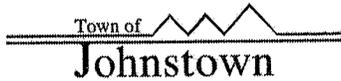


TOWN COUNCIL

MEETING

PACKET

December 7, 2015



Agenda
Monday, December 7, 2015
Town Hall, Council Chambers
450 So. Parish Avenue
7:00 PM



MISSION STATEMENT—*The mission of the government of the Town of Johnstown is to provide leadership based upon trust and integrity, commitment directed toward responsive service delivery, and vision for enhancing the quality of life in our community.*

Members of the audience are invited to speak at the Council meeting. Public Comment (item No. 5) is reserved for citizen comments on items not contained on the printed agenda. Citizen comments are limited to three (3) minutes per speaker. When several people wish to speak on the same position on a given item, they are requested to select a spokesperson to state that position. If you wish to speak at the Town Council meeting, please fill out a sign-up sheet and present it to the Town Clerk.

- 1) **CALL TO ORDER**
 - A) Pledge of Allegiance
- 2) **ROLL CALL**
- 3) **AGENDA APPROVAL**
- 4) **RECOGNITIONS AND PROCLAMATIONS**
- 5) **PUBLIC COMMENT (three-minute limit per speaker)**

*The "Consent Agenda" is a group of routine matters to be acted on with a single motion and vote. The Mayor will ask if any Council member wishes to have an item discussed or if there is public comment on those ordinances marked with an *asterisk. The Council member may then move to have the subject item removed from the Consent Agenda for discussion separately.*

- 6) **CONSENT AGENDA**
 - A) Town Council Meeting Minutes – November 16, 2015
 - B) Resolution No. 2015-18, Concerning Support for the Use of Larimer County Mill Levy Funds for Interstate 25 Improvements
 - C) Resolution No. 2015-19, A Resolution Authorizing the Conduct of a Mail Ballot Election for the Town of Johnstown's Regular Municipal Election Scheduled for April 5, 2016
 - D) Legal Service Agreement with Paul C. Benedetti Regarding Johnstown Plaza Project
 - 7) **STAFF REPORTS**
 - 8) **OLD BUSINESS**
 - 9) **NEW BUSINESS**
 - A) Consider Resolution No. 2015-15, A Resolution Summarizing Expenditures and Revenues for Each Fund and Adopting a Budget for the Town of Johnstown, Colorado for the Calendar Year Beginning on the First Day of January, 2016 and Ending on the Last Day of December, 2016
 - B) Consider Resolution No. 2015-16, A Resolution Appropriating Sums of Money to the Various Funds and Spending Agencies In the Amounts and for the Purposes as Set Forth, for the Town of Johnstown, Colorado for the 2016 Budget Year
 - C) Consider Resolution No. 2015-17, A Resolution Levying General Property Taxes for the Year 2016, to Help Defray the Costs of Government for the Town of Johnstown, Colorado for the 2016 Budget Year
 - D) Consider Award of Contract for Utility Bill Printing and Mailing Services to Southwest Direct
 - E) ***Public Hearing – (First Reading)** – Ordinance No. 2015-139, Amending Article XII of Chapter 17 of the Johnstown Municipal Code Concerning Impact Fees, Specifically Section 17-224, Transportation Facilities Development Fee, 17-225, Parks and Recreation Facilities Development Fee, Section 17-226, Public Facilities Development Fee, Section 17-227, Library Facilities Development Fee, and Section 17-228, Police Facilities Development Fee
 - F) ***Public Hearing – (First Reading)** – Ordinance No. 2015-140, An Ordinance Establishing a Street Maintenance Fee
 - 10) **COUNCIL REPORTS AND COMMENTS**
 - 11) **MAYOR'S COMMENTS**
 - 12) **ADJOURN**
-

WORK SESSION

1) Presentation of Water Rate Study – Mr. Josh Cook, NOCO Engineering Company



NOTICE OF ACCOMODATION

If you need special assistance to participate in the meeting, please contact the Town Clerk at (970) 587-4664. Notification at least 72 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to the meeting.

AGENDA ITEMS 6A-D

CONSENT

AGENDA

- **Council Minutes – November 16, 2015**
 - **Resolution No. 2015-18**
(Support of Larimer County Mill Levy)
(I-25 Improvements)
 - **Resolution No. 2015-19**
(Authorization to Conduct Mail Ballot
Election – April 5, 2016
 - **Legal Services Agreement**
(Paul C. Benedetti)

TOWN COUNCIL AGENDA COMMUNICATION

AGENDA DATE: December 7, 2015

ITEM NUMBER: 6A-D

SUBJECT: Consent Agenda

ACTION PROPOSED: Approve Consent Agenda

PRESENTED BY: Town Clerk

AGENDA ITEM DESCRIPTION: The following items are included on the Consent Agenda, which may be approved by a single motion approving the Consent Agenda:

- A) Town Council Minutes-November 16, 2015
- B) *Resolution No. 2015-18, Concerning Support for the Use of Larimer County Mill Levy Funds for Interstate 25 Improvements
- C) **Resolution No. 2015-19, A Resolution Authorizing the Conduct of a Mail Ballot Election for the Town of Johnstown's Regular Municipal Election Scheduled for April 5, 2016
- D) ***Legal Services Agreement with Paul C. Benedetti Regarding Johnstown Plaza Project

*As discussed at the November 2, 2015 Council meeting, the attached resolution supports Larimer County's proposed shift of funds from their general fund mill levy to the road and bridge mill levy for a period of five (5) years to generate revenue for I-25 improvements.

**The regular municipal election for the Town of Johnstown is scheduled for April 5, 2016. Johnstown has successfully used mail ballots in the past few elections and wishes to continue. Voter participation has increased by utilizing mail ballots. Section 1-7.5-104, C.R.S. of the Uniform Election Code of 1992 provides that the governing body of any political subdivision may determine that an election may be held by mail ballot. Staff is recommending that the Town Council consider authorizing a mail ballot election for the April 5, 2016 regular municipal election. According to the Town Treasurer, sufficient funds have been budgeted for the mail ballot election.

*** Paul Benedetti will provide a legal opinion regarding the enforceability of the obligations of the Town in the Development and Financing Agreement, which opinion is necessary for Johnstown Plaza Metropolitan District to be able to issue tax- exempt bonds. Mr. Benedetti was recommended by Mary Ann McGeedy, and the developer has agreed to pay the costs. The Town Attorney has reviewed the agreement.

LEGAL ADVICE: The entire Consent Agenda may be approved by a motion of the Town Council approving the Consent Agenda, which automatically approves each and every item listed on the Consent Agenda. If a Council member wishes to have a specific discussion on an individual item included with the Consent Agenda, they may move to remove the item from the Consent Agenda for discussion.

FINANCIAL ADVICE: N/A

RECOMMENDED ACTION: Approve Consent Agenda

SUGGESTED MOTION:

For Approval: I move to approve the Consent Agenda.

For Denial:

Reviewed:


Town Manager

**COUNCIL
MINUTES**

The Town Council of the Town of Johnstown met on Monday, November 16, 2015 at 7:00 p.m. in the Council Chambers at 450 S. Parish Avenue, Johnstown.

Mayor Romanowski led the Pledge of Allegiance.

Roll Call:

Those present were: Councilmembers James, Lebsack, Mellon, Mitchell, Molinar Jr. and Young

Also present: Avi Rocklin, Town Attorney, Roy Lauricello, Town Manager John Franklin, Town Planner, Tom Hellen, Public Works Director, Brian Phillips, Police Chief and Diana Seele, Town Clerk/Treasurer

Agenda Approval

Councilmember Lebsack made a motion seconded by Councilmember Mellon to approve the Agenda as submitted. Motion carried with a unanimous vote.

Recognitions and Proclamations

Mayor Romanowski presented Pat Betz, Librarian with a plaque for her 41 years of dedicated service to the Town of Johnstown.

Consent Agenda

Councilmember James made a motion seconded by Councilmember Molinar Jr. to approve the Consent Agenda with the following items included:

- November 2, 2015 - Town Council Meeting Minutes
- Payment of Bills
- October Financial Statements
- Letters of Intent to Participate in Larimer and Weld Counties Multi-Jurisdictional Hazard Mitigation Plans
- Agreement between the Town of Johnstown and Larimer Humane Society

Motion carried with a unanimous vote.

New Business

A. Consider Club Liquor License Renewal for J & M Post Veterans Club – Councilmember Mellon recused himself from discussion – Councilmember James made a motion seconded by Councilmember Young to approve the Club Liquor License renewal for the J & M Post Veterans Club. Motion carried with an aye vote.

B. Consider 3.2% Beer Retail License (Off Premises) Renewal for Hays Market Inc. – Councilmember Lebsack made a motion seconded by Councilmember Mellon to approve the 3.2% beer retail license (off premises) renewal for Hays Market Inc. Motion carried with a unanimous vote.

Johnstown, Colorado

-2-

November 16, 2015

C. Public Hearing – Presentation of 2016 Proposed Budget – Mayor Romanowski opened the public hearing at 7:18 p.m. and having no public comment closed the hearing at 7:36 p.m.

Councilmember James made a motion seconded by Councilmember Mitchell to approve the 2016 proposed budget. Motion carried with a unanimous vote.

There being no further business to come before Council the meeting adjourned at 7:41 p.m.

Mayor

Town Clerk/Treasurer

RESOLUTION

No. 2015-18

TOWN OF JOHNSTOWN, COLORADO

RESOLUTION NO. 2015-18

**CONCERNING SUPPORT FOR THE USE OF LARIMER COUNTY
MILL LEVY FUNDS FOR INTERSTATE 25 IMPROVEMENTS**

WHEREAS, the Town of Johnstown recognizes that Interstate 25 ("I-25") is an integral part of the transportation system in northern Colorado that connects communities along the Front Range and further recognizes the need to expand the number of travel lanes to safely accommodate current and future traffic; and

WHEREAS, the Colorado Department of Transportation ("CDOT") is making application for a Risk and Resiliency Grant, through a Presidential Challenge, to replace three (3) bridges on I-25 (Cache la Poudre, Big Thompson and Little Thompson) and to repair the Saint Vrain Bridge; and

WHEREAS, CDOT has identified these bridges as 'pinch points' that currently restrict expansion of the number of lanes on I-25 in northern Colorado; and

WHEREAS, the Risk and Resiliency Grant for the bridges is a portion of a larger grant application for the entire State of Colorado that is scheduled to be evaluated and awarded by the end of 2015; and

WHEREAS, if awarded, the Risk and Resiliency Grant will require local matching funds; and

WHEREAS, to satisfy the local matching fund obligation, the Larimer County Board of County Commissioners ("Board of County Commissioners") seeks to move a portion of the general fund mill levy to the road & bridge mill levy for a period of five (5) years; and

WHEREAS, the Board of County Commissioners has indicated that, due to increased property valuations for Larimer County property owners in 2015, the temporary adjustment of the mill levy allocation will not cause detriment to Larimer County programs and will not require an increase in the total mill levy; and

WHEREAS, the Board of County Commissioners estimates that the increased road and bridge mill levy will generate approximately \$5.3 million over the five (5) years for use on I-25 as well as additional revenue which will be used for regional project(s) benefiting, among others, residents of the Town of Johnstown; and

WHEREAS, because assessed valuations on properties in municipalities are shared between the municipality and the County, the Board of County Commissioners has asked that the eight (8) communities within Larimer County pass a Resolution committing to the temporary mill levy adjustment for I-25 for Larimer County budget approval purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO, THAT the Town Council of the Town of Johnstown supports Larimer County's proposed shift of funds from the general fund mill levy to the road & bridge mill levy for a period of five (5) years to generate revenue for I-25 improvements.

PASSED, SIGNED, APPROVED, AND ADOPTED this 16th day of November, 2015.

ATTEST:

TOWN OF JOHNSTOWN, COLORADO

By: _____
Diana Seele, Town Clerk

By: _____
Mark Romanowski, Mayor

RESOLUTION

No. 2015-19

TOWN OF JOHNSTOWN

RESOLUTION NO. 2015-19

**A RESOLUTION AUTHORIZING THE CONDUCT OF A MAIL BALLOT
ELECTION FOR THE TOWN OF JOHNSTOWN'S REGULAR MUNICIPAL
ELECTION SCHEDULED FOR APRIL 5, 2016**

WHEREAS, pursuant to the requirements of the Town Charter, a regular municipal election is to be conducted on April 5, 2016 and

WHEREAS, the Town Council of the Town of Johnstown would like to increase voter participation by utilizing mail ballot; and

WHEREAS, Section 31-10-102.7, C.R.S. permits a municipality to utilize the requirements and procedures of the Uniform Election Code of 1992 with respect to any municipal election; and

WHEREAS, the Town Council wishes to adopt a portion of the Uniform Election Code of 1992 relating to mail ballot elections for the April 5, 2016 Regular Municipal Election; and

WHEREAS, Section 1-7.5-104, C.R.S. of the Uniform Election Code of 1992 provides that the governing board of any political subdivision may determine that an election may be held by mail ballot; and

WHEREAS, Staff has recommended that the Town Council consider authorizing a mail ballot election for the April 5, 2016 Regular Municipal Election.

**NOW, THEREFORE BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF
JOHNSNTOWN, COLORADO:**

Section 1. The Town of Johnstown hereby adopts the mail ballot election provision of the Uniform Election Code (C.R.S., Title 1, Article 7.5, also known as the "Mail Ballot Election Act") pertaining to mail ballot elections for the conduct of the April 5, 2016, Regular Municipal Election. In the event a procedure for the election is not provided for in the Mail Ballot Election Act, the Town shall comply with the Municipal Election Code (C.R.S., Title 31, Article 10) or applicable Town ordinances or regulations.

Section 2. The Accu-vote electronic system shall be used to record votes at said election.

PASSED AND APPROVED at a regular meeting of the Town Council of the Town of Johnstown on this 21st day of December, 2015.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Mayor

Town Clerk

**LEGAL
SERVICES
AGREEMENT**

Mark Romanowski
November 23, 2015
Page 2

Paul C. Benedetti

2730 Iliff Street
Boulder, Colorado 80305

Attorney at Law

Telephone: (303) 499-6340
Fax: (303) 499-6408
Email: paul.benedetti@comcast.net

November 23, 2015

Mark Romanowski, Mayor
Town of Johnstown
450 S. Parish Avenue
Johnstown, CO 80534

RE: Legal Services Agreement re Johnstown Plaza Project

Dear Mr. Lauricello:

This letter confirms our understanding regarding legal services to be provided to the Town of Johnstown (the "Town") as special counsel for the proposed Johnstown Plaza Project in Johnstown, Colorado.

