock step on design – they have reviewed this

Emily Gorgol; can be confusing – city park - multi walk – one thing we can do –

Brad Buckman; we can delineate the bike and ped users – divide the 10 feet into two 5-foot sections to delineate those - FC Moves - feedback has been positive - we would encourage bicycles to be as safe as possible

Emily Gorgol; CSU has done a great job on campus with having them side by side – 2 separate – are we doing the multi walk to accommodate the tree lawn?

Brad Buckman; yes, that 10-foot walk did work better for tree line and roadway

Kelly Ohlson; how hard is it to get an extra 4 feet?

Brad Buckman; that would require right of way acquisition

Kelly Ohlson; might be worth spending a little time in case we could get the full amount of space
get the land necessary without doing bad things to make it less confusing -

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Funding Summary			
Laporte Avenue Multi-Modal Improvement Project	**Funds to be Appropriated for Laporte**		
	TAP Grant	$ 750,000	To be appropriated
	MMOF Grant	$ 250,000	To be appropriated
	TCEF	$ 390,000	To be appropriated
	Revitalizing Mainstreet Grant (RMS)	$ 1,437,500	To be appropriated
	Total funds to be Appropriated for Laporte	**$ 2,827,000**	To be appropriated
	Other Local Funds		
	Community Capital Improvement Program (CCIP)	$ 300,000	Previously appropriated
	Total Current Project Budget	$ 3,127,000	
	Transfer to Art in Public Places	$ 6,900	1% of total from local funds
Siphon Pedestrian Overpass Project	**Funds to be Appropriated for Siphon**		
	TCEF	$ 500,000	To be appropriated
	MMOF	$ 500,000	To be appropriated
	Total funds to be Appropriated for Siphon	**$ 1,000,000**	To be appropriated
	Other Local funds		
	Community Capital Improvement Program (CCIP)	$ 2,200,000	Previously appropriated
	Park Planning and Development	$ 850,000	Previously appropriated
	Total Current Project Budget	$ 4,050,000	
	Transfer to Art in Public Places	$ 35,500	1% of total from local funds
	Total Funds Appropriated	**$ 3,827,000**	To be appropriated

BOARD OR COMMISSION RECOMMENDATION

Staff have not yet presented to any boards or commissions for the Siphon Project specifically. However, the Siphon Pedestrian Overpass Project was identified as a high priority bicycle and pedestrian grade separated crossing through a Bicycle/Pedestrian Grade Separated Prioritization Study (Study). The Study was presented to various boards and commissions.

Staff plans to present information on the Siphon Project to various boards and commissions including the Transportation Board, Bicycle Advisory Committee, and Commission on Disabilities.

The Laporte Project was presented to the Transportation Board as well as the Bicycle Advisory Committee in 2019.

PUBLIC OUTREACH

Staff have discussed these Projects and presented concept drawings at a high level with interested citizens at several public outreach events in the past. As these Projects moves forward, a website will be available to the public and Staff will develop a comprehensive communication plan.

Siphon Overpass Project – Between Trilby and Harmony just west of Timberline

Current situation is that there is a 2-mile stretch between Harmony and Trilby with no safe or legal way to cross the railroad track
This project provides a safe way to connect the Power Trail to Timberline Road - create a trail along the mill creek ditch - Parks plans to extend the Mill Creek Ditch trail going east

Julie Pignataro; no question of the need - Do we have something else in town that you could compare to this? Hoping it won't be as zig zaggy as the bike overpass behind Whole Foods - How high will it be?

Dean Klingner; that is probably the best example of a bicycle / pedestrian overpass
Power trail – the railroad is significantly lower in grade / actually kind of down in a hole – single ramp up
Great idea to work on a better drawing / rendering

Travis Storin; is it structurally similar to the Poudre Trail – area of Lamay / Mulberry bridges over the Poudre River?

Dean Klingner; it may need to be enclosed due to the railroad requirements - Will mainly be a ramp (as opposed to steps)

Julie Pignataro; I am supportive of funding for both projects. We hope these grants come through.

Emily Gorgol; the overpass behind Whole Foods is so difficult to navigate / use
I have some design concerns about what that will look like and about ease of use- same concerns as Julie -
We aren't doing an underpass because it is below grade - concerns about having kids going up and over – so close to the school – a more detailed picture would be helpful. What does it connect to Mill Creek Ditch trail on the other side?

