



Agenda Memorandum

City Council Meeting
March 11, 2019



Visionary Leadership, Effective Governance and Proactive Regional Collaboration



Beautiful, Desirable, Safe and Environmentally Responsible City



Ease of Mobility

Subject: First Reading of Councillor's Bill No. 7 re Supplemental Appropriation of Carryover Funds and Adoption of Resolution No. 7 Approving the Expenditure of Funds to Share in the Cost of Purchasing Property with Jefferson County from Woman Creek Reservoir Authority for the Purpose of Trails and Open Space

Prepared By: Rod Larsen, Open Space Manager
Joe Reale, Open Space Superintendent
Chris M. Lindsey, Policy & Budget Manager

Recommended City Council Action:

1. Pass Councillor's Bill No. 7 on first reading appropriating 2018 Parks Open Space and Trails Fund carryover in the amount of \$643,000 and a transfer of these funds in the General Capital Improvement Fund to provide supplemental funding for the purchase of open space.
2. Adopt Resolution No. 7 approving the expenditure of funds to share in the cost of purchasing property with Jefferson County from Woman Creek Reservoir Authority for the purpose of trails and open space.

Summary Statement:

- The approximately 368-acre Woman Creek Reservoir Authority (WCRA) property is adjacent to the Westminster Hills Open Space. The City has leased it from the Authority for the past 20 years and is included as part of the City's Open Space Inventory.
- Acquiring this parcel in fee for Open Space will: allow the City to address public access control; allow testing to proceed on the property that will allow construction of the Rocky Mountain Greenway Trail to progress; preserve land identified as critical wildlife habitat by the United States Fish and Wildlife Service and as a Conservation Study Area in the Jefferson County Master Plan; and let the City continue to protect the Standley Lake watershed.
- This property has been managed by the City's Open Space Division through a 20 year intergovernmental agreement (IGA). The IGA is set to expire in March of 2019 and the WCRA Board of Directors has expressed their desire to sell the property instead of renewing the lease.
- Jefferson County Open Space (JCOS) negotiated to purchase the property for \$4,680 per acre with the final purchase price dependent on the total acreage as determined by survey. The purchase is contingent on the City contributing 50% of the purchase price. Once acquired, the County would deed the property to the City, subject to the standard Jefferson County Open Space Reverter Clause.
- Staff proposes to fund a portion of the acquisition by utilizing an existing capital project (Open Space Land Acquisitions) and appropriating the remainder from carryover in the Parks, Open Space and Trails (POST) Fund. Staff also proposes the transfer of carryover funds to the GCIF to consolidate the funding in one account. Due to the transfer of funds, the

supplemental is necessarily double the amount needed for the purchase.

Fiscal Impact:

Not to exceed \$900,000 in expenditures.

Source of Funds:

General Capital Improvement Fund (GCIF): Open Space Land Acquisitions project in the amount of \$257,000; 2018 Parks, Open Space and Trails (POST) Fund carryover transferred to the GCIF in the amount of \$643,000

Policy Issue(s):

- Should the City Council authorize an appropriation of Parks, Opens Space and Trails Fund carryover and a transfer these funds to the General Capital Improvement Fund to provide for the City's cost share with Jefferson County to purchase Woman Creek Reservoir Authority open space property?
- Does City Council approve acquiring the WCRA property for open space?

Alternative(s):

City Council could choose not to approve the carryover supplemental at this time. This is not recommended as there are not funds available in the GCIF or POST Funds to purchase this property.

City Council could choose not to authorize the acquisition at this time. Staff does not recommend this option because acquiring this property is important to preserve the investments that have been made into the WCRA and Westminster Hills Property and to meet the commitments to complete the Rocky Mountain Greenway (RMG) Trail. Staff believes the price is fair and will share the cost equally with Jefferson County Open Space; not purchasing the property at this time would likely prevent the completion of the RMG trail. Also, not purchasing the property at this time would likely jeopardize the shared-funding approach with the City's partner, Jefferson County Open Space.

Background Information:

For the past 20 years, the City has leased 368 acres of WCRA property and considered it part of the City's overall Open Space Inventory. This property has been managed by the City's Open Space Division through a 20 year IGA that addresses fence installation/repair, public access control, trail maintenance, water quality control, weed control, native grass enhancement, and overall integrity of the ecosystem. That IGA is set to expire in March of 2019. The WCRA board expressed their desire to sell the property instead of renewing another lease. The Board's main reason for selling this property is it is located outside of the main Woman Creek Reservoir property and is not needed for their primary responsibility of managing the reservoir.