Services to be rendered may include, without limitation, assistance with review and final preparation of a Comprehensive Funding Plan, Development Agreement, an Intergovernmental Agreement for Johnstown Plaza, and all related documents related to financing and development of the proposed Johnstown Plaza Project; attendance at meetings; legal research; telephone conferences; office conferences; correspondence and memoranda; coordination and communication with other counsel, consultants, the Town; and any other services mutually agreed to by the parties. This agreement is not intended to cover certain specialized services such as those of bond or metropolitan district counsel. This agreement does not include my fee in connection with rendering any required opinion or opinions related to issuance of bonds or other financial obligations as the scope and form of such opinions are not yet known.

My fees are \$250.00 per hour commencing as of and including November 23, 2015. All services will be provided by me. The time to be charged will be recorded and billed in one-tenth hour increments. In addition, I will be reimbursed for actual costs of such items as lodging cost (if required), unusual travel expenses, unusual copy, postage or delivery charges and courier fees. These costs will be paid by this firm and reimbursed by you or sent to you for direct payment. I do not charge for mileage, gasoline, regular postage, routine copies, or long distance calls.

All fees and expenses will be paid monthly upon receipt of an itemized statement.

Mark Romanowski
November 23, 2015
Page 2

This agreement may be terminated at any time by either party upon written notice. If the agreement is terminated, I will be paid the stated hourly fees for services rendered through the date of receipt of the termination notice and any fees required for an orderly transfer of work-in-progress, including reimbursement for costs incurred. If I withdraw from this agreement, I will allow a reasonable time for employment of new counsel, if necessary, and will deliver to you all papers and other property to which you are entitled.

If you agree with the terms and conditions of this letter, please sign a copy as evidence of the agreement by you and return one signed copy to me.

I look forward to working with you to make this project a success. Thank you.

Very truly yours,



Paul C. Benedetti

PCB/cb

Accepted on behalf of the Town of Johnstown, Colorado as of November 23, 2015

ATTEST:

TOWN OF JOHNSTOWN, COLORADO

By: _____
Mark Romanowski, Mayor

Diana Seele, Town Clerk

AGENDA ITEM 9A

**ADOPTION
OF
2016
BUDGET
(Resolution No. 2015-15)**

TOWN COUNCIL AGENDA COMMUNICATION

AGENDA DATE: December 7, 2015

ITEM NUMBER: 9A

SUBJECT: Resolution No. 2015-15, A Resolution Summarizing Expenditures and Revenues for Each Fund and Adopting a Budget for the Town Of Johnstown, Colorado for the Calendar Year Beginning on the First Day of January, 2016 and Ending on the Last Day of December, 2016

ACTION PROPOSED: Approve Resolution No. 2015-15

PRESENTED BY: Town Clerk/Treasurer

AGENDA ITEM DESCRIPTION: On November 16, 2015 a public hearing was conducted by the Town Council to consider the adoption of the 2016 proposed budget.

Section 12.7 of the Town Charter, states, in part, the following:

"The Council shall adopt the budget for the next fiscal year by ordinance or resolution on or before the final day of the current fiscal year."

The adoption of the 2016 budget for the Town of Johnstown must be formalized and made official by approval of Resolution No. 2015-15.

LEGAL ADVICE: N/A

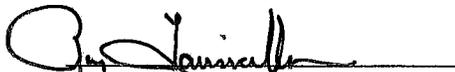
FINANCIAL ADVICE: N/A

RECOMMENDED ACTION: Approve Resolution No. 2015-15.

For Approval: I move to approve Resolution No. 2015-15, A Resolution Summarizing Expenditures and Revenues for Each Fund and Adopting a Budget for the Calendar Year Beginning on the First Day of January 2016 and Ending on the Last Day of December 2016.

For Denial: I move to deny approval of Resolution No. 2015-15, A Resolution Summarizing Expenditures and Revenues for Each Fund and Adopting a Budget for the Calendar Year Beginning on the First Day of January 2016 and Ending on the Last Day of December 2016.

Reviewed:


Town Manager

RESOLUTION

No. 2015-15

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES

RESOLUTION 2015-15

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE TOWN OF JOHNSTOWN, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2016 AND ENDING ON THE LAST DAY OF DECEMBER, 2016.

WHEREAS, the Town Council of the Town of Johnstown has appointed Diana Seele, Town Clerk to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, Diana Seele, Town Clerk has submitted a proposed budget to this governing body on December 7, 2015 for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held, and interested taxpayers were given the opportunity to file or register any objections to said proposed budget, and;

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE Town Council of the Town of Johnstown, Colorado:

Section 1. That estimated expenditures for each fund are as follows:

General Fund	\$ 6,660,500
Water Fund	\$ 1,833,200
Wastewater Fund	\$ 1,463,100
Conservation Trust Fund	\$ 149,200
Impact Fee Fund	\$ 720,000
Drainage Fund	\$ 221,100
Use Tax Capital Improvement Fund	\$ 782,000
Johnson's Corner Capital Imp. Fund	\$ 107,020
Library Fund	\$ 742,750
Contingent Fund	\$1,450,300
Equipment Replacement Fund	\$ 298,500
Total Estimated Expenditures	\$14,427,670

Section 2. That estimated revenues for each fund are as follows:

General Fund	
From unappropriated surpluses	-0-
From sources other than general property tax	\$3,293,500
From the general property tax levy	\$3,367,000
Total General Fund	\$6,660,500
Water Fund	
From unappropriated surpluses	\$ -0-
From sources other than general property tax	\$1,833,200
Total Water Fund	\$1,833,200
Wastewater Fund	
From unappropriated surpluses	\$ -0-
From sources other than general property tax	\$1,463,100
Total Wastewater Fund	\$1,463,100
Conservation Trust Fund	
From unappropriated surpluses	\$ -0-
From sources other than general property tax	\$ 149,200
Total Conservation Trust Fund	\$ 149,200
Impact Fee Fund	
From unappropriated surpluses	\$ 90,000
From sources other than general property tax	\$ 630,000
Total Impact Fee Fund	\$ 720,000
Drainage Fund	
From unappropriated surpluses	\$ -0-
From sources other than general property tax	\$ 221,100
Total Drainage Fund	\$ 221,100
Use Tax Capital Improvement Fund	
From unappropriated surpluses	\$ -0-
From sources other than general property tax	\$ 782,000
Total Use Tax Capital Improvement Fund	\$ 782,000
Johnson's Corner Capital Improvement Fund	
From unappropriated surpluses	\$ -0-
From sources other than general property tax	\$ 107,020
Total Johnson's Corner Capital Improvement Fund	\$ 107,020

Library Fund	
From unappropriated surpluses	\$ 3,000
From sources other than general property tax	\$ 13,500
From the general property tax levy	\$ 726,250
Total Library Fund	\$ 742,750
Contingent Fund	
From unappropriated surpluses	\$1,224,400
From sources other than general property tax	\$ 225,900
Total Contingent Fund	\$1,450,300
Equipment Replacement Fund	
From unappropriated surpluses	\$ -0-
From sources other than general property tax	\$ 298,500
Total Equipment Replacement Fund	\$ 298,500

Section 3. That the budget as submitted, amended, and herein above summarized by fund, hereby is approved and adopted as the budget of the Town of Johnstown, Colorado for the year stated above.

Section 4. That the budget hereby approved and adopted shall be signed by the Mayor and Town Clerk and made a part of the public records of the Town.

ADOPTED, THIS 7th day of December, 2015.

TOWN OF JOHNSTOWN, COLORADO

ATTEST

BY:

Mayor

Clerk/Treasurer

AGENDA ITEM 9B

**APPROPRIATION
OF
FUNDS
(Resolution No. 2015-16)**

TOWN COUNCIL AGENDA COMMUNICATION

AGENDA DATE: December 7, 2015

ITEM NUMBER: 9B

SUBJECT: Resolution No. 2015-16, A Resolution Appropriating Sums of Money to the Various Funds and Spending Agencies in the Amounts and for the Purposes as Set Forth, for the Town of Johnstown, Colorado for the 2016 Budget Year.

ACTION PROPOSED: Approve Resolution No. 2015-16

PRESENTED BY: Town Clerk/Treasurer

AGENDA ITEM DESCRIPTION: An appropriation is the legal spending limit authorizing the expenditures set forth by the Town Council. The Council through an official action, either a resolution or ordinance, must enact the appropriation.

The budget is merely a financial plan for the coming year, while the appropriation is the legal authority to spend the money.

LEGAL ADVICE: N/A

FINANCIAL ADVICE: N/A

RECOMMENDED ACTION: Approve Resolution No. 2015-16

For Approval: I move to approve Resolution No. 2015-16, A Resolution Appropriating Sums of Money to the Various Funds and Spending Agencies in the Amounts and for the Purposes as Set Forth, for the Town of Johnstown, Colorado for the 2016 Budget Year.

For Denial: I move to deny approval of Resolution No. 2015-16, A Resolution Appropriating Sums of Money to the Various Funds and Spending Agencies in the Amounts and for the Purposes as Set Forth, for the Town of Johnstown, Colorado for the 2016 Budget Year.

Reviewed:


Town Manager

RESOLUTION

No. 2015-16

RESOLUTION TO APPROPRIATE SUMS OF MONEY

RESOLUTION 2015-16

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES IN THE AMOUNTS AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE TOWN OF JOHNSTOWN, COLORADO FOR THE 2016 BUDGET YEAR

WHEREAS, the Town Council has adopted the annual budget in accordance with the Local Government Budget Law, on December 7th, 2015 and;

WHEREAS, the Town Council has made provision therein for revenue in an amount equal to or greater than the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, so as not to impair the operations of the Town.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO

Section 1. That the following sums are hereby appropriated from the revenue of each fund, to each fund, for purposes stated:

General Fund	\$ 6,660,500
Water Fund	\$ 1,833,200
Wastewater Fund	\$ 1,463,100
Conservation Trust Fund	\$ 149,200
Impact Fee Fund	\$ 720,000
Drainage Fund	\$ 221,100
Use Tax Capital Improvement Fund	\$ 782,000
Johnson's Corner Capital Imp. Fund	\$ 107,020
Library Fund	\$ 742,750
Contingent Fund	\$1,450,300
Equipment Replacement Fund	\$ 298,500
 Total Estimated Expenditures	 \$14,427,670

ADOPTED THIS 7th day of December, 2015.

TOWN OF JOHNSTOWN

BY:

Mayor

ATTEST

Town Clerk/Treasurer

AGENDA ITEM 9C

**ESTABLISHMENT
OF
MILL LEVY
(Resolution No. 2015-17)**

TOWN COUNCIL AGENDA COMMUNICATION

AGENDA DATE: December 7, 2015

ITEM NUMBER: 9C

SUBJECT: Resolution No. 2015-17, A Resolution Levying General Property Taxes for the Year 2016, to Help Defray the Costs of Government for the Town of Johnstown, Colorado for the 2016 Budget Year.

ACTION PROPOSED: Approve Resolution No. 2015-17

PRESENTED BY: Town Clerk/Treasurer

AGENDA ITEM DESCRIPTION: If a local government needs property tax revenue to balance its proposed budget, it must take official action, by ordinance or resolution, to set and certify a mill levy. It must then certify the mill levy to the Board of County Commissioners.

Based upon the Town's adopted 2016 budget, it is recommended that the mill levy for the Town of Johnstown for the 2016 budget year be set at 23.947 mills.

LEGAL ADVICE: N/A

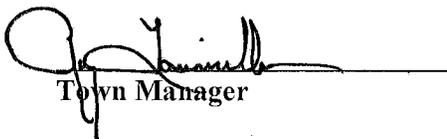
FINANCIAL ADVICE: N/A

RECOMMENDED ACTION: Approve Resolution No. 2015-17

For Approval: I move to approve Resolution No. 2015-17, A Resolution Levying General Property Taxes for the Year 2016, to Help Defray the Costs of Government for the Town of Johnstown, Colorado for the 2016 Budget Year.

For Denial: I move to deny approval of Resolution No. 2015-17, A Resolution Levying General Property Taxes for the Year 2016, to Help Defray the Costs of Government for the Town of Johnstown, Colorado for the 2016 Budget Year.

Reviewed:


Town Manager

RESOLUTION

No. 2015-17

RESOLUTION TO SET MILL LEVIES

RESOLUTION 2015-17

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2016 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE TOWN OF JOHNSTOWN, COLORADO FOR THE 2016 BUDGET YEAR

WHEREAS, The Town Council of the Town of Johnstown has adopted the annual budget in accordance with the Local Government Budget Law, on December 7th, 2015, and;

WHEREAS, the amount of money necessary to balance the budget for general operation expenses is \$3,167,000, and;

WHEREAS, the amount of money necessary to balance the budget for the Library operation expenses is \$391,700, and;

WHEREAS, the 2016 valuation for assessment for the Town of Johnstown, Colorado as certified by the County Assessors is \$188,709,291.

NOW THEREFORE, BE IT RESOLVED BY THE Town Council of the Town of Johnstown, Colorado:

Section 1. That the purpose of meeting all general operation expenses of the Town of Johnstown during the 2016 budget year, there is hereby levied a tax of 23.947 mills upon each dollar for the total valuation for assessment of all taxable property within the Town of Johnstown for the year 2015.

Section 2. That the Town Clerk/Treasurer is hereby authorized and directed to immediately certify to the County Commissioners of Weld County and Larimer County, Colorado, the mill levies for the Town of Johnstown, Colorado as herein above determined and set.

ADOPTED THIS 7th day of December, 2015.

TOWN OF JOHNSTOWN, COLORADO

BY:

Mayor

ATTEST

Clerk/Treasurer

AGENDA ITEM 9D

**AWARD
OF
CONTRACT
(Utility Bill Printing / Mailing Services)
(Southwest Direct)**

TOWN COUNCIL AGENDA COMMUNICATION

AGENDA DATE: December 7, 2015

ITEM NUMBER: 9D

SUBJECT: Consider Award of Contract for Utility Bill Printing and Mailing Services to Southwest Direct

ACTION PROPOSED: Award Contract to Southwest Direct

PRESENTED BY: Public Works Director, Town Clerk and Manager

AGENDA ITEM DESCRIPTION: A request for bids for utility bill printing/ mailing services (based upon 5,000 customers per month) and the printing/ mailing of the Town's newsletter (three (3) issues per year) was advertised in the Johnstown Breeze and also sent the following companies:

- Southwest Direct
- Freedom Mailing Services
- Bill Flash

Three (3) firms responded to the Town's solicitation as follows:

- Southwest Direct - **\$34,914** per year
- Freedom Mailing Services – \$36,300 per year
- Bill Flash - \$37,310 per year

Following a review and tabulation of the bids and after checking references, Town staff is recommending the award of the contract for utility bill printing/ mailing services to Southwest Direct.