Dean Klingner; the west side connects to the north / south Power Trail and the east side connects to a future trail that is not built yet along Mill Creek Ditch and will connect out to Timberline Road with a future underpass.

Emily Gorgol; when is that future trail going to be built?

Brad Buckman; Mill Creek Ditch from the overpass to Timberline will be built as part of this project.
East of there - Park Planning has that in their future 2022 or 2023 planning and development timeline
We can find that out exactly - more of a follow-on project

Dean Klingner; This project together connects it all the way to Timberline which makes the connection to Bacon Elementary which is a critical piece then it would be a part of the continuing system – Timberline is the main connection – future planning would be east of Timberline
Will be building the trail out in the future later this year - Working with Parks Planning on a pedestrian underpass in conjunction in 2022 - will follow the Mill Creek Ditch on the south side of the ditch then go under Timberline

Emily Gorgol; If I lived in Willow Springs which is north of the ditch, could I access the pedestrian bridge?

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Dean Klingner; you would need to use the sidewalk on Timberline to cross the ditch and then you would be able to go down and under Timberline

Emily Gorgol; how are these projects that are coming to us prioritized? I know we have a sidewalk prioritization process and wondered if these go through something similar-

Dean Klingner; hard to answer that question for all of the projects that have come forward – there has been some work to prioritize the community capital program funding for underpasses – projects in this space that are active are the underpass we are discussing and a future underpass under Harmony. They are coming forward based on the timing of the grants and the need for matching funds. In terms of Laporte, this project was prioritized overall in our capital plans and the timing is around completing the funding package for the grant opportunity.

Emily Gorgol; CCIP funds and grants - you can go after grants once a project is prioritized - I would really like to see something developed similar to the sidewalk prioritization where we are really looking at what areas in town really need multimodal improvements, where they are missing connections and that we prioritize spending our CCIP where we can – where we are going after grants to complete those projects - I think sidewalk prioritization has helped us focus on those areas and would like to see a similar process for this.

Dean Klingner: I would add that there is great news coming - we are starting to update our Active Modes Plan – which will combine an update to the Bicycle Master Plan and the Pedestrian Plan - the goal is to put all those things in one place – so we can understand how they are the prioritized for different parts of town, different needs – that work is underway starting the second half of this year.

Emily Gorgol; when is that scheduled to come to Council?

Dean Klingner; that I don't know but the work is scheduled to start this fall so I would anticipate the middle of next year.

Emily Gorgol; I do support the Laporte Project, and I would support the other if we had a way for folks to get over the ditch.

Kelly Ohlson; are we gearing up to leverage any federal money as well as looking at the possibility of getting infrastructure funding?

Brad Buckman; we are definitely looking at that – the infrastructure bill will be an opportunity – there might be some funding for bridge programing

Kelly Ohlson; multimodal?

Brad Buckman; we have multimodal projects to be ready should this happen –

Kelly Ohlson; if this a normal railroad route - light rail potential - some considerations - on how high and how enclosed

Dean Klingner; the requirements for the railroad are so conservative around height, protection etc. that they would be consistent in any future…

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Kelly Ohlson; these two are different kind of projects are the reality of multi modal. Do we touch any sensitive environmental areas?

Brad Buckman; we do have environmental considerations / issues to look at

Dean Klingner; our own environmental standards are higher - both having federal funding – wetlands mitigation might be the thing along the ditch – there is development going in on the south of this
consistent with setbacks ditch crossing - underpass - we are more typically putting in a wildlife corridor - in this case we are going over the railroad

Travis Storin; to summarize
Emily Gorgol's question around access from NE quadrant
Design concerns
Impacts to natural environment and wildlife

C. Future Capital Projects & Financing Options

Blaine Dunn, Accounting Director

SUBJECT FOR DISCUSSION
Future capital projects and financing options

EXECUTIVE SUMMARY
There are several large projects being considered in the next five to ten years that will likely need debt financing. In an ideal world new debt service would perfectly dovetail with completion of other debt service. Ongoing money is freed up when debt service discontinues. The information provided shows the current debt position of the governmental funds and discusses different scenarios around financing the civic center masterplan.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED
1. Inform and educate the Council Finance Committee on current debt balances and annual debt service
2. Gather feedback on potential projects and scenarios presented

DISCUSSION / NEXT STEPS;
Kelly Ohlson; a big miss on the SE Recreation Center

Travis Storin; the ballot specified an outside leisure pool
$14M on the CCIP and additional $10M

Travis Storin; we are in a very preliminary phase of design – an illustration of our uncertainly – very much still a TBD - a very worthwhile conversation

Kelly Ohlson; It looks like the rest of this presentation is focused the Civic Center
But I don't see any update on the SE Recreation Center or the timing of the Hughes Land Acquisition

Blaine Dunn; this is focused on the Civic Center Master Plan because we don't have any finality or firm numbers

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on the other two. We may decide to bond for 1 or 2 or 3 of these all at the same time.
Debt service capacity - We don't have more information on the Hughes Land Acquisition at this time.

