



**AGENDA FOR THE  
ENGLEWOOD CITY COUNCIL  
STUDY SESSION  
MONDAY, FEBRUARY 28, 2011  
COMMUNITY ROOM  
6:00 P.M.**

**I. Regional Air Quality Council**

Executive Director Ken Lloyd will be present to discuss Regional Air Quality Council in Denver.

**II. Water/Sewer Service Lines**

Mayor Woodward and Bill Diones from Utility Service Partners will discuss the National League of Cities water/sewer service line program.

**III. Public Hearings/Public Meetings**

City Attorney Dan Brotzman will discuss public hearings and public meetings.

**IV. Medical Marijuana**

Community Development Director Alan White will be discussing zoning for medical marijuana. Financial and Administrative Services Director Frank Gryglewicz will address the licensing and spacing requirements for medical marijuana.

**V. 2012 Budget Review**

City Manager Gary Sears and Financial and Administrative Services Director Frank Gryglewicz will be discussing the 2012 Budget.

Tentative Budget Workshop dates – Saturday, September 10<sup>th</sup> or  
Saturday, September 17<sup>th</sup>

**VI. City Manager's Choice**

A. Legislative Information from CML Workshop.

**VII. City Attorney's Choice**

**VIII. Council Member's Choice**



C I T Y   O F   E N G L E W O O D  
D E P A R T M E N T   O F   P U B L I C   W O R K S  
S E R V I C E N T E R

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To: Rick Kahm, Director of Public Works  
From: Pat White, Servicer Fleet Manager  
Date: December 14, 2010  
Subject: Regional Air Quality, Clean Cities, Governors Energy Office

During the last five years the City of Englewood's involvement with the above mentioned organizations have provided valuable funding opportunities for the City. The following initiatives have been implemented through this funding:

- Conversion of an unleaded tank to E-85 (including a new dispenser)
- Retro fitting 16 pre 2007 diesel emission vehicles to meet 2007 emission standards. Installation of diesel catalyst and egr systems, estimated cost of \$42,000.00 covered by grant.
- Installation of diesel fired pre-heaters (5 units) at a cost of \$10,000.00 covered by grant.
- Installation of diesel catalysts on 18 pieces of off road equipment to meet 2007 emission standards. First organization in the State to accomplish this. Complete cost covered by grant, estimated cost \$48,000.00.
- Ozone reduction through gas cap testing. The City is reimbursed for any caps that fail.
- Vehicle placards describing alternative fueled vehicles for public notification.
- Stakeholder status for Metro Clean Cities.
- 2011-GPS units for Public Works and Police use. Grant will cover 80% of associated costs.
- 2011-Additional diesel pre-heaters for Public Works dump trucks.

Partnering with these organizations has enabled the City of Englewood to be a leader in reducing emissions in the Denver Metro area.

NLC SERVICE LINE WARRANTY PROGRAM

# Overview

NATIONAL  
LEAGUE  
of CITIES



*Building Peace of Mind, One Community at a Time*

## NLC SERVICE LINE WARRANTY PROGRAM

*Building Peace of Mind, One Community at a Time*

### EXPENSIVE LINE FAILURES SOLUTION

The NLC Service Line Warranty Program, administered by Utility Service Partners, helps city residents save thousands of dollars on the high cost of repairing broken or leaking water or sewer lines. This program is offered at *no cost* to the city.

### REPAIR SAVINGS

Residents who have not set aside money to pay for an unexpected, expensive utility line repair, now have an opportunity to obtain a low cost warranty that will provide repairs for a low monthly fee, with no deductibles or service fees. The work is performed by licensed, *local* plumbers who will call the customer within one hour of filing a claim. The repair is performed professionally and quickly, typically within 24 hours. USP provides a personally staffed 24/7 repair hotline for residents, 365 days a year.

### IMPLEMENTATION

Once your city has approved participation in the program, start up is simple. The program is designed for a quick launch, taking up little of your city employees' valuable time:

1. Execute the simple, one page contract provided by USP.
2. Approve the recommended Press Release (this is designed as a general notice to reduce resident confusion and calls to the city with questions).
3. Approve the Campaign Letter provided by the USP Marketing team.
4. Access monthly reports via the web.

### MORE INFORMATION

#### BENEFITS

- NO COST for the city to participate
- Generates revenue for your city
- Affordable rates for residents
- 24/7 customer service
- Service from trusted, local contractors
- Peace of mind for your residents
- Reduces local officials' frustration
- Easy implementation
- Fewer citizen complaints
- All repairs performed to *local* code

To learn more about this program, visit NLC's website at [www.nlc.org/enterpriseprograms](http://www.nlc.org/enterpriseprograms) or contact Denise Belser, Program Director, at [belser@nlc.org](mailto:belser@nlc.org) or (202) 626-3028.

*Building Peace of Mind, One Community at a Time*

This program is administered by Utility Service Partners (USP). USP is solely responsible for the implementation and operation of the program.



## NLC SERVICE LINE WARRANTY PROGRAM

NATIONAL  
LEAGUE  
of CITIES

### UTILITY SERVICE PARTNERS

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How long has the company been in business?

The company was originally formed in 1998 within Columbia Energy to provide service line warranties for its utility customers. USP was formed in September 2003 to purchase Columbia Service Partners from Columbia Energy. USP continues to expand the product offerings and grow the business through city and utility partnerships. USP is a proud member of the Better Business Bureau.

### PROGRAM

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Is this program available everywhere?

The NLC Service Line Warranty Program will be introduced throughout the contiguous United States in phases over the next 18 months. Please see our National Roll-Out Schedule map for details regarding your state.

How are our citizens notified of the program?

USP mails each resident a campaign letter which outlines the cities' endorsement, followed by a reminder letter two weeks later to ensure the highest response rate. USP only solicits through direct mail — no telemarketing is ever employed. All homeowners will have the option to enroll in the program, regardless of the age of their residence.

What cooperation will be needed from the cities?

USP desires to enter into a co-branded marketing services agreement with each city. The agreement provides for the use of the city name/logo, in conjunction with USP's logo, on marketing materials sent to citizens. The city is endorsing USP as the service provider for the warranty program.

When do you solicit residents?

Through the years, we have found the optimal times to invite citizens to participate are in the Spring and Fall of each year.

Does NLC or USP sell or rent the personal information of residents that enroll in the program?

No. Neither the NLC nor USP will sell or rent the names of prospective customers or participants.

How much does the resident pay for this service?

Each warranty is sold separately and the price range is generally between \$4 and \$5 a month per product.

### BENEFITS

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How much will residents save by using the warranty program?

While costs for water line and sewer line repairs can vary, the average cost of repairing a broken water line or sewer line may range from \$1,200 to over \$3,500.

Will this program cost the city any money?

Not a cent. USP pays for all marketing materials and program administration. Furthermore, USP will pay the city a royalty for every resident that participates in the program.

What benefit does the city receive from endorsing these programs?

By endorsing the USP programs, the city is able to reduce resident's frustration over utility line failures by bringing them low-cost service options. 96% of survey respondents say that their image of the city is enhanced because the warranty program is offered as a service by the city. These programs also generate extra revenue for the city through the royalty that is paid by USP to the city. Finally our programs help to stimulate the local economy. USP only uses local contractors to complete the repairs which helps to keep the dollars in the local community.

### RESPONSIBILITIES

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Who administers the program?

Utility Service Partners (USP) administers the program and is responsible for all aspects of the program including marketing, billing, customer service, and performing all repairs to local code.

What are the city's responsibilities?

We ask each city to work with USP to provide the following; 1) a copy of the city seal, if available, for the solicitation letterhead 2) the city's return address for outer envelope (this ensures a high "open-rate") 3) the name, title and signature sample of the designated solicitation signor and 4) the appropriate zip codes of the city to allow USP to purchase a mailing list of the residents.

Why does the city have to provide a city seal, address and signature?

We have found that while the letter is written in such a manner as to leave no doubt that it is a USP program (the USP logo is on the enrollment form), the city address drives a very high "open-rate" and the city seal and signature lend credibility to the offer, thus driving a much higher enrollment rate.

## Will we get a lot of calls from citizens when they get the letter?

A press release provided by USP and issued prior to the first mailing will help alleviate citizen concerns, which should result in nominal calls to city hall.

## **PRODUCTS**

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### How will citizens know what is covered?

All customers receive a set of terms and conditions upon enrollment in a utility warranty program. They have 30 days from the date of enrollment to cancel and receive a full refund.

### What items are included as part of the water line warranty?

The external water warranty covers the underground service line from the point of connection to the city main line to the water meter. It also covers the underground service line between the water meter and the exterior foundation of the home. If any part of the line is broken and leaking, USP will repair or replace the line in order to restore the service. Coverage caps listed in the terms & conditions are per occurrence as follows: \$4,000 plus an additional \$500 for public sidewalk cutting, if necessary.

### What items are included as part of the sewer line warranty?

The external sewer line warranty covers the underground service line from the point of connection to the city main line to the point of entry to the home. If any part of the line is broken and leaking, USP will repair or replace the line in order to restore the service. Coverage caps listed in the terms & conditions are per occurrence as follows: \$4,000 plus an additional \$4,000 for public street cutting, if necessary.

### The Coverage Cap looks adequate but is there an annual or lifetime restriction on how much you will pay to repair?

No. Unlike some other warranties available, we provide you with the full coverage per incident. We will pay up to your coverage amount each and every time you need us. We do not deduct prior repair expense from your coverage cap or limit the amount we will pay annually.

### Doesn't Homeowner's Insurance cover this type of repair?

Typically, no. Most homeowner policies will pay to repair the damage created by failed utility lines but they generally do not pay to repair the actual broken pipes or lines. We encourage you to call your insurance company to determine your actual coverage.

### Is soil movement due to ground shifting covered?

Yes, ground shifting is one of the major causes for water line breaks. If the line is broken and leaking, the repair is covered under the warranty.