Based upon the bid submitted by Southwest Direct, it is estimated the 2016 cost to the Town will be about **\$34,914**. This is comparable to the amount (\$31,300) spent by the Town in 2015 for the same services, which does not include the cost of staff time devoted to in-house printing and sorting of utility bills and delivery of bills/ newsletters to the post office for mailing.

LEGAL ADVICE: The attached contract has been prepared by the Town Attorney.

FINANCIAL ADVICE: According to the Town Treasurer, sufficient funds have been allocated in the 2016 budget for the utility bill printing /mailing services.

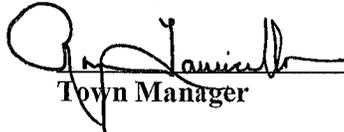
RECOMMENDED ACTION: Award contract for utility bill printing/ mailing services to Southwest Direct.

SUGGESTED MOTION:

For Approval: I move to award the contract for utility bill printing/mailing services to Southwest Direct and authorize the Mayor to sign the agreement.

For Denial: I move to deny the award of the contract for utility bill printing/ mailing services to Southwest Direct.

Reviewed:


Town Manager

AGREEMENT

AGREEMENT

THIS AGREEMENT entered into this 7th day of December, 2015, by and between the Town of Johnstown, Colorado, hereinafter referred to as "Town," and Southwest Direct, Inc., a Florida corporation, hereinafter referred to as "Contractor."

WHEREAS, the Town desires to obtain outsourcing services for the printing and mailing of monthly utility bills and periodic newsletters; and

WHEREAS, Contractor has the background, expertise and education to provide such services.

NOW, THEREFORE, in consideration of the mutual covenants and stipulations hereinafter set forth, it is agreed as follows:

1. **Scope of Services.** Contractor agrees to provide monthly utility bill mailing services to the Town using an electronic data transfer mailing service developed and owned by Contractor. The Town shall provide billing data to Contractor in electronic form and Contractor shall print invoices, notices or statements, affix the proper postage and mail the utility bills to payors by the next business day excluding holidays and weekends. On a periodic basis, in addition to the billing data for the utility bills, the Town shall provide a newsletter to Contractor in electronic form and Contractor shall print and include the newsletter in the envelope with the monthly utility bills. The services referenced herein shall collectively be referred to as "Services."

Contractor shall perform the Services in the manner and form set forth in the Outsourcing Services Proposal, which is attached hereto and incorporated herein by reference as Exhibit A, and agrees that Exhibit A is not confidential.

In performing the Services, Contractor agrees to comply with the requirements contained in Exhibit B, which exhibit is attached hereto and incorporated herein by reference.

2. **Fee for Services.** Contractor shall charge, and the Town agrees to pay, fees for the Services as set forth in the Fee Schedule, which is attached hereto and incorporated herein by reference as Exhibit C.

In addition to the fees, the Town shall pay postage based on United States Postal Service rates. The current rate is estimated at \$0.416 per piece. When postage rates change, the rate shall increase by the same amount as the new postal rate for the class of mail covered by this Agreement, and Town shall be responsible for any postal increase. Town shall pay for postage prior to each month's mailing period and prior to mailing of the quarterly newsletters.

3. **Compensation.** Payment for the Services shall be provided to Contractor within thirty (30) days of Contractor's providing a detailed statement to the Town.

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4. **Term.** The Agreement shall commence on the date first written above. The initial term of this Agreement shall be for two (2) years from the commencement date. If not terminated in writing at least sixty (60) days prior to the termination, the Agreement shall automatically renew for an additional two (2) year term.
5. **Confidentiality.** Contractor agrees that information provided by the Town to Contractor shall be confidential and not subject to disclosure. Contractor shall hold all such information in strict confidence and not make the confidential information available in any form to any third party and shall not use the Confidential Information for any purpose other than for uses permitted hereunder. Contractor shall take all reasonable steps to ensure that the information provided by the Town to Contractor is not disclosed or distributed by its employees or agents in violation of the provisions of the Agreement. Contractor further agrees that the information provided by the Town to Contractor shall not be disclosed in violation of any applicable federal, state and local law or regulation, including common law mandates, or in any way which would cause the Town to be in violation of any such law.
6. **Insurance.** Contractor agrees to obtain and maintain the insurance required by law, including but not limited to such insurance as will protect the Contractor from claims under the Workmen's Compensation Act. Contractor shall be responsible for all damages, including all normally foreseeable damages, resulting from negligent errors and omissions of the Contractor.
7. **Termination.** Either party may terminate this Agreement with or without good cause shown by giving the other sixty (60) days notice in writing. Upon delivery of such notice by the Town to the Contractor, and upon expiration of the sixty (60) day period, the Contractor shall discontinue all services in connection with the performance of this Agreement. As soon as practicable after receipt of notice of termination, the Contractor shall submit a statement showing in detail the services performed under this Agreement to the date of termination.
8. **Addresses of Notices and Communications.** All notices and communications under this Agreement to be mailed or delivered to Contractor shall be to the following address:

Southwest Direct
Attn: Marty Bielecki
2129 Andrea Lane
Fort Myers, FL 33912

All notices and communications pertaining to this Agreement shall be mailed or delivered to the Town at the following address:

Town of Johnstown
Attn: Town Manager
P.O. Box 609
Johnstown, CO 80534

9. Miscellaneous Terms.

- A. Force Majeure. Neither party shall be responsible for delays or failures in performance resulting from acts or events beyond its control, including but not limited to, acts of nature, governmental action, fire, labor difficulties, or shortages, civil disturbance, transportation problems, interruption of power, supply or communication by natural disasters, provided such parties take reasonable efforts to minimize the effect of the acts or events. Both parties shall take reasonable steps to communicate to the other party the circumstance and impact of the delay.
- B. Indemnification. Contractor agrees to indemnify and hold harmless the Town and its officers, employees and agents from any and all claims, losses, injuries, damages and lawsuits and expenses, including but not limited to reasonable attorney's fees, arising out of or resulting from the negligent acts or omissions of Contractor or its subcontractor in the performance of services as set forth in this Agreement.
- C. Modifications. This Agreement may not be modified, amended, or otherwise altered unless mutually agreed upon in writing by the parties hereto.
- D. Independent Contractor. Contractor and its employees and agents shall be considered for all purposes of this Agreement to be independent contractors and not employees or agents of the Town, and therefore, benefits such as medical, workers compensation, etc., shall not be available to Contractor, its employees, agents or subcontractors.
- E. Non-Appropriation of Funds. Pursuant to Section 29-1-110, C.R.S., as amended, financial obligations of the Town payable as set forth herein, after the current fiscal year, are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available. This Agreement shall be terminated effective January 1 of the first fiscal year for which funds are not appropriated.
- F. Neutrality. Contractor assures that it will establish safeguards to prohibit its employees, agents, or servants from using this Agreement for any purpose which causes or lends itself to create an appearance of impropriety. Said employees, agents, or servants shall not seek any personal benefits of private gain for themselves, their families, or others.

No member of Town government, whether individual officers or employees, shall be entitled to any personal share, or afforded any pecuniary gain, remuneration, or part of this Agreement or any benefit that may arise therefrom.

- G. Governing Law and Venue. Unless otherwise agreed in writing, this Agreement and the interpretation thereof shall be governed by the laws of the State of Colorado and Municipal Code of the Town of Johnstown. Venue for any claim, proceeding or action arising out of this Agreement shall be in Weld County, Colorado.
- H. Severability. Should any provision of this Agreement be determined by a court of competent jurisdiction to be unconstitutional or otherwise null and void, it is the

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intent of the parties hereto that the remaining provisions of this Agreement shall be of full force and effect, unless such determination is so material as to render the main purpose of this Agreement unworkable.

- I. **Transfer and Assignment.** Neither party shall assign or transfer its interest in this Agreement without the written consent of the other. Any unauthorized assignment or transfer shall render this Agreement null, void, and of no effect.
- J. **No Presumption.** Each party acknowledges that it has obtained, or has had the opportunity to obtain, the advice of legal counsel of its own choosing in connection with the negotiation and execution of this Agreement and with respect to all matters set forth herein. In the event of any dispute, disagreement or controversy arising from this Agreement, the parties shall be considered joint authors and no provision shall be interpreted against any party because of authorship.
- K. **Costs and Attorney Fees.** In the event legal action is required to enforce the provisions of this Agreement, the court shall award to the prevailing party all reasonable costs and expenses, including attorney's fees.
- L. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding between the parties and supersedes all prior agreements or understandings.
- M. **No Third Party Beneficiaries.** Nothing herein shall be construed as giving any rights or benefits hereunder to anyone other than the Town and the Contractor.
- N. **No Public Official Personal Liability.** Nothing herein shall be construed as creating any personal liability on the part of any elected official, officer, employee or agent of the Town.
- O. **Compliance with the Law.** Contractor shall comply with all federal, state and local laws and regulations in the performance of the Services under this Agreement.

DONE AND DATED this 7th day of December, 2015.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Mark Romanowski, Mayor

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EXHIBIT A

COPY



Outsourcing Services Proposal For:



Thursday, November 05, 2015



Confidentiality Agreement

This document is for the sole use of Town of Johnstown. It is intended for Town of Johnstown employees on a need-to-know basis. Its contents should not be disclosed to any other parties without the prior written consent of Southwest Direct.

Date submitted: Thursday, November 05, 2015



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Southwest Direct Company Overview

Company Information

Southwest Direct is a privately owned printing and mailing company based in Fort Myers, Florida. Founded in 1988 by Anthony Correnti Sr., SouthWest Direct began as a local letter shop serving the Southwest Florida area. Over the years SouthWest Direct has developed into a full service highly specialized mail production facility offering statement design, database management, full color printing, digital imaging, statement processing, mailing services and fulfillment.

In 1991 the company began processing billing statements for a community hospital in Naples, Florida. Each day boxes full of preprinted continuous forms were picked up, folded, inserted and mailed. As technology advanced, new equipment allowed us to propose a better way. Working with the hospital, Southwest Direct designed a color custom statement onto which patient data was laser printed. The result was a statement that was patient friendly and easy to read. Soon the company began processing billing for clinics, labs, and utilities. That billing statement process evolved into Southwest Direct Statement Services. We have invested ten years and several million dollars in developing a statement billing process that is among the most technologically advanced in the world. We are now able to offer our statement processing services to clients nationwide.

Southwest Direct – Strategic Plan

Southwest Direct's business strategy is to service the growing outsourcing market for major industries. Southwest Direct's strategic direction is to produce personalized business-to-customer communications that use variable data to deliver time-sensitive mailed and electronic documents rendered to the Internet, electronic document libraries, and archiving media, all supported by a project management organization that provides professional services.

The Southwest Direct facility, located in Fort Myers, Florida, is approximately 30,000 sq. feet and has 50 employees. The facility strategy calls for equipment and resources to be added incrementally, as our clients' needs grow. The Fort Myers, FL facility includes the senior management team and the project management organization. Subsequent facilities will only staff production employees. Our strategy will eliminate duplication of effort and increase efficiency and continuity.

Southwest Direct's statement division currently produces 1,200,000 finished mail pieces per month on top of the 1,000,000 pieces produced for SouthWest Direct commercial mail clients. Southwest Direct has designed an infrastructure that will allow for data receipt, processing and output of 10,000,000 packages by the year 2016. Complete order tracking, inventory, purchasing, data processing, printing and inserting systems are included in this infrastructure. Southwest Direct accepts files 24 hours per day, 7 days per week.

Product and Service Offering

As experts in distributed communications, both correspondence mail and production mail, Southwest Direct can make Town of Johnstown communications more effective and efficient. Southwest Direct services include:



- Statement design
- Data programming
- Document mapping
- Print production and inserting
- Tracking and reporting
- Address hygiene and postal discounts
- Total project management

Statement Experience

Southwest Direct has extensive experience servicing the outsourcing needs of customers who mail statements. The company currently works with hospital systems, cities, counties, universities, physician groups, colleges, billing system vendors, collections agencies, as well as others. References are available upon request.

Southwest Direct Differentiators

The world of business is a very different place than it was even five years ago with technology breakthroughs, globalization, and the faster pace of economic, political and social change. Customers choose Southwest Direct for our ability to make messaging technologies and processes that are cost-effective, easy to access, easy to use and flexible for our customers, through our products, financing and services.

At Southwest Direct, our technology capabilities are grounded in how people work; our infrastructure gives us direct access to our end users; and we have stayed focused in those messaging business areas where we have accumulated a great deal of knowledge. Our core competencies deliver the business support services needed, so that our customers can focus on their core competencies. We continue to study market trends to provide the products, services and programs that our customers need.

Southwest Direct's competitive strength lies in several key areas:

- **Mailing industry knowledge and expertise**
- **Leading-edge proprietary software and technology**
 - State-of-the art programming tools; C++, Oracle object-oriented tools
 - Data communications and print language manipulation capability
 - Document Composition software
 - Real-time job tracking
- **Complete offering / total solution**
 - Design and development services
 - Programming and composition
 - Print production and inserting
 - Tracking and reporting online and offline
 - Address hygiene and mail forwarding
- **Client Server environment**
- **Resources availability**
- **Processing efficiency**



Proposal

Proposed Solution

Town of Johnstown can benefit from the document processing services provided by Southwest Direct including total project management, project status, statement printing, variable electronic printing, inserting, mailing, and electronic statement presentment.

Town of Johnstown can also take advantage of our state-of-the-art technology that offers greater flexibility and customization than traditional composition and printing methods.