Travis Storin; whether it would make sense to use debt service or cash finance for Hughes Land Acquisition.

Kelly Ohlson; those on Council and management that is not Natural Areas funds primarily - would be more of a General Fund liability

Travis Storin; I am aware that is a topic that needs to be explored as we get closer to a final purchase price we will surface that with Council perhaps in Executive Session perhaps by Committee. I am not presuming any source fund when I say cash financing - across the span of candidate funds, I would say that there is the ability to cash finance through some configuration of multiple funds including the General Fund. It might make economic sense for us to debt finance Hughes, but it depends on rates – that is the kind of arbitrage type calculation we do when we decide how to make a large purchase like that.

Travis Storin; total debt service line – salient take away
$4.5M up to a temporary bubble of $6.5M then settling in around $5.5M annual debt service

City of Fort Collins

Civic Center Scenario 1

10

in 000s

Debt	Project	Funding Souce	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	...*	2056
Current Debt																							
2012 COP's	Police Building	General Fund	1,564	1,561	1,554	1,551	1,552	1,547															
	Police Building	Capital Exp. Fund	375	375	375	375	375	375															
	Streets Storage Building	Transptn. Fund	134	136	144	141																	
2017 COP's	Firehouse Alley	General Fund	661	661	661	660	658	661	658														
	Firehouse Alley	DDA	300	300	300	300	300	300	300														
2019 COP's	Police Training	General Fund	547	547	547	547	546	546	547	547	546	547	547	561	532	547	547	547	547	547			
	Prospect / I-25	General Fund	1,141	1,141	1,142	1,142	1,140	1,140	1,142	1,142	1,140	1,141	1,141	1,170	1,111	1,141	1,142	1,141	1,142	1,141			
		Existing Debt Service Obligations	4,722	4,721	4,722	4,715	4,571	4,570	2,648	1,689	1,687	1,688	1,688	1,730	1,643	1,688	1,689	1,688	1,690	1,688			
New Debt	Civic Center Redesign	General Fund							3,396	3,396	3,396	3,396	3,396	3,396	3,396	3,396	3,396	3,396	3,396	3,396	3,396	3,396	3,396
	Civic Center Redesign	General Gov CEF							500	500	500	500	500	500	500	500	500	500	500	500	500	500	500
		New Debt Service							3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896
		Total Debt Service	**4,722**	**4,721**	**4,722**	**4,715**	**4,571**	**4,570**	**6,544**	**5,586**	**5,583**	**5,584**	**5,584**	**5,627**	**5,540**	**5,584**	**5,585**	**5,584**	**5,586**	**5,584**	**3,896**	**3,896**	**3,896**

*All debt service between 2039 and 2056 remains the same

- Could pay off 2012 and 2017 COPs early with reserves to move forward construction

Will need $1M of GF reserves/one-time in 2027
Will need $1M additional on-going GF Revenue 2028 and beyond (over current levels)

Julie Pignataro; interest rates are currently low across the board - Why would you only refinance the General Fund?

Blaine Dunn; we would refinance everything – the example of a mortgage that is amortized and has the same payment throughout the life of the loan – because these are bonds, we can pay more upfront etc. and structure payments differently. We would have the other funds continue to pay the same amount for the same number of years. They would get to stay on the same amortization schedule they are on now and their payments would not be going toward the debt service – it would just be the General Fund that would continue to pay that into the future.

Kelly Ohlson; I don't agree with any of your assumptions or your recommendation
Are the different departments of one mind?

Travis Storin; one of the reasons you don't see a staff recommendation -
You are not hearing the spectrum of different perspectives – it's that we haven't settled on what is right for the city as a staff - For staff it hasn't been argumentative -sort of a decision on if we did nothing, we could initiate the financing and construction for the Civic Center master plan as soon as 2027. If there is energy among the Council to do something on a more accelerated basis, there are some options on how to do this.
Darin is encouraging us to think ambitiously about the timing of this meaning sooner.