## Who replaces landscaping if damaged?

USP will provide basic restoration to the site. This includes filling in the holes, mounding the trench (to allow for settling) and raking and seeding the affected area. Restoration does not include replacing trees or shrubs or repairing private paved/concrete surfaces. This is outlined in the terms & conditions sent to the customer.

## What building codes will you adhere to?

If the line is broken and leaking, USP will repair or replace the leaking portion of the line according to the current code. However, USP is not responsible for bringing working lines up to code that are not in need of repair.

## **CUSTOMER SERVICE**

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### Will a citizen have a long hold time when reporting a claim?

No. Repair calls receive the highest priority and are answered 24/7. Repair calls are connected to a live agent through a voice recognition unit (VRU).

### Will the customer always get a live operator when they call?

Yes. Customers are directed to select to speak with either a service or claims agent and will then be directed to a live Agent.

### What is the claims process?

Program participants call a toll-free USP number to file a claim. USP selects the contractor, who is required to contact the customer within one hour of receiving the job to schedule a time to begin the repairs. Typically, repairs are completed within 24 hours. Emergencies receive priority handling.

## **CONTRACTORS**

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### Who performs the repair work?

USP retains *local*, professional plumbers to perform all the service line repair work.

### How selective are you when choosing contractors to conduct repairs?

USP only selects contractors who share our commitment to excellence in customer service. Scorecards are maintained for each contractor, tracking the customer satisfaction rating for work performed. Customer feedback is shared with our contractors and any contractor with a low customer satisfaction rating is removed from the network.

## A PARTNERSHIP WITH BECKLEY, WEST VIRGINIA

Beckley is a city with a population of 20,000 residents located in southern West Virginia and is the central hub of Raleigh County. Like many cities in the country, Beckley is looking to create an environmentally conscious community while, at the same time, dealing with important budget issues.

In June 2009, Beckley hosted a workshop, sponsored by Utility Service Partners, Inc., discussing "Bottom Line Green." 'Green' has become a new buzzword today, and everyone is making a claim that their program or product is good for the environment. But can a utility line warranty program contribute to a cleaner planet?

Well, the answer is Yes.

Leaking water pipes waste millions of gallons of treated water each year. Wasted drinking water has to be recaptured and retreated by the local municipal water system. Leaking sewer lines pollute ground water and acres of land. The re-treating of water can waste energy and resources, contributing to increased carbon emissions and lost revenue for the city. And citizens become frustrated when they learn that they are responsible for repairing — and paying for — broken or leaking pipes.

USP's program offers cities a solution that ensures timely repairs to broken homeowner water and sewer lines, thereby conserving water resources and minimizing waste water pollution. For a small monthly fee paid by the homeowner, USP offers around the clock repair service, with access to a live representative and prompt service performed by local, certified technicians. A cleaner planet, a happier citizen.

Beckley Mayor Emmett Pugh was intrigued. "The mayor approached us right after the session and asked for more information. He wanted to know more about how this kind of a program could benefit the city," said Brad Carmichael, Vice President, Business Development.

Were there strings attached? How much would it cost the city to implement? Would the city have to find the manpower to help get the program off of the ground?

The answer is No.

No strings attached. No cost to the city to implement. USP covers all of the costs to promote the utility line warranty program to the local citizens. In terms of city involvement, USP simply needs a few pieces of information, including the city seal, return address and the official's signature for the communication. It's that simple. USP's solution is designed for fast turnaround with little impact to city government.

Mayor Pugh was pleased with the company's approach. "Working with USP is really easy. They take care of everything — marketing, billing, and customer service. All we had to do was review and approve the letter to customers."

By October 2009, Beckley had contracted with USP to offer the utility line warranty programs to its citizens, and the first marketing campaign, a sewer line warranty offer, was mailed to Beckley households the following spring.

The program was a tremendous success. "We were delighted with the response from our citizens," Mayor Pugh commented on the results of the first campaign. "Providing a service to our residents which helps them avoid costly repairs, that's something they really appreciate."

The NLC Service Line Warranty program is a timely solution for cities like Beckley, West Virginia, and many others across the United States. By sharing in a portion of the revenues collected from this program, cities can relieve some of the strain caused by shrinking revenues and increasing costs. The program also offers cities the opportunity to enhance their image by providing an additional service that benefits their residents.





## Implementation Process



1. Upon approval from city council (if applicable), execute one-page contract provided by USP (upon contract execution, USP will immediately begin to recruit and screen local contractors)



2. Approve Press Release provided by USP (general notice to eliminate resident confusion/city calls) and if desired, distribute to local media and/or post to the city website



3. Send the following to USP for the creation of the citizen solicitation letter:

- City Seal artwork, if available
- Name/Title of designated signor plus signature
- City Address for outer envelope
- Zip+4 list of city territory



4. Approve Solicitation Letter provided by USP



5. Access Monthly Reporting via the web



6. Receive Annual Payment



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# Nation's Cities

WEEKLY

Newspaper Handling

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## Small Cities and Towns to Receive NLC Assistance in Reducing Childhood Obesity

by Katie Meade

NLC's Institute for Youth, Education, and Families (YEF Institute) has selected 15 small cities and towns in Arkansas, Louisiana and Mississippi to participate in the Municipal Leadership for Healthy Southern Cities technical assistance project.

This two-tiered initiative, funded by the Robert Wood Johnson Foundation through its Leadership for Healthy Communities national program, is aimed at helping municipal leaders in both large and small cities develop effective strategies for reducing childhood obesity.

Selected municipalities include Arkansas City,

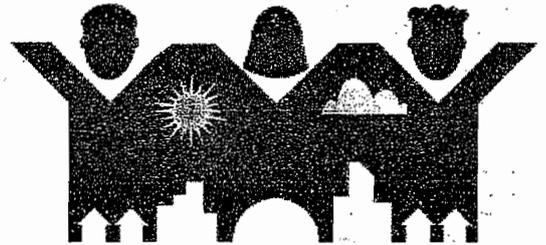
Batesville, Cherokee Village and McGehee in Arkansas; Lecompte and Natchitoches in Louisiana; and Arcola, Alligator, Coldwater, Hernando, Lexington, Mound Bayou, Okolona, Starkville and Wesson in Mississippi. Since May, NLC has also been working intensively with Little Rock and North Little Rock, Ark., Baton Rouge, La., and Tupelo, Miss., to support the development and implementation of community wellness plans.

In the 15 smaller and more rural communities, NLC will work closely with the Foundation for the Mid South, a regional foundation that has served these three states for more than 20 years, to support municipal leaders as they seek to adopt and implement poli-

cies that promote increased access to recreation opportunities and fresh, healthy foods.

NLC and the Foundation for the Mid South will use a "train-the-trainer" approach that will build the capacity of state municipal leagues and state health departments to provide cities with guidance and assistance as the project progresses. Municipal leaders from participating cities will also form a peer learning network to discuss effective practices and share their experiences and lessons with each other.

Later this month, local elected officials from both the larger and smaller cities will gather in Jackson, Miss., for the project's first



cross-site meeting. The meeting will help city leaders understand the consequences of childhood obesity and the role of local government in helping to reverse this epidemic; offer strategies and resources for developing an action plan focused on policy and environmental changes; and lay the groundwork for the formation of the peer

learning network.

**Details:** To learn more about NLC's efforts to help municipal leaders combat childhood obesity, visit [www.nlc.org/iyef](http://www.nlc.org/iyef). For more information about the Municipal Leadership for Healthy Southern Cities initiative, contact Leon Andrews at (202) 626-3039 or [andrews@nlc.org](mailto:andrews@nlc.org).

## New NLC Program Reduces Service Line Repair Costs

by Denise Belser and Cathy Spain

Cities can now help their residents cope with the high cost of external water and sewer line repairs by participating in a new NLC Service Line Warranty Program.

Homeowners in participating cities are eligible to purchase these low-cost warranties, which provide repairs for broken or leaking utility lines up to \$4,000 for each occurrence. These repairs may range from \$1,200 to over \$3,500 and can create a significant financial hardship for the unprepared. Warranties provide peace of mind for homeowners by transferring the risk of costly repairs.

Many residents become frustrated when they are told that the city is not responsible for a service line repair. The homeowner must contract with a

plumber and pay the repair costs if the damage occurs between the city's main pipe and the water meter or the connection to the home. Cities that participate in the warranty program can enhance the city's image by reducing the homeowner cost and making reputable plumbers readily available.

The service line repair work is performed by local, professional plumbers chosen by Utility Service Partners Inc., (USP), the company that administers the program. Once USP receives a call about a service line problem from a resident who has purchased a warranty, a plumber is assigned to the claim and is required to contact the customer within one hour of receiving the job assignment from USP. Typically, repairs are completed within 24 hours.

The national program is modeled after existing programs in Oklahoma

and West Virginia and sponsored by the state municipal leagues. Cities in these states may continue to contact their state league or NLC for information about the program.

"This program has been available to Clarksburg's residents for 18 months, and it is a real winner," said James C. Hunt, councilmember, Clarksburg, W.Va., and NLC immediate past president. "Resident satisfaction is high and it's a lot easier to tell citizens about this great new service rather than explain why they are on the hook for costly repairs."

Starting up the program is easy and there is no cost for the city. Once the decision is made to move forward, the city agrees to co-brand the program by signing a one-page marketing service agreement with USP. This permits

### IN THIS ISSUE

- New grant series: The feds' actually listening to cities, regions, *page 2*.
- Deadline to apply for NLC Officer and Board positions extended to November 19, *page 3*.
- Visit the exposition at the 2010 Congress of Cities, *page 4*.
- Civil rights activist Shirley Sherrod to deliver keynote address at WIMG Leadership Award Luncheon, *page 5*.
- Putting poverty in its places, *page 6*.