Account Management Approach and Staffing

A typical account structure consists of a Sales Representative, Project Manager, the Director of IS/IT, the Director of Applications Development, and the Manager of Postal Affairs. The Project Manager is assigned to the Town of Johnstown account to understand your expectations, identify the project requirements, and develop a project plan that ensures the project is delivered on time with flawless execution. The Project Manager will be responsible for planning, monitoring, and controlling the project. This includes:

- Client communications
- Communication and integration with Town of Johnstown staff and processes
- Project plan development
- Defining internal production requirements
- Monitoring and reporting on project development and implementation status
- Component inventory control
- Execution of changes to the project

Change Management Process

All modifications to production processes, programs, files, resources, etc. are controlled by the change management process and recorded and tracked via a change management document. External changes require Town of Johnstown approval. Changes to IS-related components resident on the production server require the approval of the Director of IS/IT prior to production migration. All print related resources are maintained on the production server. A Programmer Analyst, with approval of the Director of IS/IT, is the individual authorized to modify the production resources. For each print file created, the appropriate resources are appended to the beginning of each file and transmitted to the production imaging equipment along with the print stream.

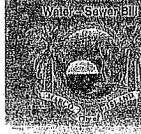
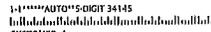
The Project Manager assigned to the Town of Johnstown account will manage the Change Management Process within Southwest Direct. The Southwest Direct Project Manager will collect changes requiring Town of Johnstown approval.



Technology

Graphics and Form Design Capabilities

Southwest Direct utilizes Planet Press from Objectif Lune™ to create dynamic documents for your organization. Planet Press is the premier software application for customer information management and document composition in the world. Southwest Direct statements are data driven and can be personalized right down to the individual bill. Southwest Direct offers you flexibility where other services simply cannot. Changes can be made quickly and easily, whether you need to make minor changes or redesign your entire form. Statements can be coded to print in 28 different languages. You can even view your printed statements on the Internet or archive them on CD-ROM. These features combined with CASS certification, Postnet Bar-coding, Zip plus 4, address correction and mail forwarding make Southwest Direct the obvious choice.

		CUSTOMER: 9999999999 SERVICE ADDRESS: 1234 SERVICE ADDRESS ACCOUNT NO: 99999	
NB: PLEASE RETURN THIS PORTION WITH CHECK PAYABLE TO THE CITY OF MARCO ISLAND. IF YOU ARE PAYING BY CREDIT CARD OR AUTO PAY, PLEASE RETURN THIS PORTION WITH CHECK PAYABLE TO THE CITY OF MARCO ISLAND.			
www.cityofmarcoisland.com			
Please send all ADDRESS CHANGES and other correspondence to: Marco Island Utilities 880 N. Collier Blvd., #104 Marco Island, FL 34146 PHONE: (239) 384-3990 FAX: (239) 384-4288		Balance Forward: \$117.34 Payment of Thank you: \$117.34 Total Amount Past Due: \$0.00	
OFFICE HOURS: Monday - Friday 9 am - 5 pm AFTER HOURS: (239) 384-3990		CURRENT CHARGES: Sewer Base: \$19.67 Sewer Usage: \$23.48 Water Base: \$24.11 Water Usage (78): \$50.43	
OFFICE HOURS: Monday - Friday 9 am - 5 pm AFTER HOURS: (239) 384-3990		Total Current Charges: \$117.67	
AFTER HOURS EMERGENCY PHONE: (239) 384-3990		THIS AMOUNT WILL BE DEBITED ON 02/10/2007.	
GALONS USED 		INET: 99999999 12/12/06 1748100 01/11/07 1764000 20 16700 NO	
A \$6.50 LATE CHARGE WILL BE ASSES TO THIS ACCOUNT IF PAYMENT IS NOT RECEIVED IN FULL BY DUE DATE. RETURN THIS PORTION WITH CHECK PAYABLE TO THE CITY OF MARCO ISLAND.			
 CITY OF MARCO ISLAND P.O. BOX 2029 MARCO ISLAND, FL 34146		SERVICE ADDRESS: 1234 SERVICE ADDRESS ACCOUNT NO: 99999 	
PLEASE CHECK BOX IF ADDRESS HAS CHANGED, AND INDICATE CHANGE(S) ON REVERSE SIDE. To Pay by Credit Card or Sign up for Auto Pay vs Bank Draft, See Reverse Side.			
1-111111-AUTO**5-DIGIT 34145 		TOTAL AMOUNT DUE BY 02/10/2007: \$117.67 AMOUNT PAID: \$117.67	
MI-1580-2 01-1999-Postnet		00000999994.0000117671	

Data Processing

Southwest Direct's data processing strategy focuses on flexibility and integrity. Southwest Direct offers around the clock data transmissions, 365 days of the year. We are equipped to accept multiple data streams from more than one site.

Southwest Direct is equipped to accommodate any type of transmission protocol across any type of bandwidth speed. We can support leased point-to-point lines, frame relay, dial-up lines, SNA, TCP/IP networks, file transfer products such as FTP or Connect Direct, with the goal of multi-vendor interoperability.



Data Security

Southwest Direct is committed to safeguarding your security and has implemented several lines of defense to protect you. We use industry-standard hardware and software in combination with authentication and certification by third parties to protect the transmission of data, the processing of data and storing data.

We have taken extensive steps to ensure that any data transmitted by our users cannot be intercepted, viewed, or blocked by unauthorized parties. We have also established policies telling our users how we use and store their information.

Southwest Direct is committed to maintaining a secure environment to store and receive your sensitive information. We have taken every precaution to protect your data and are constantly improving our security procedures. We will continue to make data security a top priority as new technologies become available.

Additionally, the facility adheres to the following telecommunications security procedures:

- All external connections will be secured with user ID/Password protection
- CISCO firewalls or an equivalent will be used
- All external communications are fire walled

Printers

Southwest Direct statements are printed using Konica model 1250 digital printers. Whether using our Premium Statement or Basic Statement, you are guaranteed the highest quality print resolution available. Our laser printers allow us to produce custom statements in high volumes with maximum efficiency. Your statements can be printed simplex or duplex with variable data throughout. Multiple page statements can be handled with ease. Our inserting department is fully automated and can insert over a million statements per week.

Quality Assurance

When Southwest Direct receives Town of Johnstown data via transmission; we will inspect the data for any physical damage and verify that the record count agrees with the transmittal. All data files will be tested for read errors. Town of Johnstown will be notified immediately if any problems occur with the transmission and a time will be established for retransmission of the data. Southwest Direct will work closely with Town of Johnstown to make sure the data files are formatted correctly minimizing any chance of error. However, Town of Johnstown will ultimately drive the integrity of the data.

Quality assurance production procedures

Town of Johnstown can verify 100% mail / matching of all project(s) through extensive reporting that will be provided by Southwest Direct including:

- A transmission reply from Southwest Direct verifying the number of records received, the number processed for production, the exact postage amount, and sort analysis for each processing cycle can be issued at the time of production.
- Production verification upon completion of the mail processing can be issued detailing the number of pieces mailed.
- Custom reports can be configured based on end user specifications.



Implementation

The implementation time to live status is minimal and efficient. Southwest Direct receives an enrollment form, sample or current statements, and a test file as basic criteria to begin a project. The following steps are typical in setting up the account :

- Assign Project / Account Manager
- Establish Contact
- Submit sufficient test data and current statement / record layout for applications desired
- Receive sample form with your data or custom mock-up
- Make changes or approve form
- Submit postage deposit
- Account is ready for live status
- Account is ready for live production data

The Southwest Direct project manager assigned to Town of Johnstown will be very pro-active in guiding Town of Johnstown through implementation process.

Week 1	Kickoff Meeting / Client supplies Art, Data, and Letter Copy / Reports Defined
Week 2	Preliminary documents are designed / Art Proofs sent to Town of Johnstown
Week 3	Initial Bill and Letter Mockup created / Art Proofs changes sent back to SWD
Week 4	Bill and Letter Mockup sent to Town of Johnstown for review / Art Proof changes made
Week 5	Town of Johnstown reviews Bill and Letter Mockup / Final Art Proof sent for approval
Week 6	Bill and Letter Mockup changes sent back to SWD / Design Finalized and approved / Paper is printed
Week 7	Output to paper / Remittance testing / Test OCR Scan line
Week 8	Report certification and sign off / OCR Scan test results / Test disaster recovery procedure
Week 9	Parallel testing / Customer reviews Final Document Output
Week 10	Statement Certification and sign off; Postage on account; Go LIVE



Production

Hardware components used to execute print and fulfillment requirements include:

Item	Description	Strengths
Konica 1250	Cut-Sheet Printers	<ul style="list-style-type: none"> ┆ Accommodates packages with various stocks. ┆ Accommodates all required graphics, including logos, check images, and charts ┆ Accommodates OCR printing requirements ┆ Utilize "print assurance feature" which ensures that the correct stock is being used ┆ Accommodates duplex printing requirements ┆ Accommodates MICR printing requirements
Bowe Bell+Howell 8-series Inserters	High-Speed Inserters	<ul style="list-style-type: none"> ┆ Accommodates all package designs, including #10, 6 x 9, 9 x 12 envelopes. ┆ Accommodates selective inserting requirements

Southwest Direct's automated processing capability is the corner stone to our production strategy. The channel connected based processing platform provides real-time project tracking from file processing through mailing and record maintenance, as well as improved system performance, throughput and integrity.

The file server is interfaced with the client server and the inserter stations. This allows a mailing job to be run on any inserter or split between inserters as needed. Jobs are processed more efficiently when a project can be shared across multiple networked inserters.

NCOALink™ Address Correction Service

As an added benefit, we also offer address correction and mail forwarding through a licensed agreement with the United States Postal Service. We utilize NCOALink™ from the USPS to update client billing files as statements are being printed. This is done electronically by matching the names and addresses contained within client billing data against the national database of changes filed during the past 18 months. The NCOALink™ system contains over 16 million change-of-address records and is updated weekly.

Southwest Direct can update client data each time client statements are mailed (in-stream processing) to ensure it is delivered to the intended recipient the first time. NCOALink™ automatically corrects a customer database and statements have the correct address applied to them. Our fee for address correction is significantly less than the cost returned mail or standard postal mail forwarding.

If they choose, customers can also send us their entire client database (batch processing) periodically to clean records for all their client mailings. Either way, NCOALink™ saves time and money. We can even provide a report of all changed addresses each time patient data is processed.

BID PREPARATION AND INFORMATION

The Town of Johnstown, Colorado is requesting sealed bids from qualified companies to print monthly bill statements and quarterly newsletter. The Town is interested in converting its current postcard bill to an 8.5 x 11 statement. The newsletter is a full color, 8.5x 11, two-sided tri-fold page. Bid is to cover printing, folding and handling, and postage for the statement package: return envelope and mailing envelope. Return postage is not included. The Town generates bills from the Casselle Clarity financial system.

Please return your company's bid in the following format:

Item	Cost per 5,000	Cost above 5,000 please indicate pricing parameters – 7,500, 10,000 etc. up to 10,000
8.5 x 11 bill statements, two-sided, color	\$325.00	\$0.065 PER PIECE OVER 5,000
8.5 x 11 bill statements, two-sided, black/white	\$270.00	\$0.055 PER PIECE OVER 5,000
Return envelopes with address and return windows	\$70.00	\$0.015 PER PIECE OVER 5,000
Mailing envelope with mailing address window and return address window	\$100.00	\$0.02 PER PIECE OVER 5,000
Mailing envelope with mailing address window and printed address window	OPTION NOT AVAILABLE	OPTION NOT AVAILABLE
Handling charges (folding, insertion), etc.	\$240.00	\$0.048 PER PIECE OVER 5,000
Full color 8.5x11 two-sided trifold newsletter	\$690.00	\$0.130 PER PIECE OVER 5,000
Handling charges for newsletter	\$0	\$0
Additional postage, if any for newsletter	\$0	\$0
Additional charges for special handling, if any. Please specify individual charges and cost.	\$0	\$0
POSTAGE	\$2100.00	\$0.42 PER PIECE

Bill Design Services

\$ NO CHARGE

Please include a sample statement package (mailing envelope, return envelope & billing statement), list of utility references, (preferably Colorado clients), file format needed (.TXT, .CSV), turnaround time and any applicable requirements.

OK
Please indicate if a contract for services is required. PREPARED BUT NOT NEEDED

Return your company's bid by November 9, 2015 to Town Clerk, Town of Johnstown, PO Box 609, Johnstown, Colorado 80534



MARTY BIEJECKI

PRESIDENT



Summary

The **Southwest Direct** statement-processing program presented in this proposal is straightforward, cost-effective, and efficient -- and offers you the flexibility to customize and personalize statements with a minimal start-up time.

Southwest Direct can provide you with more than basic statement services. We can provide a flexible, customized, one-stop, in-house, high-quality service that benefits both your organization and its statement recipients.

Southwest Direct's extensive experience in statement production enables us to offer you a customized and accurate statement and provides significant cost savings. Indeed, our goal is to be a true extension of your business office, providing value-added services throughout the entire invoicing process -- from the production and mailing of your statements up to the moment you receive payment from your patients.

The next step in developing an outsourcing solution for Town of Johnstown is to conduct a comprehensive needs analysis to identify and outline Customer's requirements and the scope of the project.

For further information regarding Southwest Direct please contact:

Marty Bielecki
President

Southwest Direct
2129 Andrea Lane
Fort Myers, FL 33912
Phone: 800-968-5798 x 33
Fax: 239-768-0408
Cell: 239-247-4419
marty@swdirect.com



References

Christine Cajuste City of Tamarac 10101 State St Tamarac, FL 33321	Volume: 19,000 per month Software: Sungard 954-597-3553
Cindy Bostic Unitah Basin Medical Center 250 W 300 N Roosevelt, UT 84066	Volume: 10,000 per month Software: Meditech 435-722-6108
Kim Moskowitz City of Coral Springs 9551 West Sample Road Coral Springs, FL 33065	Volume: 12,000 per month Software: 954-344-1092
Jason Gordon Lee County Electric Coop 4980 Bayline Drive North Fort Myers, FL 33917	Volume: 235,000 per month Software: SPL 239- 656-2130
Bill Boyd City of Cape Coral PO Box 150027 Cape Coral, FL 33915	Volume: 60,000 per month Software: J.D. Edwards 239-242-3895
Cathy Sills City of Ocoee 150 North Lakeshore Drive Ocoee, FL 34761	Volume: 15,000 per month Software: ADG 407-905-3100
Judy Dahl Little Thompson Water District 835 East Hwy 56 Berthoud, CO 80513	Volume: 7,500 per month Software: Munis 970-532-2096
Christle Christie City of St. Augustine 50 Bridge St St. Augustine, FL 32084	Volume: 15,000 per month Software: Black Mountain 904- 209-4244

EXHIBIT B
REQUIRED PROVISIONS FOR CONTRACT FOR SERVICES
PROHIBITING EMPLOYMENT OF ILLEGAL ALIENS

Contractor shall not:

1. Knowingly employ or contract with an illegal alien to perform work under this public contract for services; or
2. Enter into a contract with a subcontractor that fails to certify to the Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this public contract for services.