Kelly DiMartino; a desire to potentially move before 2027 – but I do think talking about next year would be overly ambitious.

Blaine Dunn; we have been in discussion with Ken Mannon and team and Tyler about this project, about how we finance it - we wanted to come get feedback from this committee so they could get some direction around what the timeline might look like –

Kelly Ohlson; there might be a number between 2022 and 2027 that is a general statement of consideration.
Julie's comment about the interest rates is relevant to me about moving it up.
We should be proud of our public buildings - Don't know if our citizens are aware of what we are thinking of doing this.
To Ken; Why do you think that every time I have renovated a building, it runs over more than new construction.
Why would you want to use the lower range of cost to renovate existing buildings?

Ken Mannon; when we look at the average is right now – looking at other buildings we have renovated on a square foot cost – depends on the magnitude of the work being done.

Kelly Ohlson; we own the building at 281 (PDT). I am not even convinced of the need yet
Can someone give me 20 bullets of why we need all of this space? I need to be able to say why we need this.
I am not quite there on when to pull the trigger.

Kelly DiMartino; when we did the Work Session, we talked about bringing the Civic Center Master plan back For adoption and in between do some meetings with Council to answer some additional questions.
Sit down and spend some additional time. For me the short version is longer term space planning needs that we know current facilities are not meeting those demands. You will see some things in the upcoming budget regarding where we have significant gaps. Not wanting to continue to sink money into maintenance in a way that is not a smart investment. More welcoming public spaces

Kelly Ohlson; I am open to all scenarios - I don't want us to lose the window on the interest rate.
I don't know what the long-term view is on interest rates.

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Travis Storin; from a financial standpoint, we aim to stress test - we are not putting a shovel in the ground in 2022

Kelly Ohlson; I don't want the Hughes Land Acquisition lost in the discussion.

Emily Gorgol; 2022 sounds very ambitious - What are the options between 2022 and 2027 for a timeline?
I would be hesitant to start renovations when we don't know what we are designing for, and we don't have an end game goal – Looking forward to the other projects being included to provide a more complete picture – It was great to get a snapshot. I appreciate you taking the time and walking us through this and building this out slowly over time.

Travis Storin; to summarize;
There needs to be a stronger story on the Civic Center Master Plan on the why and when including the top reasons we would want to do this.
Clearly heard feedback received regarding 2022 being too quick– we are at the big end of the funnel right now on the debt scenario. Looking to step that in and bring more information around optionality. The next time we will be clearer on the design elements within the facility and what we are looking to debt finance

Kelly Ohlson; we are open - no decision yet but open to shovels in the ground in 2023 2024 2025 or 2026 depending on interest rates and what you bring to us. Don't necessarily just bring this in the bonding package – it might be the Recreation Center and the Hughes Land Acquisition - that might be the smart play. We did that with Soapstone, the Police Station and the Streets Deicing facility- even though they were using different funding.

Other Business

Teresa Roche; We changed our record keeper to Nationwide in September 2021- everything came forward to Council. The Retirement Governance committee met yesterday and there are 2 changes for your consideration which involve no cost to the city.

1) Allow SA Directors and above - if they contribute to the 457 up to 3% that the company match would go into the 401A instead of the 457 to give them more flexibility in support of a certain population (20 employees are involved in the matching) A way for these employees to put more of their own money into the 457 - they city matches up to 3% for this group. We consolidated plans when we went to Nationwide

   457 is specially used in the public sector - many municipalities use it
   Cap is age related – if you are under 50 you can put in $19.5K - if over 50 it is $26K
   annual cap established by the IRS

   401A the city makes a contribution for all classified employees
   Allow employees to put more money of their own into the 457 Plan
   $55K is the cap per the IRS

2) Teresa Roche; also, one language clean-up item for clarity in the 401A regarding the continuation of disability period of 1 year. We plan to bring this forward on Resolution under Consent for you to approve these two changes.

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Julie Pignataro; I am supportive
Emily Gorgol; I support
Kelly Ohlson; this is a good thing, and it is not costing citizens one extra penny

Julie Pignataro; depending on what is happening with the Delta variant - I hope that everyone was given the option of participating virtually if they didn't feel comfortable or in person. My main concern is that everyone on staff felt welcome not coming in. People are masking up a lot more again. We need to be very careful, and we don't want to jump back in too quickly.

Meeting adjourned at 5:30 pm

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