The RMG Trail is located on the northeast corner of the WCRA property. The RMG is a partnership between local governments, the State of Colorado, the Department of the Interior, and other agencies to reconnect residents of the metropolitan Denver region with the outdoors by creating a comprehensive and vibrant trail network. Originating in 2012, the RMG's broad vision, as articulated by then Secretary of Interior Salazar and Colorado Governor Hickenlooper, is to "create uninterrupted trails and transportation linkages connecting the Denver metro area's trail systems, the three national wildlife refuges in the metro region (which includes Rocky Flats), Rocky Mountain National Park, and the community trails systems in between."

Currently, the RMG terminates just north of the WCRA property on the City and County of Broomfield's property, east of Indiana Street. The City of Westminster, in partnership with JCOS, City of Arvada, Broomfield, and Boulder County, was awarded over \$3.2 million from the Federal Lands Acquisition Program (FLAP) grant to build a pedestrian overpass across Indiana Street onto the Rocky Flats property and a pedestrian underpass on Highway 128 between Rocky Flats and Boulder County Open Space.

The WCRA property is downwind from the former Rocky Flats site and includes covenant restrictions on usage and the property deed identifies that "certain radioactive materials... are present on the property." As part of the grant process, all FLAP partners' governing boards have requested soil sampling take place in the proposed construction areas to independently verify that the site is within regulatory thresholds prior to project initiation. Although the RMG currently ends on Broomfield property, the proximity to the north boundary of WCRA property is close enough that soil sampling would occur on both parcels of land. WCRA will not authorize sampling to occur as owners of this property.

Acquiring this parcel in fee for Open Space will do the following:

- allow the City to address public access control;
- allow testing to proceed on the property that will allow construction of the Rocky Mountain Greenway Trail to progress;
- preserve land identified as critical wildlife habitat by the United States Fish and Wildlife Service and as a Conservation Study Area in the Jefferson County Master Plan; and
- let the City continue to protect the Standley Lake watershed.

Additionally, JCOS considers the WCRA property a regional open space that would benefit both Jefferson County and Westminster residents. The property meets 15 of the 22 JCOS Master Plan Acquisition Criteria. For example, the Woman Creek

drainage, which crosses the property, is designated by the U.S. Fish and Wildlife Service as endangered Preble's Jumping Mouse habitat and is identified as a Conservation Study Area in the JCOS Master Plan.

JCOS has extended an offer to WCRA to purchase the property outright, deed it over to the City of Westminster, and receive half of the purchase price back from the City. On January 14, 2019, JCOS made a formal offer to the WCRA board at their regular board meeting at Westminster City Hall. The offer price of \$4,300 per acre was based on past similar acquisitions by JCOS and not an appraisal, which is a common practice that JCOS uses when acquiring property. On January 24, 2019, the WCRA board counter offered at \$4,680 per acre, which they indicated is a value more in the mid-range of the JCOS staff value assessment range. At this price per acre, the total purchase price for 368 acres would be \$1,722,240. The City of Westminster's commitment would be up to \$900,000. JCOS has accepted the counter offer from WCRA and has received approval from the JCOS Advisory Board.

Staff seeks to fund this acquisition through the use of two sources of funds: a previously appropriated capital project and the appropriation of carryover. The 2019/2020 Budget includes a GCIF capital project intended for Open Space acquisitions, with a 2019 budget of \$257,000. Staff proposes to utilize this to fund a portion of the acquisition.

Staff also proposes the early appropriation of fiscal year 2018 carryover into fiscal year 2019 to fund this purchase, in the amount of \$643,000. Carryover is typically generated by the collection of revenues beyond budgeted revenues, unexpended operating funds, and savings from capital projects closed out at year-end. The carryover funds identified are dedicated POST funds that are restricted for use on the acquisition, development and maintenance of parks, open space, trails and recreation facilities. While Staff is requesting an early appropriation of carryover, Staff believes this is the highest and best use of the funds and understands that this will limit future requests for funds.

Additionally, the supplemental includes a transfer of these funds from POST Fund to the GCIF to centralize the purchase into one account. The supplemental ordinance appropriates 2018 carryover in the POST Fund (\$643,000) and a transfer of these funds in the GCIF to provide additional funding for the purchase (\$643,000). Due to the transfer of funds, the supplemental is necessarily double the amount needed for the purchase (\$1,286,000) due to governmental fund accounting rules. This transaction is reflected in the supplemental appropriation account table attached to this agenda memorandum.

This acquisition supports the City's Strategic Plan goals of Visionary Leadership, Effective Governance and Proactive Regional Collaboration; Beautiful, Desirable, Safe and Environmentally Responsible City; and Ease of Mobility by partnering with Jefferson County to preserve open space and by providing the City with increased open space and trails.