Contractor has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for services through participation in either the e-verify program or the Department of Labor and Employment program.

Contractor is prohibited from using either the e-verify program or the Department of Labor and Employment program procedures to undertake pre-employment screening of job applicants while the public contract for services is being performed.

If Contractor obtains actual knowledge that a subcontractor performing work under the public contract for services knowingly employs or contracts with an illegal alien, the Contractor shall be required to:

1. Notify the subcontractor and the contracting state agency or political subdivision within three days that the Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
2. Terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to subparagraph 1 of this subparagraph the subcontractor does not stop employing or contracting with the illegal alien; except that the Contractor shall not terminate the contract with the subcontractor if during such three days that subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Contractor shall comply with any reasonable request by the Department made in the course of an investigation that the Department of Labor and Employment is undertaking pursuant to the authority established in subsection (5) of Section 8-17.5-102 of the Colorado Revised Statutes.

IF CONTRACTOR VIOLATES ANY OF THE AFOREMENTIONED REQUIREMENTS, THE TOWN MAY TERMINATE THE CONTRACT FOR BREACH OF CONTRACT. IF THIS CONTRACT IS SO TERMINATED, CONTRACTOR SHALL BE LIABLE FOR ACTUAL AND CONSEQUENTIAL DAMAGES TO THE TOWN OF JOHNSTOWN.



**EXHIBIT C
FEE SCHEDULE**

8.5 x 11 bill statements, two-sided, color	\$0.065 per piece
8.5 x 11 bill statements, two-sided, black/white	\$0.055 per piece
Return envelopes with address and return windows	\$0.015 per piece
Mailing envelope with mailing address window and return address window	\$0.02 per piece
Mailing envelope with mailing address window and printed address window	Option not available
Handling charges (folding, insertion), etc.	\$0.048 per piece
Full color 8.5x11 two-sided trifold newsletter	\$0.138 per piece
Handling charges for newsletter	\$0
Additional postage, if any for newsletter	\$0

113

**UTILITY
BILLS
(Examples)**



Little Thompson Water District
 835 E Highway 56, Berthoud, CO 80513
 (970) 532-2096 www.ltwd.org
 Office Hours: M-F 7am - 5pm

Bill Print Date: 09/30/13

SERVICE ADDRESS		
1234 SERVICE ADDRESS ST		
ACCOUNT NUMBER	DUE DATE	AMOUNT DUE
0000.01	10/25/13	292.96

Please Note: Your account number has changed.

Previous	Current	Days	Usage	Year Ago
08/22 2478826	09/20 2564174	29	85348	130076
Water Usage Billing Detail				Year Ago
Usage Calculation: Level 1: 6000 @ .00224 = 13.44 Level 2: 24000 @ .00281 = 67.44 Level 3: 30000 @ .00309 = 92.70 Level 4: 25348 @ .00365 = 92.52 Usage Calculation Total: 266.10 THOUSAND GALLONS USED				
DESCRIPTION				AMOUNT
Payment - Thank you! 09/17/13				254.69
Balance Forward				.00
Water Base				26.86
Water Usage				266.10
Total Current Charges				292.96
Message: If you have any questions about your bill or have a water service hardship due to the flood please call the district office at 970-532-2096. This is a duplicate bill and coordination with your landlord/property owner for payment is necessary.				PAY THIS AMOUNT 292.96

PLEASE DETACH AND RETURN BOTTOM PORTION WITH YOUR PAYMENT



Little Thompson Water District
 835 E Highway 56, Berthoud, CO 80513

Please write your account number in the memo line of your check

Service Address			
1234 SERVICE ADDRESS ST			
Account Number	Due Date	Amount Due	Amount Paid
0000.01	10/25/13	292.96	

00000000180000292961

ADDRESSEE:

995 1 AV 0.357 7-4



A CONSUMER
 1234 ANYSTREET RD
 ANYTOWN, ST 12345-7800

REMIT TO:



LITTLE THOMPSON WATER DISTRICT
 835 E. STATE HWY 56
 BERTHOUD, CO 80513-9237



Change of address? Include current phone number, please indicate changes

Check box to sign up for Email billing, or Auto Pay

MANATEE COUNTY UTILITIES DEPARTMENT
 P. O. BOX 25010
 BRADENTON, FL 34206-5010
 PHONE: (941) 792-8811
 www.mymanatee.org/utilities

ACCOUNT NUMBER: 11111-00000
 A WATER USER
 1111 SERVICE ADDRESS

BILLING DATE: 05-MAR-2013
 DUE DATE: 20-MAR-2013

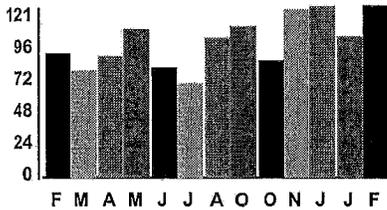
A LATE PAYMENT FEE MAY BE ASSESSED AFTER THE DUE DATE

FROM DATE	TO DATE	DAYS	DESCRIPTION	PREVIOUS READING	PRESENT READING	USAGE X 100 = GAL.	AMOUNT
			Previous Balance:				120.02
			Payments Received:				120.02
			Balance Forward:				0.00
01/31	02/28	28	Wtr Res. Individual	18307	18428	121	
			Water Usage				11.52
			Water Usage				14.64
			Cost Of Basic Service				7.96
01/31	02/28	28	Wtr Irrigation 2nd Mtr	465	556	91	
			Water Irrigation				9.60
			Water Irrigation				23.62
			Cost Of Basic Service				7.96
			Swr Res. Individual			121	
			Sewer Usage				42.40
			Cost Of Basic Service				18.99
			F2_Res. Solid Waste				
			Curbside Solid Waste				13.61
			Total New Charges				150.30

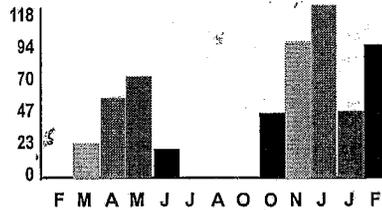
Total Amount Due: \$150.30

EBill is now available through your financial institution.

RES IND WATER HISTORY
 Hundreds of Gallons



IRR. 2ND MTR WATER HISTORY
 Hundreds of Gallons



SEE REVERSE SIDE FOR ADDITIONAL INFORMATION

MC-1250-7

Fold on perforation and return with payment



MANATEE COUNTY UTILITIES DEPARTMENT
 P.O. BOX 25010
 BRADENTON, FLORIDA 34206-5010

SERVICE ADDRESS	1111 SERVICE ADDRESS
ACCOUNT NUMBER	11111-00000
BILLING DATE	05-MAR-2013
DUE DATE	20-MAR-2013
TOTAL AMOUNT NOW DUE:	\$150.30

CHANGE OF MAILING ADDRESS
 (Check Box And See Reverse Side)

AMOUNT PAID

ADDRESSEE:

MAKE CHECKS PAYABLE TO MCUD

164 1 AV 0.360 1-1

A WATER USER
 1234 MAILING ADDRESS DR
 ANYTOWN, ST 12345-6789



MANATEE COUNTY UTILITIES DEPARTMENT
 PO BOX 25350
 BRADENTON FL 34206-5350

000011111Z00001503000000

Town of

Johnstown

The community that cares

TOWN OF JOHNSTOWN
450 S. Parish Ave.
P.O. BOX 609
Johnstown, CO 80534
970-587-4664

Monday - Thursday
8:00am - 5:30pm

Friday
8:00am - 5:00pm

Drop Box Available
(See reverse for locations)

Customer Name

Service Address

Acct. No.

Notes

DRAFT



DETACH AND RETURN THIS BOTTOM PORTION WITH YOUR PAYMENT

You can now pay your bill with your MasterCard, VISA or Discover Card by calling 970-587-4664 or at www.townofjohnstown.com



ACCOUNT NUMBER	CYCLE	BILL DATE	DUE DATE
TOTAL CURRENT CHARGES	PAST DUE BALANCE	TOTAL AMOUNT DUE	

Town of

Johnstown

450 S. Parish Ave. • P.O. BOX 609 • Johnstown, CO 80534

SERVICE ADDRESS:

ADDRESSEE:

REMIT TO:

AGENDA ITEM 9E

**AMENDING
ARTICLE XII
CHAPTER 17**

**JOHNSTOWN MUNICIPAL CODE
(Impact Fees)**

(Ordinance No. 2015-139)

(*Public Hearing)

**** PUBLIC HEARING PROCEDURE – Ordinance No. 2015-139, Amending Article XII of Chapter 17 of the Johnstown Municipal Code Concerning Impact Fees, Specifically Section 17-224, Transportation Facilities Development Fee, 17-225, Parks and Recreation Facilities Development Fee, 17-226, Public Facilities Development Fee, 17-227, Library Facilities Development Fee and Section 17-228, Police Facilities Development Fee***

1. Open public hearing.
2. Receive information from staff.
3. Ask to hear from anyone who supports Ordinance No. 2015-139.
4. Ask to hear from anyone who opposes Ordinance No. 2015-139.
5. Close the public hearing.
6. Ask for discussion.
7. Make decision and/or motion from Council.
 - a. Need motion to approve or deny Ordinance No. 2015-139 on first reading.

(SUGGESTED MOTIONS):

For Approval:

I move to approve Ordinance 2015-139 on first reading.

For Denial:

I move to deny approval of Ordinance 2015-139 on first reading.

TOWN BOARD AGENDA COMMUNICATION

AGENDA DATE: December 7, 2015

ITEM NUMBER: 9E

SUBJECT: *Public Hearing – (First Reading) Consider Ordinance No. 2015-139, An Ordinance Amending Article XII of Chapter 17 of the Johnstown Municipal Code Concerning Impact Fees, Specifically Section 17-224, Transportation Facilities Development Fee, 17-225, Parks And Recreation Facilities Development Fee, Section 17-226, Public Facilities Development Fee, Section 17-227, Library Facilities Development Fee, and Section 17-228, Police Facilities Development Fee

ACTION PROPOSED: Approve Ordinance No. 2015-139 on First Reading

PRESENTED BY: Town Attorney and Public Works Director

AGENDA ITEM DESCRIPTION: On April 20, 2015 the Town of Johnstown entered into an agreement with BBC Research & Consulting to conduct an impact fee study for the Town (refer to attached study). Impact fees are one-time payments that fund the expansion of public facilities needed to accommodate new development, as determined by level of service standards. The intent is for new development to pay its "proportionate share" of the capital costs of additional infrastructure capacity.

The BBC Study evaluated and established maximum supportable impact fees for residential and non-residential development for the following public facilities: transportation, parks and recreation, public facilities, library and cultural facilities and police. In addition to modifications to the existing impact fees, BBC recommended that the library impact fee be expanded to include a cultural impact fee component arising from expenses related to the Parish House and that, rather than differentiate nonresidential development by eighteen building size or use categories, the Town consolidate the nonresidential impact fees for the three categories of capital investment impacted by nonresidential land development (transportation, public facilities and police) into three distinct classes, retail, office and industrial/other.

Because the maximum recommended impact fees are significantly higher than the existing fees, BBC suggested that the maximum impact fees be implemented gradually to mitigate the potential adverse effects of a sudden rise in impact fee amounts (refer to attached letter dated November 5, 2015).

On November 16th, 2015 a Council work session was held with representatives from BBC to review and discuss the impact fee study. Following the meeting the Town Attorney was authorized to draft the necessary ordinance for implementation of the new impact fees (refer to attached ordinance).

Note: A representative from BBC Research & Consulting will be in attendance should there be questions.

LEGAL ADVICE: The Town Attorney drafted the attached ordinance.

FINANCIAL ADVICE: Refer to attached impact fee study.

RECOMMENDED ACTION: Approve Ordinance No. 2015-139 on first reading.

For Approval:

1) I move to approve Ordinance No. 2015-139, An Ordinance Amending Article XII of Chapter 17 of the Johnstown Municipal Code Concerning Impact Fees, Specifically Section 17-224, Transportation Facilities Development Fee, 17-225, Parks And Recreation Facilities Development Fee, Section 17-226, Public Facilities Development Fee, Section 17-227, Library Facilities Development Fee, and Section 17-228, Police Facilities Development Fee on first reading.

For Denial:

1) I move to deny approval of Ordinance No. 2015-139 on first reading.

Reviewed:


Town Manager

ORDINANCE

No. 2015-139

TOWN OF JOHNSTOWN, COLORADO

ORDINANCE NO. 2015-139

AMENDING ARTICLE XII OF CHAPTER 17 OF THE JOHNSTOWN MUNICIPAL CODE CONCERNING IMPACT FEES, SPECIFICALLY SECTION 17-224, TRANSPORTATION FACILITIES DEVELOPMENT FEE, 17-225, PARKS AND RECREATION FACILITIES DEVELOPMENT FEE, SECTION 17-226, PUBLIC FACILITIES DEVELOPMENT FEE, SECTION 17-227, LIBRARY FACILITIES DEVELOPMENT FEE, AND SECTION 17-228, POLICE FACILITIES DEVELOPMENT FEE.