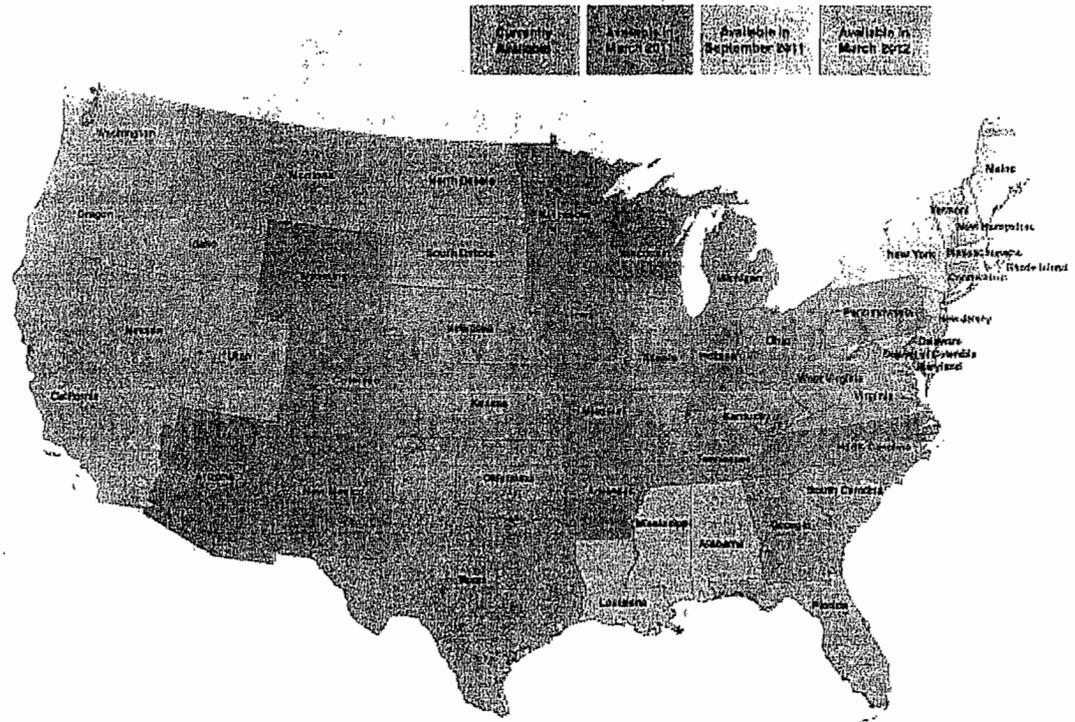
## Program, from page 1

USP to use the city's name and logo in mailings sent to residents and in advertising. Then the city approves a press release and a solicitation letter and sends the city logo artwork and other information to USP for the letters that are mailed to residents promoting the program.

Several marketing campaigns are undertaken to promote the service in the city. The city has the right to prior review and approval of any materials prepared by USP. Participation increases with subsequent campaigns and word-of-mouth communications from trusted friends and neighbors.

NLC and USP will roll out the program over an 18-month period at six-month intervals as various state regulatory requirements are met and contractor networks are established and vetted by USP in the 48 contiguous states. (See the map to determine the program's availability in your state.)

The benefits of this program are shared throughout the community. It is extremely affordable — between \$4 and \$6 for each warranty a month. Citizen frustration is reduced, city officials have fewer complaints to handle from residents, there is no cost to the city for this value-added program and the city even receives a share of the rev-



Cities can now help their residents cope with the high cost of external water and sewer line repairs by participating in a new NLC Service Line Warranty Program. This map shows the program's availability in each state.

enues collected. All repairs are performed to code and the money stays in the community because local plumbers are engaged.

Furthermore, USP monitors contractor performance to ensure quality work and a customer repair hotline is available 24/7. The program also contributes to a city's "green"

initiatives. Leaking water pipes waste millions of gallons of treated water and leaking sewer lines pollute groundwater and land.

This NLC Service Line Warranty Program is a home protection solution for city residents arranged by NLC Enterprise Programs, an initiative bringing solutions and

savings to cities. When cities participate in an NLC-endorsed program, they have the satisfaction of knowing that the NLC staff is working with the program administrator to offer superior service.

**Details:** For more information about this program, visit [www.nlc.org/enterprise](http://www.nlc.org/enterprise)

programs or contact Denise Belser, NLC program director, at [belser@nlc.org](mailto:belser@nlc.org) or (202) 626-3028.

If you are attending the Congress of Cities in Denver, stop by the USP/NLC Service Line Warranty booth in the NLC Pavilion to begin the process of bringing this program to your city residents.

## The Strategic Procurement Source for Public Agencies

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- Donald J. Borut, Executive Director

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- Competitively Solicited Contracts
- Quality Products & Services
- Great Pricing
- No-Cost Participation

[www.uscommunities.org](http://www.uscommunities.org)



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Government Purchasers Saving You Money

Founding Co-Sponsors



## UTILITY SERVICE PARTNERS

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How long has the company been in business?

The company was originally formed in 1998 within Columbia Energy to provide service line warranties for its utility customers. USP was formed in September 2003 to purchase Columbia Service Partners from Columbia Energy. USP continues to expand the product offerings and grow the business through city and utility partnerships. USP is a proud member of the Better Business Bureau.

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Is this program available everywhere?

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## BENEFITS

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Will we get a lot of calls from citizens when they get the letter?

A press release provided by USP and issued prior to the first mailing will help alleviate citizen concerns, which should result in nominal calls to city hall.

## **PRODUCTS**

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How will citizens know what is covered?

All customers receive a set of terms and conditions upon enrollment in a utility warranty program. They have 30 days from the date of enrollment to cancel and receive a full refund.

What items are included as part of the water line warranty?

The external water warranty covers the underground service line from the point of connection to the city main line to the water meter. It also covers the underground service line between the water meter and the exterior foundation of the home. If any part of the line is broken and leaking, USP will repair or replace the line in order to restore the service. Coverage caps listed in the terms & conditions are per occurrence as follows:

\$4,000 plus an additional \$500 for public sidewalk cutting, if necessary

What items are included as part of the sewer line warranty?

The external sewer line warranty covers the underground service line from the point of connection to the city main line to the point of entry to the home. If any part of the line is broken and leaking, USP will repair or replace the line in order to restore the service. Coverage caps listed in the terms & conditions are per occurrence as follows:

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The Coverage Cap looks adequate but is there an annual or lifetime restriction on how much you will pay to repair?

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Typically, no. Most homeowner policies will pay to repair the damage created by failed utility lines but they generally do not pay to repair the actual broken pipes or lines. We encourage you to call your insurance company to determine your actual coverage.

Is soil movement due to ground shifting covered?

Yes, ground shifting is one of the major causes for water line breaks. If the line is broken and leaking, the repair is covered under the warranty.

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USP will provide basic restoration to the site. This includes filling in the holes, mounding the trench (to allow for settling) and raking and seeding the affected area. Restoration does not include replacing trees or shrubs or repairing private paved/concrete surfaces. This is outlined in the terms & conditions sent to the customer.

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## **CONTRACTORS**

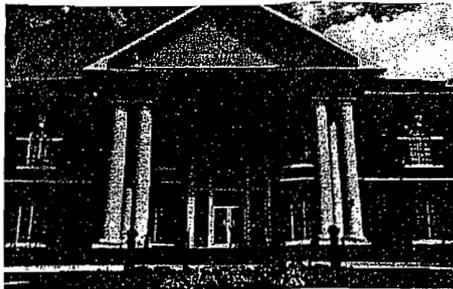
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How selective are you when choosing contractors to conduct repairs?

USP only selects contractors who share our commitment to excellence in customer service. Scorecards are maintained for each contractor, tracking the customer satisfaction rating for work performed. Customer feedback is shared with our contractors and any contractor with a low customer satisfaction rating is removed from the network.



## NLC SERVICE LINE WARRANTY PROGRAM

# Participating is Easy...

### Implementation Process



1. Upon approval from city council (if applicable), execute one-page contract provided by USP (upon contract execution, USP will immediately begin to recruit and screen local contractors)



2. Approve Press Release provided by USP (general notice to eliminate resident confusion/city calls) and if desired, distribute to local media and/or post to the city website



3. Send the following to USP for the creation of the citizen solicitation letter:

- City Seal artwork, if available
- Name/Title of designated signor plus signature
- City Address for outer envelope
- Zip+4 list of city territory



4. Approve Solicitation Letter provided by USP



5. Access Monthly Reporting via the web



6. Receive Annual Payment

## A PARTNERSHIP WITH BECKLEY, WEST VIRGINIA

Beckley, West Virginia is a city with a population of 20,000 residents located in southern West Virginia and is the central hub of Raleigh County. Like many cities in the country, Beckley is looking to create an environmentally conscious community while, at the same time, dealing with important budget issues.

In June 2009, Beckley hosted a workshop, sponsored by Utility Service Partners, Inc., discussing "Bottom Line Green". 'Green' has become a new buzzword today, and everyone is making a claim that their program or product is good for the environment. But can a utility line warranty program contribute to a cleaner planet?

Well, the answer is Yes.

Leaking water pipes waste millions of gallons of treated water each year. Wasted drinking water has to be recaptured and retreated by the local municipal water system. Leaking sewer lines pollute ground water and acres of land. The re-treating of water can waste energy and resources, contributing to increased carbon emissions and lost revenue for the city. And citizens become frustrated when they learn that they are responsible for repairing — and paying for — broken or leaking pipes.

USP's program offers cities a solution that ensures timely repairs to broken homeowner water and sewer lines, thereby conserving water resources and minimizing waste water pollution. For a small monthly fee paid by the homeowner, USP offers around the clock repair service, with access to a live representative and prompt service performed by local, certified technicians. A cleaner planet, a happier citizen.

Beckley Mayor Emmett Pugh was intrigued. "The mayor approached us right after the session and asked for more information. He wanted to know more about how this kind of a program could benefit the city", said Brad Carmichael, Vice President, Business Development.