Respectfully submitted,



Donald M. Tripp
City Manager

ATTACHMENTS:

Description	Upload Date	Type
Councillor's Bill No. 7 re Supplemental Appropriation of Funds	3/4/2019	Ordinance
Supplemental Appropriation Account Tables	3/5/2019	Attachment
Resolution No. 7 Approving the Expenditure of Funds to Share in the Cost of Purchasing Property with Jefferson County from Woman Creek Reservoir Authority for the Purpose of Trails and Open Space	3/6/2019	Resolution
Resolution No. 7, Exhibit A - Map	2/11/2019	Attachment

BY AUTHORITY

ORDINANCE NO. **3974**

COUNCILLOR'S BILL NO. **7**

SERIES OF 2019

INTRODUCED BY COUNCILLORS

**A BILL
FOR AN ORDINANCE AMENDING THE 2019 BUDGET OF THE PARKS, OPEN SPACE AND
TRAILS FUND AND THE GENERAL CAPITAL IMPROVEMENT FUND AND
AUTHORIZING A SUPPLEMENTAL APPROPRIATION FROM THE 2019 ESTIMATED
REVENUES IN THE FUND.**

THE CITY OF WESTMINSTER ORDAINS:

Section 1. The 2019 appropriation for the Parks, Open Space and Trails Fund and the General Capital Improvement Fund initially appropriated by Ordinance No. 3953 is hereby increased in aggregate by \$1,286,000. This appropriation is due to 2018 carryover and transfer revenue.

Section 2. The \$1,286,000 increase shall be allocated to City Revenue and Expense accounts as described in the City Council Agenda Item dated March 11th, 2019 (a copy of which may be obtained from the City Clerk) amending City fund budgets as follows:

Parks, Open Space and Trails Fund	<u>\$643,000</u>
General Capital Improvement Fund	<u>\$643,000</u>
Total	<u>\$1,286,000</u>

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

Section 4. This ordinance shall take effect upon its passage after the second reading.

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

INTRODUCED, PASSED ON FIRST READING, AND TITLE AND PURPOSE ORDERED
PUBLISHED this 11th day of March, 2019.

PASSED, ENACTED ON SECOND READING, AND FULL TEXT ORDERED PUBLISHED
this 25th day of March, 2019.

ATTEST:

Mayor

City Clerk

The supplemental appropriation will amend the Parks, Open Space and Trails Fund revenue and expense accounts as follows:

REVENUES

Description	Account Number	Current Budget	Amendment	Revised Budget
Carryover	5400.40020.0000	\$605,071	<u>\$643,000</u>	\$1,248,071
Total Change to Revenues			<u>\$643,000</u>	

EXPENSES

Description	Account Number	Current Budget	Amendment	Revised Budget
Transfer out - GCIF	54010900.79800.0750	\$3,088,205	<u>\$643,000</u>	\$3,731,205
Total Change to Expenses			<u>\$643,000</u>	

The supplemental appropriation will amend the General Capital Improvement Fund revenue and expense accounts as follows:

REVENUES

Description	Account Number	Current Budget	Amendment	Revised Budget
Transfer in - POST	7501.45000.0540	\$3,088,205	<u>\$643,000</u>	\$3,731,205
Total Change to Revenues			<u>\$643,000</u>	

EXPENSES

Description	Account Number	Current Budget	Amendment	Revised Budget
Open Space Land Acq (POST)	81975050061.80400.8888	\$0	<u>\$643,000</u>	\$643,000
Total Change to Expenses			<u>\$643,000</u>	

RESOLUTION

RESOLUTION NO. 7

INTRODUCED BY COUNCILLORS

SERIES OF 2019

A RESOLUTION

APPROVING THE EXPENDITURE OF FUNDS TO SHARE IN THE COST OF PURCHASING PROPERTY WITH JEFFERSON COUNTY FROM WOMAN CREEK RESERVOIR AUTHORITY

WHEREAS, the Woman Creek Reservoir Authority ("WCRA") property consists of approximately 368 acres located east of Indiana Street, north of Woman Creek Reservoir and west of Westminster Hills Open Space as described on Exhibit A, attached hereto and incorporated herein ("Property"); and

WHEREAS, Jefferson County and the City of Westminster ("City") have negotiated a \$4,680/acre purchase price with WCRA for the Property, for a total purchase price of \$1,722,240; and

WHEREAS, the City will contribute 50% of the purchase price, for a total of up to \$900,000; and

WHEREAS, the Property will be conveyed from WCRA to Jefferson County in two phases with the first closing occurring in March of 2019 and the second closing occurring in August of 2019; and

WHEREAS, the City will make its 50% contribution at the second closing in August; and

WHEREAS, at the August closing, Jefferson County will convey the Property to the City by Commissioner's Deed, subject to an open space reverter requiring the Property to be used as public open space, park or recreational purposes; and

WHEREAS, purchasing the Property furthers the City's Strategic Plan goals of proactive regional collaboration and enhancing our natural resources and environmental assets by preserving land identified as critical wildlife habitat by the United States Fish and Wildlife Service and as a Conservation Study Area in the Jefferson County Master Plan; allowing the City to address public access control; allowing soil testing to proceed on the Property so that construction of the Rocky Mountain Greenway Trail may progress; and, allowing the City to continue to protect the Standley Lake watershed; and

WHEREAS, the City has sufficient funds to make this contribution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WESTMINSTER THAT:

1. The purchase of the Property and the City's contribution toward the purchase price in the amount of up to \$900,000 is approved; and
2. The City Manager is authorized to sign any necessary documents to acquire the Property and accept the Commissioner's Deed conveying the Property to the City.