WHEREAS, pursuant to state law, including but not limited to C.R.S. § 29-20-101 *et seq.*, and as a condition of issuance of a development permit, the Town has the authority to impose an impact fee or other similar development charge to fund expenditures by the Town on capital facilities needed to serve new development; and

WHEREAS, impact fees are one-time payments that fund the construction and expansion of public facilities needed to accommodate new development, as determined by level of service standards, the intent being that new development shall pay for its proportionate share of the capital costs of additional infrastructure capacity needed to serve the new development; and

WHEREAS, impact fees are subject to specific legal standards primarily referred to as the rational nexus test which requires that it be demonstrated that new development will create a need for capital improvements, that new development must derive a benefit from the payment of the fees assessed by the Town and the fee paid for a particular type of development should not exceed the developer's share of the capital costs for system improvements; and

WHEREAS, based on those standards and based on an impact fee study prepared by Tischler and Associates, Inc., dated January 24, 2000, the Town Council of the Town of Johnstown ("Town") adopted Article XII of Chapter 17 of the Johnstown Municipal Code to establish impact fees to be paid by new development by Ordinance No. 2000-617; and

WHEREAS, approximately five (5) years after the adoption of the impact fee ordinance, Town Council retained TischlerBise to evaluate and study the Town's impact fees; and

WHEREAS, based on TischlerBise's study dated March 4, 2005, the Town Council amended the impact fees by Ordinance No. 2005-735; and

WHEREAS, pursuant to Section 17-218 of the Johnstown Municipal Code, the Town Council deemed it appropriate to undertake another thorough review and analysis of the impact fees and retained BBC Research and Consulting (“BBC”) to evaluate and study the impact fees, quantify the reasonable impact of proposed development on existing capital facilities and recommend modifications, if any, to the impact fees to ensure that the fees are at a level no greater than necessary to defray impact directly related to proposed development; and

WHEREAS, BBC evaluated and selected appropriate impact fee methodologies for five categories of capital investment (transportation, parks and recreation, public facilities, library and cultural facilities and police), determined demand indicated for each category and calculated residential and nonresidential proportionate share factors which were then used to allocate costs by type of development; and

WHEREAS, BBC provided its final report to the Town, entitled *Town of Johnstown: Development Impact and Street Maintenance Fees: Fee Design and Calculations* (“Impact Fee Report”), on November 5, 2015, and presented its findings and conclusions to Town Council on November 16, 2015; and

WHEREAS, BBC recommended that the library impact fee be expanded to include a cultural impact fee component arising from expenses related to the Parish House, a museum owned by the Town; and

WHEREAS, BBC recommended that, rather than differentiate nonresidential development by eighteen (18) building size or use categories given that ninety-three percent (93%) of the Town’s capital facilities growth costs are attributable to residential land uses, the Town consolidate the nonresidential impact fees for the three categories of capital investment impacted by nonresidential land development (transportation, public facilities and police) into three distinct classes, retail, office and industrial/other, concluding that such consolidation properly and adequately allocates costs attributable to the three categories of capital investment; and

WHEREAS, based on its analysis, BBC recommended that the Town’s impact fees be increased for each category of capital investment for both residential and nonresidential classes of development to the maximum level set forth on Exhibit A, which is attached hereto and incorporated herein by reference; and

WHEREAS, the Town Council finds and determines, based on the Impact Fee Report, that the demand and cost assumptions underlying the Town’s impact fees warrant a modification to those fees; and

WHEREAS, rather than adopt the maximum impact fees set forth on Exhibit A, the Town Council finds and determines that it is in the best interest of the citizens of the Town and the proponents of new land development to implement such maximum impact fees gradually,

over a period of five (5) years, with an initial adjustment in 2016, upon the effective date of this Ordinance, and the maximum adjustment attained in 2020 and applicable to all years thereafter until the impact fees are further amended by Town Council; and

WHEREAS, the Town Council further finds that the impact fees, as amended by this Ordinance, do not exceed the actual costs of funding expenditures on capital facilities that are of the type for which the fees shall be paid and are required to serve new impact-generating development; the impact fees, as amended by this Ordinance, shall not be used to remedy any deficiency in capital facilities existing on the effective date of this Ordinance; of the impact fee monies spent since adoption of Article XII of Chapter 17 of the Johnstown Municipal Code, such fees have only been spent for capital facilities for which such fees were paid; impact fee monies to be collected in the future are similarly expected to be spent only for capital facilities for which the fees are paid; capital facilities that have been constructed with impact fee monies have benefitted the developments that paid the fees; and future impact fee monies will fund capital facilities that will similarly benefit the developments that pay the fees; and

WHEREAS, the impact fees, as amended by this Ordinance, are legislatively adopted, generally applicable to broad classes of property and no greater than necessary to defray the projected impacts on capital facilities caused by proposed development; and

WHEREAS, based on the foregoing and based on the Impact Fee Report, the Town Council desires to amend Article XII of Chapter 17 of the Johnstown Municipal Code to establish new impact fees.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO:

Section 1. Section 17-224, Transportation Facilities Development Fee, shall be amended to read as follows:

All residential and nonresidential development in the Town shall be subject to the payment of a transportation facilities development fee at the time of building permit issuance, pursuant to this Section and Sections 17-216 through 17-223 as follows:

<i>Residential Development</i>	<i>Development Fee per Dwelling Unit</i>				
Calendar Year	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020+</u>
Detached Housing	\$2,311	2,427	2,544	2,660	2,777
Attached Housing	\$1,817	1,953	2,090	2,226	2,363

<i>Nonresidential</i>	<i>Development Fee per square foot</i>				
-----------------------	--	--	--	--	--

	Calendar Year	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020+</u>
Retail		\$3.33	3.72	4.12	4.52	4.92
Office		\$1.91	2.17	2.44	2.71	2.98
Industrial/Other		\$1.09	1.30	1.50	1.71	1.92

Section 2. Section 17-225, Parks and Recreation Facilities Development Fee, shall be amended to read as follows:

All residential development in the Town shall be subject to the payment of a parks and recreation facilities development fee at the time of building permit issuance, pursuant to this Section and Sections 17-216 through 17-223 as follows:

<i>Residential Development</i>	<i>Development Fee per Dwelling Unit</i>					
	Calendar Year	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020+</u>
Detached Housing		\$1,153	1,163	1,173	1,184	1,194
Attached Housing		\$ 991	997	1,003	1,010	1,016

Section 3. Section 17-226, Public Facilities Development Fee, shall be amended to read as follows:

All future residential and nonresidential development in the Town shall be subject to the payment of a public facilities development fee at the time of building permit issuance, pursuant to this Section and Sections 17-216 through 17-223, as follows:

<i>Residential Development</i>	<i>Development Fee per Dwelling Unit</i>					
	Calendar Year	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020+</u>
Detached Housing		\$1,366	1,421	1,477	1,533	1,589
Attached Housing		\$1,174	1,218	1,263	1,307	1,352

<i>Nonresidential</i>	<i>Development Fee per square foot</i>					
	Calendar Year	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020+</u>
Retail		\$0.54	0.59	0.64	0.69	0.74
Office		\$0.62	0.65	0.68	0.71	0.74
Industrial/Other		\$0.49	0.55	0.61	0.68	0.74

Section 4. Section 17-227, Library Facilities Development Fee, shall be amended to read as follows, which shall include an amendment to the Section heading:

Section 17-227. Library and cultural facilities development fee.

All future residential development in the Town shall be subject to the payment of a library and cultural facilities development fee at the time of building permit issuance, pursuant to this Section and Sections 17-216 through 17-223, as follows:

<i>Residential Development</i>	<i>Development Fee per Dwelling Unit</i>				
Calendar Year	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020+</u>
Detached Housing	\$684	800	916	1,032	1,148
Attached Housing	\$586	683	781	879	977

Section 5. Section 17-228, Police Facilities Development Fee, shall be amended to read as follows:

All future residential and nonresidential development in the Town shall be subject to the payment of a police facilities development fee at the time of building permit issuance, pursuant to this Section and Sections 17-216 through 17-223, as follows:

<i>Residential Development</i>	<i>Development Fee per Dwelling Unit</i>				
Calendar Year	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020+</u>
Detached Housing	\$581	619	657	695	733
Attached Housing	\$498	529	561	593	624

<i>Nonresidential</i>	<i>Development Fee per square foot</i>				
Calendar Year	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020+</u>
Retail	\$0.42	0.48	0.55	0.62	0.68
Office	\$0.15	0.17	0.20	0.23	0.25
Industrial/Other	\$0.13	0.16	0.19	0.22	0.25

Section 6. Publication and Effective Date. This Ordinance, after its passage on final reading, shall be numbered, recorded, published and posted as required by the Town Charter and the adoption, posting and publication shall be authenticated by the signature of the Mayor and the Town Clerk and by the Certificate of Publication. This Ordinance shall become effective

upon final passage as provided by the Home Rule Charter of the Town of Johnstown, Colorado.
Copies of the entire Ordinance are available at the office of the Town Clerk.

INTRODUCED, AND APPROVED on first reading by the Town Council of the Town of Johnstown, Colorado, this 7th day of December, 2015.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Mark Romanowski, Mayor

PASSED UPON FINAL APPROVAL AND ADOPTED on second reading by the Town Council of the Town of Johnstown, Colorado, this 21st day of December, 2015.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Mark Romanowski, Mayor

**EXHIBIT A
ATTACHED TO ORDINANCE NO. 2015-139
TOWN OF JOHNSTOWN, COLORADO**

Maximum Allowable Impact Fees per the 2015 BBC Analysis

Maximum Draft Fees	Parks & Trails	Library	Town Facilities	Police	Roads	Total
Residential (per unit)						
Detached Housing	\$1,194	\$1,148	\$1,589	\$733	\$2,777	\$7,441
Attached Housing	\$1,016	\$977	\$1,352	\$624	\$2,363	6,332
Nonresidential (per square foot)						
Commercial 25,000 SF or less			\$0.74	\$0.68	\$4.92	\$6.34
<u>Commercial 25,001 - 100,000 SF</u>			0.74	0.68	4.92	6.34
Commercial 100,001 - 400,000 SF			0.74	0.68	4.92	6.34
General Office 25,000 SF or less			0.74	0.25	2.98	3.97
<u>General Office 25,001 - 100,000 SF</u>			0.74	0.25	2.98	3.97
General Office 100,001 - 200,000 SF			0.74	0.25	2.98	3.97
Medical-Dental Office			0.74	0.25	2.98	3.97
Business Park			0.74	0.25	2.98	3.97
Hospital			0.74	0.25	1.92	2.91
Light Industrial			0.74	0.25	1.92	2.91
Warehousing			0.74	0.25	1.92	2.91
<u>Manufacturing</u>			0.74	0.25	1.92	2.91
Mini-warehouse			0.74	0.25	1.92	2.91
Lodging (per SF)			0.74	0.25	1.92	2.91
Elementary School (per SF)			0.74	0.25	1.92	2.91
Secondary School (per SF)			0.74	0.25	1.92	2.91
Day Care (per SF)			0.74	0.25	1.92	2.91
Nursing Home (per SF)			0.74	0.25	1.92	2.91
<u>Industrial/Other</u>			0.74	0.25	1.92	2.91

Note: Highlighted fee categories indicate baseline fee category for consolidation.
Source: Town of Johnstown and BBC Research & Consulting.

BBC

LETTER

(November 5, 2015)



November 5, 2015

Town Council
Town of Johnstown
450 S. Parish Avenue
Johnstown, CO 80534

Re: Impact Fee Calculations and Implementation Options

Dear Town Council:

In the attached report, BBC Research and Consulting (BBC) documents the calculation of new development impact fees for the Town of Johnstown (Town). The Town's previous impact fee study was completed in 2005 and over the ensuing decade, the Town has made large infrastructure investments in many fee categories. This increased level of infrastructure service results in the higher fees calculated in this report. These new fees represent the maximum amount the Town may legally charge new development for infrastructure expansion. The Town may choose to adopt these fees as represented, or conversely, choose any lesser amount as long as percentage of fee reduction is applied uniformly across all land use categories.

Based on our prior discussions with Council and the Town staff, BBC suggests that the Town Council consider the following approach for new fee implementation that might mitigate the potentially adverse effects of a sudden rise in impact fee amounts:

- For all fee categories, the Town should consider increasing the impact fees over time, until the maximum fee levels, or the Town's desired fee levels, are reached.
- BBC suggests raising the existing fees to a point halfway between the current fee and the maximum allowable fee. For example, the current single family library and cultural fee is \$220 and the maximum allowable fee is \$1,148. Under this implementation proposal, the initially adopted fee would be \$684.
- BBC recommends adopting a policy of raising impact fee amounts by a set percentage (e.g. 5-10%) each year. Given the varying differentials between the current and proposed fees, some fee categories will reach the maximum amount before others.

- Once the maximum or desired fee amount is reached, the fees should be raised annually to account for inflation. This can be done using any chosen construction price index, such as the construction cost index published annually by CDOT.

The attached figures show the current fees, calculated maximum permissible fees and suggested initial fees as well as comparisons to surrounding communities.

As discussed in this report, BBC recommends condensing the multiple existing non-residential land use designations into three fee categories. The attached figures show how the new condensed fee categories compare with the existing fee categories. In order to make the annually recommended adjustments in the future, BBC suggests designating a baseline fee amount for each of the proposed categories, essentially a midpoint value, against which annual increases up to the designated maximum could be applied.

The BBC Impact Fee report also provided data on impact fee levels in surrounding communities.

We hope that these recommendations are helpful and look forward to discussing fee calculation efforts and the updating process in more detail during the upcoming council work session.

Sincerely,

A handwritten signature in black ink, appearing to read "Ford Frick". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Ford Frick
Managing Director

Attachments

Figure 1.
Johnstown Existing 2015 Impact Fees

Current Fees	Town					Total
	Parks & Trails	Library	Facilities	Police	Roads	
Residential (per unit)						
Detached Housing	\$1,112	\$220	\$1,143	\$429	\$1,845	\$4,749
Attached Housing	966	194	995	372	1,270	3,798
Nonresidential (per square foot)						
Commercial 25,000 SF or less			\$0.45	\$0.21	\$2.13	\$2.79
Commercial 25,001 - 100,000 SF			0.34	0.17	1.73	2.24
Commercial 100,001 - 400,000 SF			0.26	0.13	1.28	1.67
General Office 25,000 SF or less			0.57	0.08	1.16	1.81
General Office 25,001 - 100,000 SF			0.50	0.05	0.84	1.39
General Office 100,001 - 200,000 SF			0.47	0.05	0.72	1.24
Medical-Dental Office			0.56	0.16	0.23	0.95
Business Park			0.43	0.05	0.81	1.29
Hospital			0.46	0.07	1.11	1.64
Light Industrial			0.32	0.03	0.44	0.79
Warehousing			0.16	0.02	0.31	0.49
Manufacturing			0.24	0.01	0.26	0.51
Mini-warehouse			0.00	0.01	0.16	0.17
Lodging (per room)			59.51	28.62	396.80	485
Elementary School (per student)			10.30	5.72	90.03	106
Secondary School (per student)			11.44	8.01	120.04	139
Day Care (per student)			21.74	22.89	315.66	360
Nursing Home (per bed)			48.07	11.44	166.72	226

Note: Highlighted fee categories indicate baseline fee category for consolidation.
Source: Town of Johnstown and BBC Research & Consulting.