Were there strings attached? How much would it cost the city to implement? Would the city have to find the manpower to help get the program off of the ground?

The answer is No.

No strings attached. No cost to the city to implement. USP covers all of the costs to promote the utility line warranty program to the local citizens. In terms of city involvement, USP simply needs a few pieces of information, including the city seal, return address and the official's signature for the communication. It's that simple. USP's solution is designed for fast turnaround with little impact to city government.

Mayor Pugh was pleased with the company's approach. "Working with USP is really easy. They take care of everything — marketing, billing, and customer service. All we had to do was review and approve the letter to customers."

By October 2009, Beckley had contracted with USP to offer the utility line warranty programs to its citizens, and the first marketing campaign, a sewer line warranty offer, was mailed to Beckley households the following spring.

The program was a tremendous success. "We were delighted with the response from our citizens." Mayor Pugh commented on the results of the first campaign. "Providing a service to our residents which helps them avoid costly repairs, that's something they really appreciate".

The NLC Service Line Warranty program is a timely solution for cities like Beckley, West Virginia and many others across the United States. By sharing in a portion of the revenues collected from this program, cities can relieve some of the strain caused by shrinking revenues and increasing costs. The program also offers cities the opportunity to enhance their image by providing an additional service that benefits their residents.





**For Immediate Release**  
November 10, 2010

**Contact:**

Utility Service Partners  
Brad Carmichael  
724-749-1003  
bcarmichael@utilitysp.net

National League of Cities  
Gregory Minchak  
202-626-3003  
Minchak@nlc.org

**National League of Cities Teams with Utility Service Partners  
Will Offer Utility Service Line Warranties to City Residents Across the Nation**

Canonsburg, PA - Utility Service Partners, Inc. ("USP") and the National League of Cities ("NLC") announce the creation of the NLC Service Line Warranty Program to assist cities in providing their residents with protection against the high cost of broken or leaking utility lines.

The NLC Service Line Warranty Program will provide affordable utility service line warranties to homeowners covering expensive repairs to external water and sewer lines on homeowners' property. The program offers 24 hour/7 day a week utility service line protection.

"We believe that the NLC Service Line Warranty Program provides a unique service to cities and their residents, combining an efficient solution for homeowners while providing a source of additional income for cities. USP has a strong, proven track record of customer satisfaction and we are delighted to be working with them," added Donald J. Borut, Executive Director of the National League of Cities.

The NLC program, which will be offered to cities in the 48 contiguous states, will be rolled out over an 18-month period in six-month intervals.

"We are delighted to be working with the National League of Cities, which builds on the track record USP has developed of successfully managing warranty programs for cities and utilities. We look forward to partnering with cities across the United States" said Phil Riley, the President and CEO of USP.

Cities interested in participating in the NLC Service Line Warranty Program should contact Brad Carmichael, Vice President of Business Development at Utility Service Partners, [partnerships@utilitysp.net](mailto:partnerships@utilitysp.net) or (866) 974-4801. Further information is available at [www.utilitysp.net/nlc](http://www.utilitysp.net/nlc) and [www.nlc.org/enterpriseprograms](http://www.nlc.org/enterpriseprograms).

**About Utility Service Partners**

Headquartered in Canonsburg, Pennsylvania, Utility Service Partners, Inc. is a leading independent provider of service line warranties and water heater rentals in the United States. USP is a portfolio company of Macquarie Capital, part of Macquarie Group Limited, one of the world's largest owners and managers of infrastructure assets and a manager of over \$36 billion in infrastructure equity around the world.

**About the National League of Cities**

The National League of Cities is the nation's oldest and largest organization devoted to strengthening and promoting cities as centers of opportunity, leadership and governance. NLC is a resource and advocate for 19,000 cities, towns and villages, representing more than 218 million Americans.

###

To strengthen  
and promote  
cities as centers  
of opportunity,  
leadership, and  
governance.



National League of Cities

1301 Pennsylvania Ave., N.W.  
Washington, D.C. 20004-1763  
202-626-3000  
Fax: 202-626-3043  
www.nlc.org

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Immediate Past President  
James C. Hunt  
Councilmember  
Clarksburg, West Virginia

Executive Director  
Donald J. Borut

Dear City Official:

The National League of Cities (NLC) is pleased to partner with Utility Service Partners, Inc. (USP) in offering the NLC Service Line Warranty Program. Our Service Line Warranty Program is an affordable home protection solution for your residents to help them deal with the financial burden of unanticipated utility line repair and replacement costs that are not the city's responsibility to repair. Some additional program benefits are:

- No cost for cities to participate
- Affordable rates for residents
- Repairs made by trusted local contractors
- Reduces local officials' frustration
- Increases citizen satisfaction

We selected this program because of two outstanding features. First, by endorsing the NLC Service Line Warranty Program, the city generates extra revenue. USP will pay the city a royalty on every dollar collected. The Program generates an on-going, sustainable source of revenue for the city. Second, the program helps stimulate the local economy. USP uses local contractors to complete the repairs, which helps keep money in the local economy.

Some other things to consider in evaluating our Service Line Warranty Program are: 1) USP pays for the repairs, not your residents, 2) all repairs are performed to local code, 3) customers are provided with a 24/7 customer service repair hotline, and 4) USP is responsible for all aspects of the program including marketing, billing, customer service, and performing all repairs.

The Warranty Program came to the attention of the NLC through a grass roots effort that began in West Virginia, Illinois, Oklahoma and Texas. Participating cities have been delighted with the program and eagerly endorsed it to the NLC.

When you participate in an NLC-endorsed program, you have the satisfaction of knowing that the NLC staff is working with the service provider to offer superior service. We are here to help cities participate in the program and make sure the program works for you. I strongly encourage you to consider NLC for *solutions, service and savings*.

For more information about the NLC Service Line Warranty Program, contact Denise Belser, NLC Program Director, at [belser@nlc.org](mailto:belser@nlc.org) or (202) 626-3028. I also invite you to visit the Enterprise Programs section of NLC's website at [www.nlc.org](http://www.nlc.org).

Sincerely,

Donald J. Borut  
Executive Director

Past Presidents: John DeStefano, Jr., Mayor, New Haven, Connecticut • Brian J. O'Neill, Councilman, Philadelphia, Pennsylvania Directors: Ulysses Z. Addison, Jr., Councilmember, Baton Rouge, Louisiana • David Baker, Mayor, Kenmare, Washington • Geoffrey C. Beckwith, Executive Director, Massachusetts Municipal Association • M. Margaret Bates, Commissioner, Lauderdale, Florida • Charles A. Blango, Alderman, New Haven, Connecticut • William G. "Bill" Brooks, Mayor, Belle Isle, Florida • Kenneth H. Bullock, Executive Director, Utah League of Cities and Towns • Jim Byard, Jr., Mayor, Prichard, Alabama • Gary W. Campbell, City Director/Vice Mayor, Fort Smith, Arkansas • Sheri Capehart, Councilmember, Arlington, Texas • Nancy G. Carler, Council Member, Charlotte, North Carolina • Brad Cole, Mayor, Carbondale, Illinois • Sandra Colvin-Ray, Council Member, Minneapolis, Minnesota • John F. Cook, Mayor, El Paso, Texas • Mildred C. Crump, Council President, Newark, New Jersey • Joe Davis, Sr., Alderman, Milwaukee, Wisconsin • Gretchen Driskell, Mayor, Soline, Michigan • Larry G. Frang, Executive Director, Illinois Municipal League • Don Furtado, Councilmember, Campbell, California • John A. Garner, Jr., Executive Director, Pennsylvania League of Cities and Municipalities • Paul M. Gresham, Councilmember, Centerville, Ohio • Miriam Hair, Executive Director, Municipal Association of South Carolina • Rap Hankins, Council Member, Trolwood, Ohio • Terry B. Henderson, Mayor Pro Tem, La Quinta, California • Edna Branch Jackson, Mayor Pro-Tem/Alderman at-Large, Savannah, Georgia • Dennis Kavanaugh, Councilmember, Mesa, Arizona • Greg Lemke, Council Member, Moorhead, Minnesota • George Lewis, Executive Director, Mississippi Municipal League • Myron Lowery, Council Member, Memphis, Tennessee • Michael McCauley, Executive Director, League of Oregon Cities • James F. Miller, Executive Director, League of Minnesota Cities • Mark Mitchell, Councilmember, Tempe, Arizona • Garret L. Nancolas, Mayor, Caldwell, Idaho • Ron Nafinsky, Councilmember, Dallas, Texas • Laura W. Padgett, Councilmember, Wilmington, North Carolina • Randall W. B. Purvis, Council Member, Colorado Springs, Colorado • Ed P. Reyes, Councilmember, Los Angeles, California • Gene Schuller, Alderman, Chicago, Illinois • John Spring, Mayor, Quincy, Illinois • Sharyn T. Tolman, Councilor, Parkersburg, West Virginia



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# Nation's Cities

WEEKLY

Newspaper Handling

VOLUME 33, NUMBER 41 | NOVEMBER 8, 2010

## New NLC Program Reduces Service Line Repair Costs

by Denise Belser and Cathy Spain

Cities can now help their residents cope with the high cost of external water and sewer line repairs by participating in a new NLC Service Line Warranty Program.

Homeowners in participating cities are eligible to purchase these low-cost warranties, which provide repairs for broken or leaking utility lines up to \$4,000 for each occurrence. These repairs may range from \$1,200 to over \$3,500 and can create a significant financial hardship for the unprepared. Warranties provide peace of mind for homeowners by transferring the risk of costly repairs.

Many residents become frustrated when they are told that the city is not responsible for a service line repair. The homeowner must contract with a plumber and pay the repair costs if the damage occurs between the city's main pipe and the water meter or the connection to the home. Cities that participate in the warranty program can enhance the city's image by reducing the homeowner cost and making reputable plumbers readily available.