PASSED AND ADOPTED this 11th day of March, 2019.

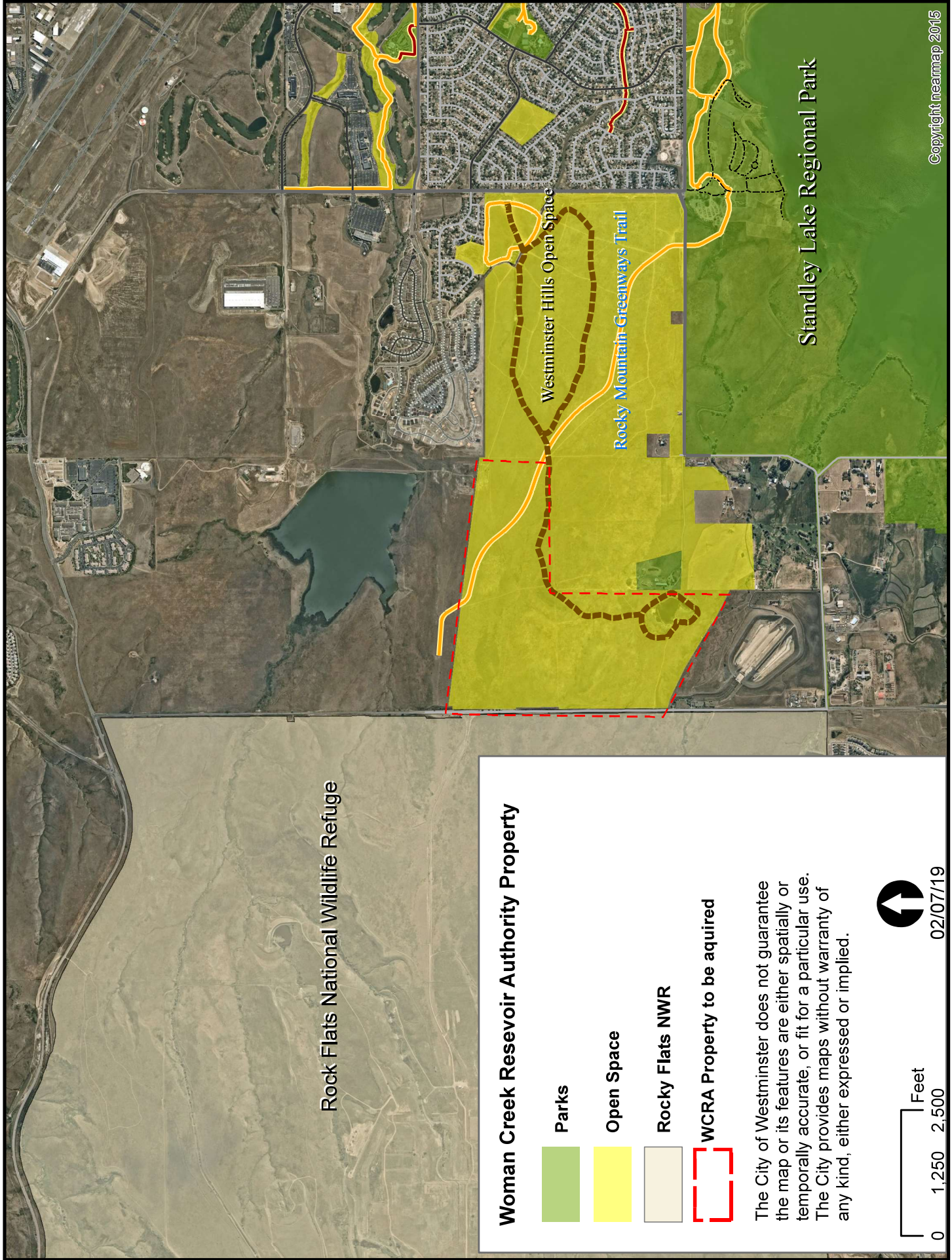
Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

City Clerk

By: _____
Office of the City Attorney



Rock Flats National Wildlife Refuge

Woman Creek Reservoir Authority Property



Parks



Open Space



Rocky Flats NWR



WCRA Property to be acquired

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02/07/19

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