Figure 2.
Maximum Allowable Impact Fees per the 2015 BBC Analysis

Maximum Draft Fees	Parks & Trails	Library	Town Facilities	Police	Roads	Total
Residential (per unit)						
Detached Housing	\$1,194	\$1,148	\$1,589	\$733	\$2,777	\$7,441
Attached Housing	\$1,016	\$977	\$1,352	\$624	\$2,363	6,332
Nonresidential (per square foot)						
Commercial 25,000 SF or less			\$0.74	\$0.68	\$4.92	\$6.34
Commercial 25,001 - 100,000 SF			0.74	0.68	4.92	6.34
Commercial 100,001 - 400,000 SF			0.74	0.68	4.92	6.34
General Office 25,000 SF or less			0.74	0.25	2.98	3.97
General Office 25,001 - 100,000 SF			0.74	0.25	2.98	3.97
General Office 100,001 - 200,000 SF			0.74	0.25	2.98	3.97
Medical-Dental Office			0.74	0.25	2.98	3.97
Business Park			0.74	0.25	2.98	3.97
Hospital			0.74	0.25	1.92	2.91
Light Industrial			0.74	0.25	1.92	2.91
Warehousing			0.74	0.25	1.92	2.91
Manufacturing			0.74	0.25	1.92	2.91
Mini-warehouse			0.74	0.25	1.92	2.91
Lodging (per SF)			0.74	0.25	1.92	2.91
Elementary School (per SF)			0.74	0.25	1.92	2.91
Secondary School (per SF)			0.74	0.25	1.92	2.91
Day Care (per SF)			0.74	0.25	1.92	2.91
Nursing Home (per SF)			0.74	0.25	1.92	2.91

Note: Highlighted fee categories indicate baseline fee category for consolidation.

Source: Town of Johnstown and BBC Research & Consulting.

Figure 4. Hypothetical 2016 Single Family Impact Fees Compared to Neighboring Communities

Municipality	Impact Fee Category ⁽¹⁾										Total Fees
	Police	Library / Cultural	Parks	Streets / Transportation	Storm Drainage	General Government	Fire / Rescue				
Johnstown (Current)	\$ 429	\$ 220	\$ 1,112	\$ 1,845	\$ -	\$ 1,143	\$ -	\$ -	\$ -	\$ 4,749	
Johnstown (Suggested)	581	684	1,153	2,311	-	1,356	-	-	-	6,095	
Johnstown (Maximum)	733	1,148	1,194	2,777	-	1,589	-	-	-	7,441	
Windor	\$ -	\$ -	\$ 5,493	\$ 2,115	\$ 735	\$ -	\$ -	\$ -	\$ -	\$ 8,343	
Loveland	880	1,333	6,553	2,280	655	1,090	894	-	-	13,685	
Fort Collins	192	-	3,313	3,396	1,954	455	383	-	-	9,693	
Greeley	117	-	3,098	3,645	342	-	524	-	-	7,726	
Longmont	-	-	4,758	879	777	1,121	-	-	-	7,535	
Berthoud	-	-	2,978	2,257	-	1,524	-	-	-	6,759	
Severance	-	-	1,200	800	500	-	-	-	-	2,500	
Fredrick	-	-	1,500	1,456	977	1,500	-	-	-	5,433	
Eaton	197	-	779	-	-	642	-	-	-	1,618	
Milliken ⁽²⁾	260	-	950	1,000	525	535	-	-	-	3,270	
Evans ⁽³⁾	-	-	4,604	1,894	\$643 + 50.06 per sq. ft. over 10,000 sq. ft.	-	805	-	-	7,946+	
Timnath	202	-	4,146	-	-	384	-	-	-	4,732	

Note: (1) For municipalities that distinguish between various residential types, the fee amount represents the single-family household fee.
 (2) Milliken has additional street fees for specific subdivisions.
 (3) Evans calculates the storm drainage fee on square feet, with a maximum fee amount of \$1,167.

Source: Duncan Associates, 2014; BBC Research & Consulting, 2015.

Figure 5
Hypothetical 2016 Retail Impact Fees Compared to Neighboring Communities

Municipality	Impact Fee Category ⁽¹⁾ - Fee per 1,000 Square Feet							Total Impact Fees (per 1,000 sq. ft.)
	Police	Library/ Cultural	Streets/ Transportation	Storm Drainage	General Government	Fire/ Rescue		
Johnstown (Current)	\$ 240	-	\$ 2,360	-	\$ 450	-	\$ 3,050	
Johnstown (Suggested)	425	-	3,327	-	540	-	4,292	
Johnstown (Maximum)	680	-	4,925	-	740	-	6,345	
Windsor	\$ -	\$ -	\$ 3,476	\$ 858	\$ -	\$ -	\$ 4,334	
Loveland	390	-	6,960	713	420	300	8,783	
Fort Collins	160	-	11,048	1,196	556	284	13,244	
Greeley	143	-	4,825	94	-	641	5,703	
Longmont	-	-	2,236	592	401	-	3,229	
Berthoud ⁽²⁾	-	-	9,772	Independent Calculation	Independent Calculation	-	9,772+	
Fredrick	-	-	1,580	488	-	-	2,068	
Eaton	204	-	-	-	-	-	204 plus \$433 per structure	
Severance ⁽³⁾	-	-	Independent Calculation	Based on Inspection	-	-	Variable	
Milliken	100	-	8,649	\$700 fee + \$0.32 per sq. ft. after 7,000 sq. ft.	200	-	8,949+	
Evans	-	-	2,840	\$992 fee + \$0.07 per sq. ft. after 10,000 sq. ft.	-	450	3,290+	
Timnath	-	-	-	No Non-Residential Impact Fees	-	-	-	

Note: (1) For municipalities that distinguish between building size, the impact fee amount which corresponds to a 20,000 sq. ft. building is presented.
(2) Berthoud's street impact fee differs by location (Town Center or I-25 area), although the differences are minimal. Town Center values are presented here.
(3) Severance street/transportation impact fee calculation is based on single-family floor area equivalency and the storm drainage fee is determined by an on-site inspection and subsequent calculation.
Source: Duncan Associates, 2014; BBC Research & Consulting, 2015.

AGENDA ITEM 9F

STREET

MAINTENANCE

FEE

(Ordinance No. 2015-140)

(*Public Hearing)

**** PUBLIC HEARING PROCEDURE – Ordinance No. 2015-140, An Ordinance Establishing a Street Maintenance Fee***

- 1. Open public hearing.**
- 2. Receive information from staff.**
- 3. Ask to hear from anyone who supports Ordinance No. 2015-140.**
- 4. Ask to hear from anyone who opposes Ordinance No. 2015-140.**
- 5. Close the public hearing.**
- 6. Ask for discussion.**
- 7. Make decision and/or motion from Council.**
 - a. Need motion to approve or deny Ordinance No. 2015-140 on first reading.**

(SUGGESTED MOTIONS):

For Approval:

I move to approve Ordinance 2015-140, An Ordinance Establishing a Street Maintenance Fee on first reading.

For Denial:

I move to deny approval of Ordinance 2015-140 on first reading.

TOWN BOARD AGENDA COMMUNICATION

AGENDA DATE: December 7, 2015

ITEM NUMBER: 9F

SUBJECT: *Public Hearing – (First Reading) Consider Ordinance No. 2015-140, An Ordinance Establishing a Street Maintenance Fee

ACTION PROPOSED: Approve Ordinance No. 2015-140 on First Reading

PRESENTED BY: Town Attorney and Public Works Director

AGENDA ITEM DESCRIPTION: On April 20, 2015, the Town of Johnstown entered into an agreement with BBC Research & Consulting to conduct a street maintenance fee study for the Town (refer to attached study). A street maintenance fee (SMF) is a monthly fee collected from all residential, industrial and commercial properties based upon a property's traffic generation characteristics and implied use of the local street system.

The SMF would be appended to the Town's monthly utility billing in the same manner as the current storm drainage fee. Revenues from the SMF would support ongoing maintenance of the Town's street system, such as resurfacing and pothole repairs, seal coating, chip seal application and asphalt overlay. Revenues would not be used to expand the street system, replace or add traffic signals, maintain pedestrian trails, pay for street sweeping or snow removal or other such expenses unrelated to maintenance of the Town streets.

On November 16th, 2015, a Council work session was held with representatives from BBC to review and discuss the street maintenance fee study. Following the meeting, the Town Attorney was authorized to draft the necessary ordinance for implementation of a street maintenance fee system (refer to attached ordinance).

Note: A representative from BBC Research & Consulting will be in attendance should there be questions.

LEGAL ADVICE: The Town Attorney drafted the attached ordinance.

FINANCIAL ADVICE: Refer to attached street maintenance fee study.

RECOMMENDED ACTION: Approve Ordinance No. 2015-140 on first reading.

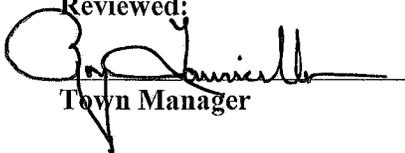
For Approval:

1) I move to approve Ordinance No. 2015-140, An Ordinance Establishing a Street Maintenance Fee on first reading.

For Denial:

1) I move to deny approval of Ordinance No. 2015-140 on first reading.

Reviewed:


Town Manager

ORDINANCE

No. 2015-140

TOWN OF JOHNSTOWN, COLORADO

ORDINANCE NO. 2015-140

**AN ORDINANCE ESTABLISHING
A STREET MAINTENANCE FEE**

WHEREAS, the Town of Johnstown (“Town”) maintains a network of streets that are essential to the transportation needs of the Town; and

WHEREAS, the Town incurs costs in connection with the maintenance of the Town streets; and

WHEREAS, the Town recently completed a physical inspection and analysis of street conditions throughout the Town, the Johnstown Street Inventory 2015, and, based upon the analysis contained therein, the Town Council determined that there may be a need to create a street maintenance fee system to defray the costs of the maintenance of the Town streets; and

WHEREAS, a street maintenance fee is a monthly fee collected from all residential and nonresidential properties based on a property’s traffic generation characteristics and implied use of the streets; and

WHEREAS, the Town Council retained BBC Research and Consulting (“BBC”) to evaluate and study a street maintenance fee system for the Town, to assess the maintenance costs attributable to residential and nonresidential users and to recommend the appropriate street maintenance fees to defray the costs of the maintenance of the Town streets; and

WHEREAS, in conducting its research, BBC divided the Town streets into two categories, arterial and neighborhood/collector streets, afforded each residential and nonresidential property a value representing its traffic generation characteristics for each category of street and allocated maintenance costs between the categories based on existing lane miles; and

WHEREAS, BBC provided its final report to the Town, entitled *Town of Johnstown: Development Impact and Street Maintenance Fees: Fee Design and Calculations*, on November 5, 2015 (“Street Maintenance Fee Report”), and presented its findings and conclusions to the Town Council on November 16, 2015; and

WHEREAS, BBC recommended that the Town impose the following monthly street maintenance fees:

	<u>Monthly Fee</u>
Residential Development (per unit)	\$4.48
Nonresidential (per 1,000 square feet)	
Retail	\$3.05
Office	\$0.63
Industrial/Other	\$0.27

WHEREAS, based on the findings and conclusions contained in the Street Maintenance Fee Report, the Town Council seeks to adopt a street maintenance fee system for the Town and the street maintenance fees recommended by BBC; and

WHEREAS, revenues from the street maintenance fees shall be used to fund ongoing maintenance of the Town streets, including but not limited to, resurfacing, pothole repair, periodic seal coating, chip seal application and asphalt overlay, and shall not be used to expand the street system, replace or add traffic signals, maintain pedestrian trails, pay for street sweeping or snow removal or other such expenses unrelated to maintenance of the Town streets; and

WHEREAS, the street maintenance fees established herein are reasonably related to the costs incurred by the Town in carrying out its legitimate goal of maintaining an effective network of Town streets; and

WHEREAS, the street maintenance fees established herein are reasonably designed to defray the costs of the maintenance of the Town streets, and reasonably related to the needs created by those who are subject to the street maintenance fees; and

WHEREAS, the street maintenance fees established herein shall be dedicated to the purpose of defraying the costs of the maintenance of the Town streets and shall not be permitted to be used for any other purpose; and

WHEREAS, the Town Council deems it to be in the best interests of the citizens of the Town to adopt a street maintenance fee system for the Town and to enact Article XV of Chapter 17 of the Johnstown Municipal Code to establish and regulate street maintenance fees.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO:

Section 1. Chapter 17 of the Johnstown Municipal Code shall be amended by the addition of Article XV, which shall read as follows:

ARTICLE XV
Street Maintenance Fees

Sec. 17-281. Purpose and intent.

The purpose of this Article is to establish a street maintenance fee system designed to defray the costs of maintaining the Town streets. The amount of the street maintenance fees established herein are reasonably related to the costs incurred by the Town to maintain the streets, and the funds collected from residential and nonresidential properties in the Town shall be set aside and utilized for the sole purpose of defraying such costs.

Sec. 17-282. Definitions; administration.

(a) Definitions. For purposes of this Article:

- (1) "Maintenance" or "maintaining" means activities performed for ongoing maintenance of the Town streets, including but not limited to, resurfacing, patching, pothole repair, periodic seal coating, chip seal application, asphalt overlay and other similar expenses. "Maintenance" or "maintaining" shall not include expanding the street system, replacing or adding traffic signals, maintaining pedestrian trails, street sweeping or snow removal or other such activities unrelated to maintenance of the Town streets.
- (2) "Street" means all arterial and neighborhood/collector streets within the boundaries of the Town that are used, or intended for use, by vehicular traffic and are operated and maintained by the Town.

(b) Administration. The administration of this Article is hereby vested in and shall be exercised by the Town Manager, who may prescribe forms and rules and regulations for the proper administration and enforcement of the provisions hereof. The Town Manager may delegate the administration of this Article or any part of it, subject to the limitations of this Code, to duly qualified employees and agents of the Town.

Sec. 17-283. Street maintenance fee imposed.

(a) Street maintenance fee. The following street maintenance fees are imposed on residential and nonresidential properties in the Town:

	<u>Monthly Fee</u>
Residential Development (per unit)	\$4.48
Nonresidential (per 1,000 square feet)	

Retail	\$3.05
Office	\$0.63
Industrial/Other	\$0.27

(b) Adjustments to the street maintenance fee.

(1) Annual adjustment for inflation.

(A) On January 1, 2017, and on January 1st of each year thereafter in which street maintenance fees are in effect, the amount of the street maintenance fee shall be automatically adjusted to account for inflationary increases in the Town's cost of maintaining the streets, utilizing the most recent data from the Engineering News Record Construction Cost Index for the Denver metropolitan area.