The service line repair work is performed by local, professional plumbers chosen by Utility Service Partners Inc., (USP), the company that administers the program. Once USP receives a call about a service line problem from a resident who has purchased a warranty, a plumber is assigned to the claim and is required to contact the customer

*"This program has been available to Clarksburg's residents for 18 months, and it is a real winner. Resident satisfaction is high and it's a lot easier to tell citizens about this great new service rather than explain why they are on the hook for costly repairs."*

— James C. Hunt, councilmember, Clarksburg, W.Va., and NLC immediate past president

within one hour of receiving the job assignment from USP. Typically, repairs are completed within 24 hours.

The national program is modeled after existing programs in Oklahoma and West Virginia and sponsored by the state municipal leagues. Cities in these states may continue to contact their state league or NLC for information about the program.

"This program has been available to Clarksburg's residents for 18 months, and it is a real winner," said James C. Hunt, councilmember, Clarksburg, W.Va., and NLC immediate past president. "Resident satisfaction is high and it's a lot easier to tell citizens about this great new service rather than explain why they are on the hook for costly repairs."

Starting up the program is easy and there is no cost for the city. Once the decision is made to move forward, the city agrees to co-brand the program by signing a one-page marketing service agreement with USP. This permits USP to use the city's name and logo in mailings sent to residents and in advertising. Then the city approves a press release and a solicitation letter and sends the city logo artwork and

other information to USP for the letters that are mailed to residents promoting the program.

Several marketing campaigns are undertaken to promote the service in the city. The city has the right to prior review and approval of any materials prepared by USP. Participation increases with subsequent campaigns and word-of-mouth communications from trusted friends and neighbors.

NLC and USP will roll out the program over an 18-month period at six-month intervals as various state regulatory requirements are met and contractor networks are established and vetted by USP in the 48 contiguous states. (See the map to determine the program's availability in your state.)

The benefits of this program are shared throughout the community. It is extremely affordable — between \$4 and \$6 for each warranty a month. Citizen frustration is reduced, city officials have fewer complaints to handle from residents, there is no cost to the city for this value-added program and the city even receives a share of the revenues collected. All repairs are performed to code and the money stays in the community because

local plumbers are engaged.

Furthermore, USP monitors contractor performance to ensure quality work and a customer repair hotline is available 24/7. The program also contributes to a city's "green" initiatives. Leaking water pipes waste millions of gallons of treated water and leaking sewer lines pollute groundwater and land.

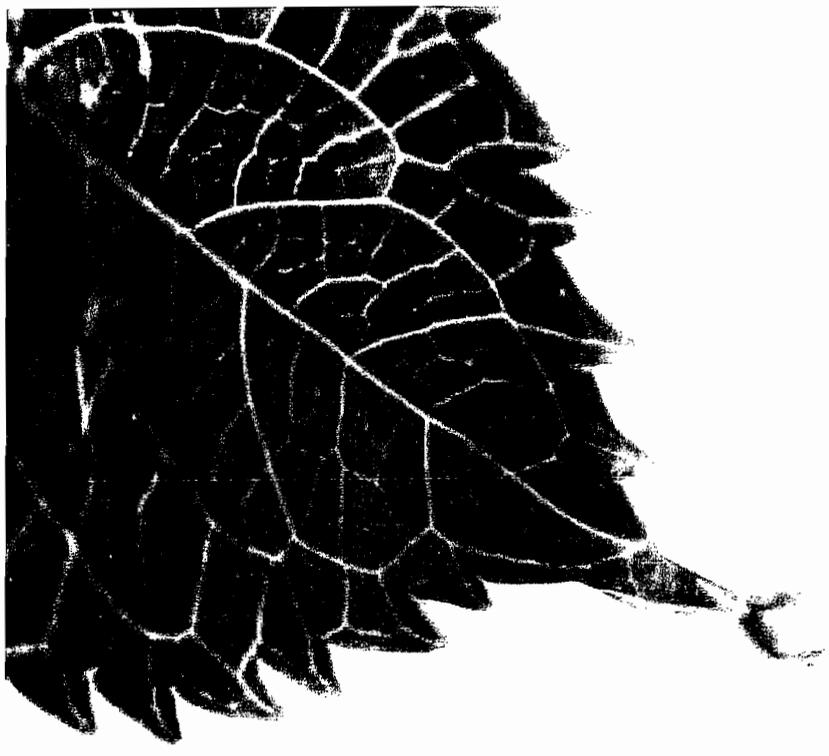
This NLC Service Line Warranty Program is a home protection solution for city residents arranged by NLC Enterprise Programs, an initiative bringing solutions and savings to cities. When cities participate in an NLC-endorsed program, they have the satisfaction of knowing that the NLC staff is working with the program administrator to offer superior service.

**Details:** For more information about this program, visit [www.nlc.org/enterpriseprograms](http://www.nlc.org/enterpriseprograms) or contact Denise Belser, NLC program director, at [belser@nlc.org](mailto:belser@nlc.org) or (202) 626-3028.

If you are attending the Congress of Cities in Denver, stop by the USP/NLC Service Line Warranty booth in the NLC Pavilion to begin the process of bringing this program to your city residents.



# NLC Service Line Warranty Program



*Building Peace of Mind, One Community at a Time*

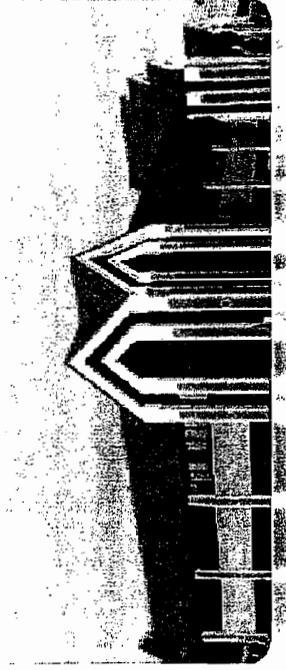


# Who Is USP



- **Headquartered in Canonsburg, PA,**

Utility Service Partners, Inc. (USP) is one of the largest independent providers of service line warranties in North America with a portfolio of over 400,000 products in the U.S.



- **USP is a portfolio company** of Macquarie Capital, part of Macquarie Group Limited, one of the world's largest owners and managers of utility and infrastructure assets with over \$300 billion in assets under management worldwide

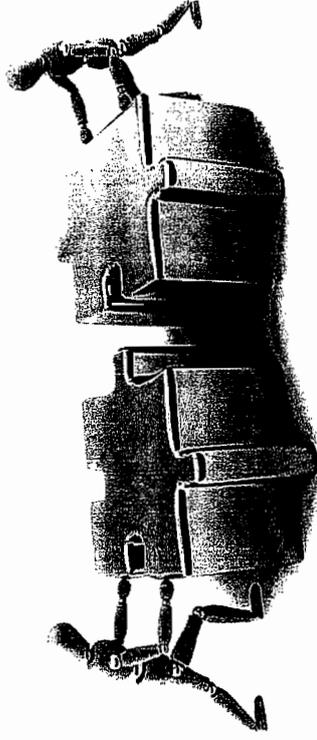
- **USP is proud to have been selected as an NLC Enterprise Programs Partner**



# USP Qualifications



- **USP was formed in September 2003** to purchase Columbia Service Partners from Columbia Energy
- **USP has pioneered partnerships** with city/municipal governments and utilities to provide utility line warranties to their customers
- **USP's management team has a deep** rooted understanding of brand management, customer service, and relationship management having developed the utility service line warranty program at CNG in the mid-1990s



# NLC Service Line Warranty Program Products



## External water line and sewer line warranties

- Provide repairs on broken or leaking outside water or sewer lines typically not covered by homeowners insurance
- No restrictions on the number of repairs performed— full benefit of coverage provided on every repair
- Low monthly cost – NO deductibles or service fees



# Benefits to City



**NLC Service Line Warranty Program** provides your constituents with a value-added program to address sewer and water line problems that are not the responsibility of city

- Peace of mind for your residents
- Fewer citizen complaints
- Affordable rates for residents
- All repairs performed to local code



# Benefits to City



- Service from trusted contractors
- 24/7 customer service
- NO COST for the city to participate
- Easy implementation
- Generates revenue for your city



# Benefits to Citizen



- **Cost-Effective** – Eliminates potentially high financial hardship/burden on citizens
- **Peace of Mind** – Easy access to repair hotline dispatchers 24/7, year round
- **Convenient** – No need to examine contractors and bids; only local, certified repair professionals dispatched
- **Service Satisfaction** – Over 9 out of 10 customers would recommend us to a friend or relative



# What Citizens Are Saying....

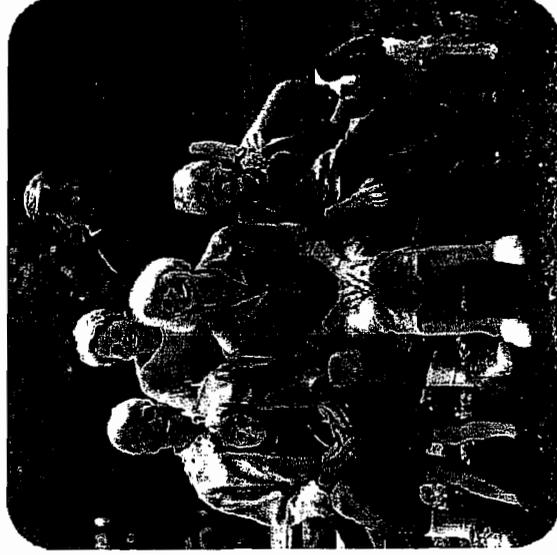


■ "I recently had a huge problem with my sewer line and I cannot begin to express how helpful it was to have this coverage. It gets increasingly difficult to keep up with repairs. Having the warranty made it easy."

– *Marsha B., New Brighton, PA*

■ "After my recent home fire, it was very comforting to contact SLW and be told that my line would be immediately repaired. The fast service was truly appreciated, and I highly recommend your service - I have already recommended SLW to all my family and friends."

– *James H., Charleston, WV*

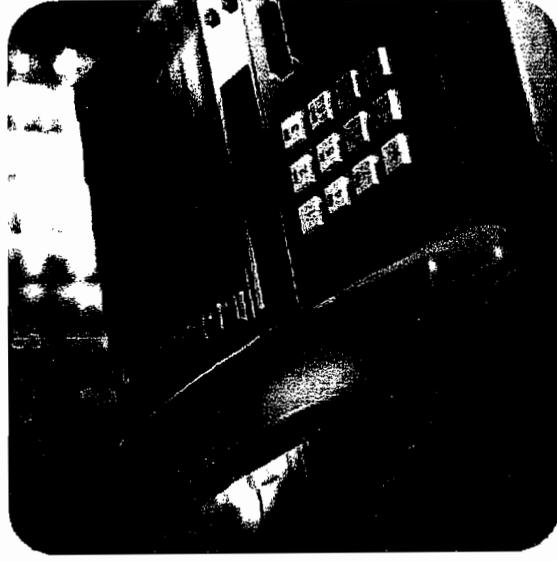


# What Citizens Are Saying....

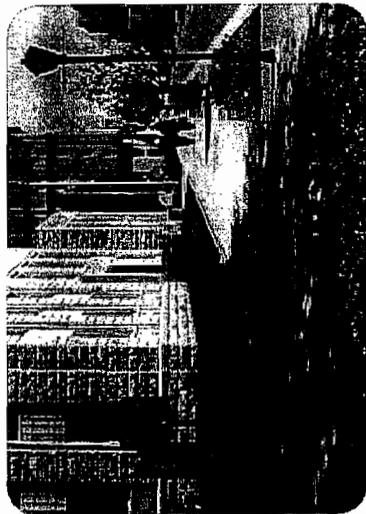


"I want to thank you for the wonderful, professional job that you did to repair my water line. I want to tell everyone about it and tell them to call you and sign-up! Thank you and I will be your customer for as long as I live."

*– Linda P., Ringgold, GA*



# Program Testimonial



## A PARTNERSHIP WITH BECKLEY, WEST VIRGINIA

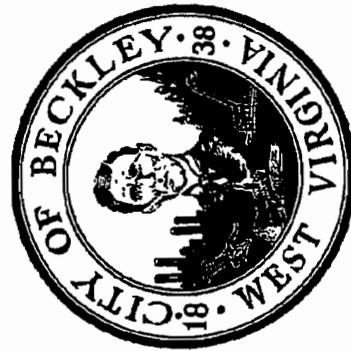
### ■ *On USP's turnkey solution:*

"Working with USP is really easy. They take care of everything — marketing, billing, and customer service. All we had to do was review and approve the letter to customers."

### ■ *First campaign results:*

"We were delighted with the response from our citizens...providing a service to our residents which helps them avoid costly repairs, that's something they really appreciate."

— *Beckley Mayor Emmett Pugh*



# Warranty Program Market Projection



## ENROLLMENTS/ROYALTY PAYMENTS

	2011	2012	2013	2014	2015
<b>Englewood, CO</b>					
External Sewer Line	347	590	555	523	682
External Water Line	404	696	656	858	808
In Home Gas Line	0	233	220	383	361
In Home Electric Line	0	0	69	65	128
External Gas Line	0	0	336	514	484
In Home Plumbing	0	0	44	41	67
<b>Accumulated Year End Enrollments</b>	750	1,519	1,880	2,385	2,531
Warranty Penetration Percentage	9.62%	19.48%	24.11%	30.59%	32.45%
<b>Royalty Payment</b>	\$1,452	\$5,696	\$8,718	\$10,530	\$11,803
<b>Total Royalty over 5 Years</b>	\$38,198				

Note: Penetration based on total customer base of 7,798 Owner Occupied Households

# Utilities Illustration Englewood / Littleton



## ENROLLMENTS/ROYALTY PAYMENTS

	2011	2012	2013	2014	2015
<b>Englewood, CO</b>					
External Sewer Line	3,334	5,673	5,342	5,030	6,561
External Water Line	3,882	6,697	6,306	8,249	7,768
In Home Gas Line	0	2,242	2,111	3,688	3,473
In Home Electric Line	0	0	667	628	1,232
External Gas Line	0	0	3,235	4,947	4,658
In Home Plumbing	0	0	421	396	649
<b>Accumulated Year End Enrollments</b>	<b>7,217</b>	<b>14,613</b>	<b>18,083</b>	<b>22,939</b>	<b>24,341</b>
Warranty Penetration Percentage	9.62%	19.48%	24.11%	30.59%	32.45%
<b>Royalty Payment</b>	<b>\$13,967</b>	<b>\$54,781</b>	<b>\$83,844</b>	<b>\$101,275</b>	<b>\$113,519</b>
<b>Total Royalty over 5 Years</b>	<b>\$367,386</b>				

Note: Penetration based on total customer base of 75,000 Owner Occupied Households

# Next Steps



All of us at Utility Service Partners would like to extend our sincere appreciation for your interest in our warranty program and look forward to meeting to discuss our mutual common goals and future opportunities.

**Authorized Colorado Representative:**

Bill Diones, CPCU, ARM  
Diones Agency  
6370 S Newport Court, Centennial, CO 80111  
Telephone: 303-803-0440  
Email: [bill@diones.com](mailto:bill@diones.com)

**USP Contact Information:**

Brad Carmichael  
Vice President, Business Development  
Utility Service Partners  
11 Grandview Circle, Suite 100  
Canonsburg, PA 15317  
Telephone: 1-866-974-4801  
Email: [partnerships@utilitysp.net](mailto:partnerships@utilitysp.net)

February 23, 2011

The Honorable Jim Woodward  
Mayor  
City of Englewood, Colorado  
1000 Englewood Parkway  
Englewood, CO 80110- 2373

**RE: Marketing Agreement with Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America ("SLWA")**

Dear Mayor Woodward:

We have discussed entering into a marketing agreement between the City of Englewood, Colorado (the "City") and SLWA.

SLWA provides affordable utility service line warranties to consumers. It is SLWA's understanding that, in consideration of SLWA offering its external sewer and water line warranties (the "Warranties") at a 10% discount from its standard rates to the Residents (as defined below) the City has agreed to cooperate with SLWA in marketing SLWA's services to City's residents and homeowners (the "Residents") as described below:

1. City hereby grants to SLWA a non-exclusive license to use City's name and logos on letterhead and marketing materials to be sent to the Residents from time to time, and to be used in advertising, all at SLWA's sole cost and expense and subject to City's prior review and approval, which will not be unreasonably conditioned, delayed, or withheld.
2. As consideration for such license, SLWA shall offer the Warranties to the Residents at a rate that is 10% less than its standard rate for Warranties offered elsewhere
3. The term of this marketing agreement will be for one year from the date of the execution of the acknowledgement below and this agreement will then renew on an annual basis unless one of the parties gives the other advance written notice of at least 90 days that it does not intend to renew this marketing agreement. City may terminate this marketing agreement 30 days after giving notice to SLWA that SLWA is in material breach of this agreement if such breach is not cured during such 30-day period. SLWA will be permitted to complete any marketing initiative initiated or planned prior to the effective date of any termination of this marketing agreement, but otherwise neither party will have any further obligations to the other and the license described in this letter will terminate.
4. SLWA shall indemnify, hold harmless, and defend City, its elected officials, appointed officials, and employees from and against any loss, claim, liability, damage, or expense that any of them may suffer, sustain or become subject to in connection with any third party claim (each a "Claim") resulting from the negligence or willfulness of SLWA in connection with, arising out of or by reason of this marketing agreement, provided that the applicable indemnitee notifies SLWA of any such Claim within a time that does not prejudice the ability of SLWA to defend against such Claim. Any indemnitee hereunder may participate in its, his, or her own defense,

but will be responsible for all costs incurred, including reasonable attorneys' fees, in connection with such participation in such defense.

If City agrees that the foregoing fully and accurately describes the agreement between City and SLWA, please arrange to have a duly authorized representative of City execute and date the acknowledgement below in each of the duplicate original versions of this letter and return one to USP in the enclosed self-addressed stamped envelope.

If you have any questions or wish to further discuss this marketing agreement, please do not hesitate to contact Bill Diones via email at [w@diones.com](mailto:w@diones.com) or by phone at 303-803-0440.

Very truly yours,

**Utility Service Partners Private Label, Inc.**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Acknowledged and Agreed:**

City hereby acknowledges and agrees that the foregoing letter fairly and accurately describes the agreement between City and SLWA as of the date of this acknowledgement.

**[Full name of city]:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_



# City of Englewood

Colorado

[Date]

[ContactID]  
[Customer Name]  
[Customer Address]  
[Customer City, State, Zip Code]

Re: Coverage for Residents

Dear [Customer Name]:

I am very pleased to tell you about a new program available for our residents -- one that could potentially save you a lot of money in these difficult economic times. As you may know, as a homeowner in the city of Englewood, you are responsible for the maintenance and repair of your buried, outside water service line that runs from the main meter to your home. If you discovered a problem with the water line in your yard, whom would you call? Would you know how to handle all the details involved in getting your water service restored?

The City of Englewood has recently formed a new partnership with Service Line Warranties of America (SLWA), a National League of Cities endorsed program, to assist our residents should they be faced with this costly repair. SLWA offers a Water Line Warranty which will protect you from any repairs needed on your outside, buried water line for a small monthly fee. If you should need a repair, they have a 24-hour hotline and will dispatch a local plumber within 24-hours to perform the repair. There are no service fees or deductibles. Repair costs are covered up to \$4,000 per incident, plus an additional \$500 allowance for public sidewalk cutting, if needed.

An unexpected and costly outside water line repair can devastate a family's budget and if you have not already set aside money for these types of expenses, I would encourage you to protect yourself today by enrolling in the outside water line warranty.