(B) In lieu of the automatic annual adjustment, the Town Council may, at its option, adjust the street maintenance fee pursuant to the review process set forth in Subsection (b)(2).

(C) Nothing herein shall prevent the Town Council from electing to maintain an existing street maintenance fee or from electing to waive the inflationary adjustment for any given fiscal year.

(2) Adjustment based on changed circumstances. The street maintenance fees shall be reviewed periodically to ensure that the fees are reasonably related to the overall cost of maintaining the streets and reasonably designed to defray such maintenance costs. When appropriate, the street maintenance fees may be amended based upon revised estimates of the cost of maintaining the Town streets, revised categories of users, uses and traffic generation factors, the needs created or contributed to by those who are subject to the fee and any other factor reasonably related to the Town's legitimate goal of maintaining an effective network of Town streets.

(3) The street maintenance fees may be amended, as set forth above, by Town Council by resolution.

Sec. 17-284. Billing for street maintenance fee; exemptions.

(a) Billing. The street maintenance fee shall be billed and collected with the Town's monthly water and sewer bill for residential and nonresidential properties utilizing the Town's water and sewer services and may be billed and collected separately for properties not utilizing such Town services. All such bills shall be paid to the Town Treasurer, and shall become due and payable in accordance with the rules and regulations of this Code pertaining to the collection of such charges.

(b) Exemptions. The following properties are exempt from payment of the street maintenance fees:

- (1) All public park land;
- (2) All public or private ponds, lakes, reservoirs, rivers, creeks, natural water courses, wetlands or irrigation ditch/canal rights-of-way;
- (3) All public streets, highways, rights-of-way and alleys;
- (4) All railroad rights-of-way except railroad property not utilized for railroad purposes;
- (5) All cemeteries;
- (6) All governmental entities;
- (7) All charitable, religious and eleemosynary organizations that have received from the Internal Revenue Service status under Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization; and
- (8) All lands actively used for agriculture and larger than two (2) acres in size.

Sec. 17-285. Use of street maintenance fee; establishment of fund.

(a) Use of funds. All funds received from the street maintenance fees shall be used for the sole purpose of maintaining the Town streets and not for any other purpose.

(b) Establishment of street maintenance fee fund. A street maintenance account shall be established by the Town and shall be called the "Street Maintenance Fee Fund." All street maintenance fees collected by the Town shall be deposited into the account, which shall be interest-bearing. All interest earned on monies deposited to such account shall be credited to and shall be considered funds of the account. The Town shall establish and implement necessary accounting controls to ensure that the street maintenance fees are properly deposited, accounted for and appropriated in accordance with this provision and any other applicable legal requirements.

Sec. 17-286. Enforcement.

The street maintenance fees due under this Article which are not paid when due may be recovered in an action at law by the Town. The Town Manager is hereby empowered and directed to enforce this provision as to any and all delinquent property owners.

Sec. 17-287. Unpaid fees to be a lien.

The street maintenance fee charged pursuant to this Article shall become a permanent lien upon the property to which such fee is associated from the date said fee becomes due until paid. The owner of the property shall be obligated to pay the fee, which obligation may be

enforced by the Town Manager as set forth in Section 17-286 or by suit to enforce the lien. If a tenant in possession of property fails to pay the fee, such failure shall not relieve the owner from the obligation and lien, and the Town shall not be required to seek recovery from any person other than the owner of the property. No changes of ownership, occupation or use shall affect the application of this Section, and the failure of a new owner to discover that a lien exists shall not impact the new owner's responsibility for payment of the fee. Notwithstanding any provision to the contrary, any delinquent amount may be enforced by assessment and lien upon the property so served and certification thereof to the County Treasurer for collection, with ten-percent administrative fee.

Sec. 17-288. Administrative review; appeals.

(a) Petition. An owner who disputes the amount of the street maintenance fee imposed against such owner's property or who disputes any determination made by or on behalf of the Town pursuant to and by the authority of this Article may petition for a hearing on a revision or modification of such fee or such determination. The petition shall be in writing, filed with the Town Clerk and contain facts and figures in support of the position alleged therein. The petition shall be submitted under oath in writing or orally at the duly scheduled hearing. A property owner may only file one petition in connection with a particular fee or determination, except upon a showing of changed circumstances sufficient to justify the filing of an additional petition.

(b) Hearing. The Town Manager may hold a hearing on the petition or may designate another person as a hearing officer with authority to hold such hearing. The hearing shall be held within a reasonable time after the filing of a petition at the Town Hall or other place as designated by the hearing officer, and notice thereof and the proceedings shall otherwise be in accordance with the rules and regulations issued by the Town. The petitioner shall have the burden of proof.

(c) Final Order. Within thirty (30) days of a hearing, the hearing officer shall make written findings of fact and conclusions based upon all relevant information contained in the petition and presented at the hearing. The hearing officer's determination shall be considered a final order, which may, within thirty (30) days of its issuance, be appealed to the Town Council.

(d) Appeal to Town Council. An appeal to the Town Council shall be in writing, filed with the Town Clerk and allege with particularity the errors and omissions contained in the final order. The appellant shall, at that time of making such appeal, pay to the Town Treasurer a docket fee in the amount of fifty dollars (\$50.00). Written notice of the hearing shall be given to all parties concerned at least seven (7) days prior to the hearing. The appellant shall have the burden of proof on appeal. Within thirty (30) days of the hearing, the Town Council shall make its final determination and affirm, modify or reverse the final order.

(e) Service. Service by certified mail, return receipt requested, shall be conclusive evidence of service for the purpose of this Article.

Secs. 17-289—17-300. Reserved.

Section 2. Publication and Effective Date. This Ordinance, after its passage on final reading, shall be numbered, recorded, published and posted as required by the Town Charter and the adoption, posting and publication shall be authenticated by the signature of the Mayor and the Town Clerk and by the Certificate of Publication. This Ordinance shall become effective upon final passage as provided by the Home Rule Charter of the Town of Johnstown, Colorado. Copies of the entire Ordinance are available at the office of the Town Clerk.

INTRODUCED, AND APPROVED on first reading by the Town Council of the Town of Johnstown, Colorado, this 7th day of December, 2015.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Mark Romanowski, Mayor

PASSED UPON FINAL APPROVAL AND ADOPTED on second reading by the Town Council of the Town of Johnstown, Colorado, this 21st day of December, 2015.

TOWN OF JOHNSTOWN, COLORADO

ATTEST:

By: _____
Diana Seele, Town Clerk

By: _____
Mark Romanowski, Mayor

**STREET
MAINTENANCE
FEE
STUDY**

SECTION III.

Street Maintenance Fee

SECTION III.

Street Maintenance Fees

This section describes a potential Johnstown street maintenance fee concept, identifies the fee's purpose and uses, and makes recommendation on fee structure and application.

Street Maintenance Fee Concept

A Street Maintenance Fee (SMF) is a monthly fee collected from all residential, industrial and commercial properties based on a property's traffic generation characteristics and implied use of the local street system. In concept and application the SMF charge is very similar to the Town's current storm drainage fees. The SMF fee would be appended to the Town's monthly utility billing in the same manner as the current storm drainage fee. Revenues from SMF charge will support ongoing maintenance of the Town's street system. Street maintenance includes resurfacing and pothole repair as well as periodic seal coating, chip seal application and asphalt overlay.

SMF receipts would not be used to expand the street system, replace or add traffic signals, fund unrelated department operations, maintain separate pedestrian trails, support bus operations, or pay for street sweeping or snow removal.

The objective of a municipal street maintenance program is to ensure that the Town's street system is efficiently maintained and that maintenance costs are recovered from those lands uses that benefit from a functional street system. A well-maintained street system supports the efficient movement of people, goods and services, enhances property values and significantly reduces long term street repair costs. The street maintenance fee ensures that programmed annual maintenance funds are available and that charges are roughly tied to system usage.

Approach

The following principles underlie Johnstown's proposed fee system:

- The Town recently completed a physical inspection and an analysis of street conditions throughout the Town (Johnstown Street Inventory 2015). This analysis is the basis for a street maintenance program designed to maximize street longevity and reduce street replacement costs.
- A street maintenance fee is a user fee not a tax. In order to qualify as a user fee, a charge must be reasonably related to the individual or entity's use of public facilities or services.
- The recommended street maintenance fee seeks to recover the annual maintenance costs from all town property owners in rough proportion to each property's use of town roadways.

- Average annual costs are set at \$250,000 based on the average cost of maintenance over the past seven years and the anticipated costs suggested by the Town’s recent street conditions analysis. Each participant’s share of maintenance costs are calculated in the following steps:
 - County Assessors’ records (two counties) are used to identify the amount of existing development within the town, by property type.
 - Town roads are divided into two separate categories: arterial and neighborhood/collector streets.
 - Each property is afforded a value representing its traffic generation characteristics for both arterial and neighborhood/collector street.
 - Maintenance costs are allocated between arterial and neighborhood/collector roads based on existing lane miles within each category. Each property is then assigned an annual cost reflecting its proportional share of street system usage.

The monthly fee is set at a level sufficient to produce the annual revenues necessary to maintain Johnstown’s street system. Periodic adjustments will be made to reflect changes in system maintenance costs, Town growth and changes in street classifications. The SMF charge would appear on the Town’s monthly utility billing.

Figure III-1 through Figure III-6 below document the fee design process.

Fee Metrics

Figure III-1 shows historical street maintenance expenditures. The Town assumes annual costs will remain approximately the same in the future, indicating an average of \$251,410 needed annually for street maintenance. This number can be adjusted in the future depending on maintenance needs.

**Figure III-1.
Historical Street
Maintenance Costs**

Note:
2015 costs based on 2014 estimates and partial year data.

Source:
Town of Johnstown

Year	Chip Seal	Street Maintenance	Total Cost
2008	\$170,376	\$56,681	\$227,057
2009	\$163,546	\$76,714	\$240,260
2010	\$148,376	\$28,952	\$177,328
2011	\$130,432	\$55,346	\$185,778
2012	\$146,542	\$44,256	\$190,798
2013	\$200,832	\$88,970	\$289,802
2014	\$227,044	\$129,212	\$356,256
2015	\$215,000	\$129,000	\$344,000
Average	\$175,269	\$76,141	\$251,410

The Town is responsible for maintaining two different classification of roads—arterial and neighborhood/collector streets. Arterial roads serve all development within the Town whereas neighborhood/collector streets are used almost exclusively for residential uses. The allocation of maintenance costs for arterial and neighborhood roads reflect these use patterns. The inventory of arterial and neighborhood streets is shown in Figure III-2 below.

**Figure III-2.
Types of Roads in
Johnstown**

Road Type	Lane Miles	Percent
Arterial Roads	24.9	17%
Neighborhood/ Collector Streets	119.0	83%

Source:
Street Inventory 2015, Town Staff, and
BBC Research & Consulting, 2015.

Approximately 17 percent of Town roads are arterial streets while 83 percent are neighborhood/collector streets. Cost allocation assumes that the amount spent on maintenance of each road type is proportional to the amount of existing lane miles.

The calculation of neighborhood/collector streets is shown in Figure III-3 below.

**Figure III-3.
Calculation of SMF for
Neighborhood/Collector
Streets**

Neighborhood SMF Calculation	
Neighborhood Lane Miles	83%
Proportional Maintenance Cost	\$207,917
Allocation by land use	
Residential	100%
Nonresidential	
Retail	0%
Office	0%
Industrial/Other	0%
Amount of Development	
Residential (units)	4,300
Nonresidential (sf)	
Retail	391,850
Office	231,239
Industrial/Other	1,222,163
Fee by land use	
Residential (per unit)	\$48.35
Nonresidential (per 1,000 sf)	
Retail	\$0.00
Office	\$0.00
Industrial/Other	\$0.00

Source:
BBC Research & Consulting, 2015.
Amount of development is from
Assessor's records

Since neighborhood streets are used primarily by residents, non-residential land uses are not assessed a maintenance fee. The annual fee per residential unit for maintenance of neighborhood roads is \$48.35.

Unlike neighborhood streets, arterial roads serve the entire community; therefore the fee amount is determined by the relative amount of traffic generated by each specific land use type. Figure III-4 below shows the traffic generation by existing development within the Town.

Figure III-4.
Calculation of Trips by Land Use

Land Use	Existing Development	Average Daily Trips	Total Daily Trips	Percent Distribution
Residential per unit	4,300	10.00	43,000	54%
Nonresidential				
1,000 General retail square feet	392	68.47	26,840	33%
1,000 Office square feet	231	13.34	3,082	4%
1,000 Industrial/Other square feet	1,222	5.72	6,990	9%
Total			79,912	100%

Source: Weld County & Larimer County Assessor's office, Town of Johnstown, DOLA, US Census Bureau, International Transportation Engineering Trip Generation Manual Ninth Edition, and BBC Research & Consulting, 2015.

The costs of maintaining arterial roads are distributed across existing development according to the amount of development and distribution of traffic calculated above. This fee calculation is shown in Figure III-5 on the following page.

Figure III-5.
Calculation of Street Maintenance Fee for Non-Arterial Roads

Source:
 BBC Research & Consulting, 2015

Arterial SMF Calculation	
Arterial Lane Miles	17%
Proportional Maintenance Cost	\$43,493
Allocation by land use	
Residential	54%
Nonresidential	
Retail	33%
Office	4%
Industrial/Other	9%
Amount of Development	
Residential (units)	4,300
Nonresidential (sf)	
Retail	391,850
Office	231,239
Industrial/Other	1,222,163
Fee by land use	
Residential (per unit)	\$5.44
Nonresidential (per 1,000 sf)	
Retail	\$36.63
Office	\$7.52
Industrial/Other	\$3.20

The annual maintenance fee for arterial roads is \$5.44 per residential unit, \$36.63 per 1,000 square feet of retail development, \$7.52 per 1,000 square feet of office development, and \$3.20 per 1,000 square feet of office development.

Total street maintenance costs for neighborhood and arterial roads are shown in Figure III-6.

**Figure III-6.
Total Street Maintenance Fee**

Source:
BBC Research & Consulting, 2015

	Annual Fee	Monthly Fee
Residential (per unit)	\$53.80	\$4.48
Nonresidential (per 1,000 sf)		
Retail	\$36.63	\$3.05
Office	\$7.52	\$0.63
Industrial	\$3.20	\$0.27

Total monthly street maintenance charges are calculated to be \$4.48 per residential unit, \$3.05 per 1,000 square feet of retail development, \$0.63 per 1,000 square feet of office development and \$0.27 of industrial development.