***If you enroll by [date], SLWA will offer a discounted price of \$\_\_\_ a month which represents a savings of over \_\_\_% on their standard monthly price. If you elect to pay annually, they will discount the cost further to \$\_\_\_ which is over a \_\_\_% savings.***

Service Line Warranties of America has several billing frequencies and payment options available, including invoice, credit card, and direct debit from your checking account.

To enroll, or to learn more about this program, please call **1-800-000-0000** to speak with SLWA directly. Or if you prefer, you may return the bottom portion of this letter to SLWA in the enclosed, self-addressed envelope.

Jim Woodward  
Mayor

Complete warranty terms and conditions will be provided following enrollment. You may terminate your participation in a warranty program at any time. You have 30 days from the date you enroll to receive a full refund. After 30 days, you will be reimbursed the pro rata share of any amount you paid for any portion of the warranty period subject to cancellation.



cut here  
engld0411



Customer Name  
Customer Address  
Customer City, State, Zip Code

Contact ID:

Yes! Please enroll me in the outside water line warranty for just \$\_\_\_ per month

I want to save even more! I will pay just \$\_\_ per year for the water line warranty

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**EXCERPT FROM THE  
JANUARY 11, 2011 WATER AND SEWER BOARD MINUTES**

Absent: None

Motion carried.

8. WATER RIGHTS UPDATE FROM DAVID HILL DATED NOVEMBER 5, 2010.

The Board received an update from Mr. David Hill dated November 5, 2010 on developments in water litigation cases in which Englewood is involved.

Stu read an e-mail from David Hill, Englewood's water attorney, dated January 4, 2011 notifying Englewood that the Water Court Judge dismissed the complaint filed by Aurora, Thornton and Metro seeking to eliminate Thornton's obligation to make its return flows at the present Metro Plant, and to eliminate all decrees stating a point of wastewater treatment. Dismissal was based primarily on Englewood's motion to dismiss. Aurora and Thornton may refile as a water court application.

9. THE MARKS – FURMAN WATER QUALITY COMPLAINT.

The Board received a memo dated December 3, 2010 regarding Jerry Furman's water quality complaint. Samples were taken and sent to the Denver Water Department lab and the Allen Plant for bacteriological testing. The lab tests came back from both indicating the water to be safe, meeting all State and Federal standards.

10. UTILITY SERVICE PROGRAM – SERVICE LINE WARRANTIES.

Utility Service Partners (USP) offers a warranty program to provide utility service line warranties to homeowners. The Board received a packet of information about the company and services provided. USP is supported by the National League of Cities and is asking to use the Englewood logo on their promotional material. The Board received a memo from John Bock dated January 6, 2011 outlining concerns about the proposed arrangement. The Board will discuss this request at a future meeting.

The meeting adjourned at 6:35 p.m.



## MEMORANDUM

To: Stu Fonda, Director of Utilities

From: John Bock, Utilities Manager of Administration

Date: January 6, 2011

Subject: Thought About NLC/Service Line Insurance

- Ask the insurance company representative to supply us with references.
- Ask the insurance company representative to show us the final letters to customers as approved by other cities.
- Emphasize that Englewood does not endorse this product. We are only passing along an NLC recommended company.
- Emphasize that our customers should not call us with questions or complaints about this company. They must call the company directly.
- Give our customers NLC contact information.
- Ask the Board to direct staff to not discuss this program with our customers, to not represent anything about the program, and to refer questions to the insurer and to NLC.

EXCERPT FROM THE

FEBRUARY 9, 2011 WATER AND SEWER BOARD MINUTES

Mr. Cassidy seconded: To table a motion regarding the PURE request for funding. The issue will be discussed at a future meeting to allow absent Water Board members to vote on this issue.

Ayes: Cassidy, Wiggins, Woodward, Habenicht, McCaslin

Nays: None

Absent: Olson, Higday, Clark, Burns

Motion carried.

4. UTILITY SERVICE PARTNERS – SERVICE LINE INSURANCE.

Mr. Woodward distributed a sample letter used by Utility Service Partners (USP) in conjunction with a municipality, to illustrate how a participating cities' logo would be used in their promotions. Conditions discussed at the January 11, 2011 Water Board meeting would be implemented to emphasize to residents that the Utilities Department would not be responsible for USP's services. Any resulting transactions would be between the company and the customer. Mr. Woodward suggested that instead of proposed royalty payments, the monthly rates could be reduced for Englewood customers.

It was noted that their company is endorsed by the National League of Cities. Mr. Woodward recommended that the request be considered by City Council in a study session.

Habenicht moved;

Mr. Cassidy seconded: To recommend that the request by Utility Service Partners, Inc. to use the City of Englewood logo for promoting their water and sewer service line warranty insurance be forwarded to City Council for a study session.

Ayes: Cassidy, Wiggins, Woodward, Habenicht, McCaslin

Nays: None

**EXCERPT FROM THE  
FEBRUARY 9, 2011 WATER AND SEWER BOARD MINUTES**

Absent:

Olson, Higday, Clark, Burns

Motion carried.

5. WATER RIGHTS UPDATE FROM DAVID HILL DATED 1-10-11.

The Board received an update from Mr. David Hill dated January 10, 2011 on developments in water litigation cases in which Englewood is involved.

6. UV DISINFECTION AT THE LITTLETON/ENGLEWOOD WWTP.

Mr. Fonda noted that the City of Littleton voted to hire an independent engineering firm to review the Brown and Caldwell proposal recommending UV disinfection as an alternative disinfection method to comply with recently proposed ammonia limits.

The long-range advantages of an UV disinfection system were reviewed. Mr. Woodward noted that the UV issue was a last-minute agenda item from Littleton, and recommended that future agenda items have an earlier deadline to allow members to review materials.

7. WATER RATE COMPARISON.

The Board received a Water Rate Comparison chart as an approximate guide of water rates in the Denver metro area. It was noted that Englewood ranked fifth from the lowest out of twenty-two.

The meeting adjourned at 6:21 p.m.

The next Englewood Water Board meeting will be March 8, 2011 in the Public Works Conference Room.

Respectfully submitted,

/s/ Cathy Burrage  
Recording Secretary

# AVOID "EX-PARTE" CONTACTS

## "Bending Your Ear"

Consider the following scenario: you are approached by a developer who is considering acquiring a large parcel for development into a major retail facility. He asks if he can "bend your ear" a bit, and gain an understanding of how you might view a zone change on this property to permit the facility. Since he has not yet purchased the property, he requests that you keep his inquiry confidential so as not to inflate the asking price for the property. In the interest of wanting to be helpful, you agree. During the conversation, you indicate your belief that the zone change is a good idea.

... The first mistake made by the planning commissioner in our scenario was to agree to meet with the developer. This meeting would be considered an "ex-parte" contact, meaning that it occurred outside the public realm. ...

The literal meaning of the term "ex-parte" is "one-sided." This, of course, suggests that when you engage in an ex-parte contact, you are engaging in a one-sided discussion, without providing the other side an opportunity to respond and state their case.

Obviously, commissioners can and do have outside contacts with many members of the community, including developers. While such contacts are often appropriate, a line must be drawn when they involve matters which the commission is likely to act on in its capacity

as a review body (e.g., when reviewing development proposals or rezoning requests). Moreover, the fact a contact occurs on a matter that is not yet formally before the commission does not eliminate the problem.

The second mistake was to accept something as confidential information. Planning commissioners are, in fact, public officials. Any public official, including those serving on commissions, should as a general rule consider information provided them to be public information. (Note: I do not mean to include information that the commission, as a body, is legally authorized to treat as confidential -- such as discussion of pending litigation or personnel matters).

If information you obtained through a confidential discussion ends up having relevance to a public matter before the commission, you will have an ethical obligation to disclose it.

The situation described above is different than a situation where you have knowledge about a particular property or development from previous experience through non-confidential sources. As a member of a community you often have relationships or contacts that reveal relevant information. Certainly this cannot be avoided and presents no particular problem as long as you disclose that information for public consideration.

The third, and final, mistake made by the "helpful" commis-

sioner in our hypothetical situation was to give an opinion about the merits of the possible rezoning. A commissioner's credibility is undermined by announcing a position on a matter before the public hearing occurs. Moreover, prejudging matters harms the credibility of the commission as a whole by raising doubts about the integrity of the decision-making process.

*From, "Bending Your Ear," by Greg Dale (PCJ #24)*

## Politely, Say "No"

Don't discuss a case privately and as a single member of a body with an applicant or objector prior to the filing and prior to the hearing if it can be politely avoided.

In the event that it is not avoidable, and many times it is not, be very non-committal, ... explain that you are only one member of the body, that you have not had an opportunity to study the matter thoroughly, that you have not seen the staff recommendation, and that you have no way of knowing what opposition there may develop or what will occur at the public hearing.

Be certain that the person concerned understands that you cannot commit yourself in any manner, except to assure him that he may expect a fair and impartial hearing.

*From, "The Riggins Rules, #6" by Fred Riggins (PCJ #13)*

## Appendix

## Suggestions for Members of Local Government Boards

The author provides the following informal suggestions to members of local government boards conducting legislative or quasi-judicial hearings. Board members who are unsure of what type of hearing is being conducted should ask the board's staff or attorney.

### Legislative Local Board Hearings

Legislative-type hearings are held on matters that have general application to the entire jurisdiction, and generally produce policy recommendations. They also adopt or advise the governing body on plans or regulatory programs of broad application. The board member's role here is similar to that of a legislator, and involves engaging in a political process. Thus, it is acceptable to express opinions and suggestions. Public testimony in such proceedings can be (and usually is) limited to a specified amount of time for each speaker.

#### Appropriate Conduct for Legislative Hearings

##### Do:

- Read all portions of the board package prepared by staff prior to the hearing.
- If questions arise after reviewing the board package, discuss them with staff, either before or during the hearing, consistent with the board's usual practice.
- Board members may consider the following but are not required to do so:
  - existing opinions and political leanings on the matter
  - all relevant information, even if not introduced at the hearing
  - comments made outside the hearing on the subject
  - the political support for the alternatives
  - previous, similar proceedings for guidance as to how to decide the matter
  - the best interests of the governmental entity for either the short or long term.
- Treat all participants with dignity and respect.
- Pay close attention to all testimony.
- Base the final vote on what appears to be the best solution for the government entity and its constituents.

##### Do not:

- Worry about interjecting personal opinions or biases—this is a political process and the function of board members.
- Talk down to testifying witnesses.
- Engage in arguments with testifying witnesses.

### Quasi-Judicial Local Board Hearings

Quasi-judicial hearings adjudicate rights of specific parties or applicants, applying facts of a given case to applicable law, after required notice of the hearing. The board member's role here is that of an impartial judge (hence the name "quasi-judicial"). Members decide the case by considering only appropriate and admissible evidence and facts introduced at the hearing, and applying those facts to the applicable law. Parties to the proceeding should be afforded a reasonable amount of time to present their case, although there are no strict time limitations on presenting testimony.

#### Appropriate Conduct for Quasi-Judicial Hearings

##### Do:

- Bring an open mind. Board members who cannot be fair for any reason should recuse themselves from the proceeding.
- Prepare for the hearing by reading all portions of board package sent before the hearing regarding the matter. The board package likely will be formally incorporated into the hearing record and is absolutely appropriate for consideration unless a party to the proceeding specifically objects to the inclusion of specified material and the hearing officer sustains the objection and strikes the material from the record.
- Consider only facts and evidence presented at the hearing. Anything not part of the formal record of the hearing is off-limits for consideration, no matter how important it might be.
- Weigh the credibility of conflicting evidence and judge where the truth lies. Resolve conflicting versions of fact that are necessary to decide the case.
- Follow procedural suggestions from the board's legal counsel, who knows the proper procedure to follow.
- Defer to interpretations of applicable procedural and substantive law made by the board's legal counsel.
- Ask appropriate questions of witnesses and ask for clarification of legal arguments by attorneys in the matter before the board enters into deliberations.
- Pay close attention to all portions of the proceedings.
- Maintain a professional demeanor throughout the proceedings.

##### Do not:

- Allow personal biases to influence the ability to reach a fair decision on the merits.
- Talk to any party to the action or other interested person regarding the substance of the case prior to the hearing; this would be an inappropriate and illegal *ex parte* communication.
- Consider any evidence or material that was not introduced as part of the hearing process.
- Second-guess the advice of the board's legal counsel on procedural or substantive matters. Counsel is a paid professional, specifically retained to advise the board on these types of matters. Counsel likely has prepared for the proceeding, has experience with such proceedings, and is following professional and ethical legal standards in advising board members. Board members whose personal judgment conflicts with that of legal counsel, particularly on an ongoing basis, should seriously consider whether they are well-suited to the board and whether resigning is appropriate.
- Argue with testifying witnesses or with the attorneys in the matter.
- Lecture parties or witnesses.

Members of local government boards provide a valuable service to the community. By considering these suggestions, board members can ensure that the boards on which they serve will enjoy the respect of the community.



# M E M O R A N D U M

## C O M M U N I T Y D E V E L O P M E N T

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TO: Mayor and City Council

THRU: Gary Sears, City Manager

FROM: Alan White, Community Development Director ✓  
Audra L. Kirk, Planner I ✓

DATE: February 28, 2011

RE: P&Z Medical Marijuana Recommendations

The City's moratorium on issuing licenses for medical marijuana facilities expires on July 1, 2011, which is the same date the State will begin issuing new licenses under the legislation passed last year. Before proceeding with ordinance preparation and the required P&Z public hearing on code amendments, staff is providing an update to Council on the Commission's recommendations for zoning the various facilities.

The legislation passed by the State Legislature last year provides for the licensing of three different facilities involved in the medical marijuana industry: medical marijuana centers, optional premises cultivation operation, and infused products manufacturing. Under the new legislation, each facility must have a separate license and each must have a separate and distinct premises. However, the separate and distinct premises could be defined by full or partial walls, railings or other demarcations, thus allowing all three facilities in the same location or building.

### **Planning and Zoning Commission Recommendations**

The consensus of the Commission was to allow medical marijuana centers in the M2, MU-B-1, MU-B2, I-1 and I-2 zone districts as permitted uses. The Commission initially thought to allow centers in the M-1 district, but later changed that recommendation because no other retail uses (including pharmacies) are allowed in the M-1 district.

Optional premises cultivation operations and infused products manufacturers would be allowed in the M-2, MU-B-1 and MU-B-2 zones districts as accessory uses, provided that the center and cultivation operation and/or the infused product manufacturing uses combined did not occupy more than 5,000 square feet in these zone districts. In other words, the accessory uses of cultivation and manufacturing in M-2, MU-B-1 and MU-B-2 must be located in combination with a medical marijuana center; they cannot be stand-alone uses. Only centers could be stand-alone uses and there would be no size limitation on a stand-alone center.

(Except in the M-2 zone district there is a 10,000 square-foot limitation on retail uses. This limitation does not apply at the intersections of 285/Logan, 285/Clarkson and 285/Lafayette.)

Medical marijuana centers, cultivation operations and infused product manufacturing uses would be allowed in I-1 and I-2 zone districts as permitted uses, and would be permitted in combination or as stand alone uses. There would be no limit on the size of centers, cultivation operations, or infused product manufacturers, either in combination or as stand-alone uses, in the I-1 and I-2 zone districts.

The Table of Allowed Uses in the UDC would be modified as shown on the attached table. A new section would be added to Section 16-5-2, Use Specific Standards, after the Table to include the limitations on the cultivation and manufacturing uses noted above.

### **Spacing Requirements**

The spacing requirements between the various medical marijuana facilities will be included under the licensing requirements in Title 5 of the Englewood Municipal Code. Normally, Title 5 code amendments are not the purview of the Planning and Zoning Commission, but initially the Commission provided recommendations when the spacing requirements were proposed in Title 16. Staff requested that the Commission provide recommendations on the spacing requirements.

The State legislation requires medical marijuana centers to be 1,000 feet from schools, residential childcare facilities, and drug and alcohol treatment facilities. This spacing requirement does not apply to cultivation facilities or infused product manufacturers. Also, there is no State requirement for spacing between centers or between any of the uses. A map showing the areas available for medical marijuana uses under the State spacing requirements follows the Table of Allowed Uses.

The draft ordinance presented to Council in September 2010 increased the State spacing requirements as follows:

1. Any medical marijuana center, optional premises cultivation operation, or infused product manufacture is required to be located at least 2,000 feet from any school, residential child care facility, and drug and alcohol treatment facility;
2. Any medical marijuana center is required to be located at least 2,500 feet from any other medical marijuana center.
3. These distances will be applied to medical marijuana centers, optional premises cultivation operations, or infused product manufacturers and schools, child care centers, and alcohol and drug treatment centers whether located inside or outside the corporate limits of Englewood.

A map showing areas available for medical marijuana uses under the proposed spacing is attached.

## Schedule for Adoption

The schedule for adoption of the new regulations has the new regulations effective prior to the date the City's moratorium expires which is also the date the State will begin issuing new licenses. Because of this deadline and required City procedures, there is little flexibility in the schedule.

<b>Medical Marijuana Regulations</b>		
<i>Task</i>	<i>Date</i>	<i>Notes</i>
P&Z Study Session	January 19	COMPLETED - READY FOR HEARING
Council Study Session	February 28	Need to coordinate with FAS - new licensing and spacing requirements are proposed in Title 5 of EMC.
Write Code Amendments	January - February	
P&Z Hearing	March 8	
P&Z Findings of Fact	March 22	
Council 1 <sup>st</sup> Reading	April 4	
Council Public Hearing	April 18	
Council 2 <sup>nd</sup> Reading	May 2	
Effective date	June 5	Regulations are effective prior to July 1 <sup>st</sup> .

## Attachments

Table of Allowed Uses

Use Specific Standards

Map Showing 1,000-foot Spacing

Map Showing 2,000-foot and 2,500-foot Spacing Requirements

Title 16: Unified Development Code  
Proposed Medical Marijuana Amendments - 2009

**TABLE 16-5-1.1: TABLE OF ALLOWED USES**

P = PERMITTED USE   C = CONDITIONAL USE   A = ACCESSORY USE   T= TEMPORARY USE   L= LIMITED USE  
C-A = ACCESSORY USE APPROVED CONDITIONALLY   L-A = ACCESSORY USE APPROVED WITH LIMITED USE PROCEDURE

Use Category	Use Type	Residential							Non-Residential					Additional Regulations				
		R 1 A	R 1 B	R 1 C	R 2 A	R 2 B	MU R 3 A	MU R 3 B	MU R 3 C	M 1	M 2	M 3	MU B 1		MU B 2	T S A	I 1	I 2
Financial institution, with drive-through service																		
Financial institution, without drive-through service																		
Brewpub																		
Caterer																		
Microbrewery																		
Restaurant, bar, tavern with or without outdoor operations																		
Restaurant, with drive-through service																		
Take out and delivery only																		
Medical Marijuana																		











**16-5-2: Use-Specific Standards**

C. Commercial Uses

13. Medical Marijuana

- a. All Medical Marijuana Uses shall comply with State regulations and City of Englewood licensing requirements.
- b. Facilities in MU-B-1, MU-B-2 and M-2 zone districts: Cultivation and Infused Product Manufacturing uses are allowed only as accessory uses to a principal Medical Marijuana Center provided the square footage of the total operation does not exceed five thousand (5,000) square feet.

**16-11-2: Definition of Words, Terms, and Phrases.**

**B. Definition of Words, Terms, and Phrases.**

Medical Marijuana: All parts of the plant (genus) cannabis used in the treatment of debilitating medical conditions as defined in the Colorado Constitution Article XVIII, Section 14.

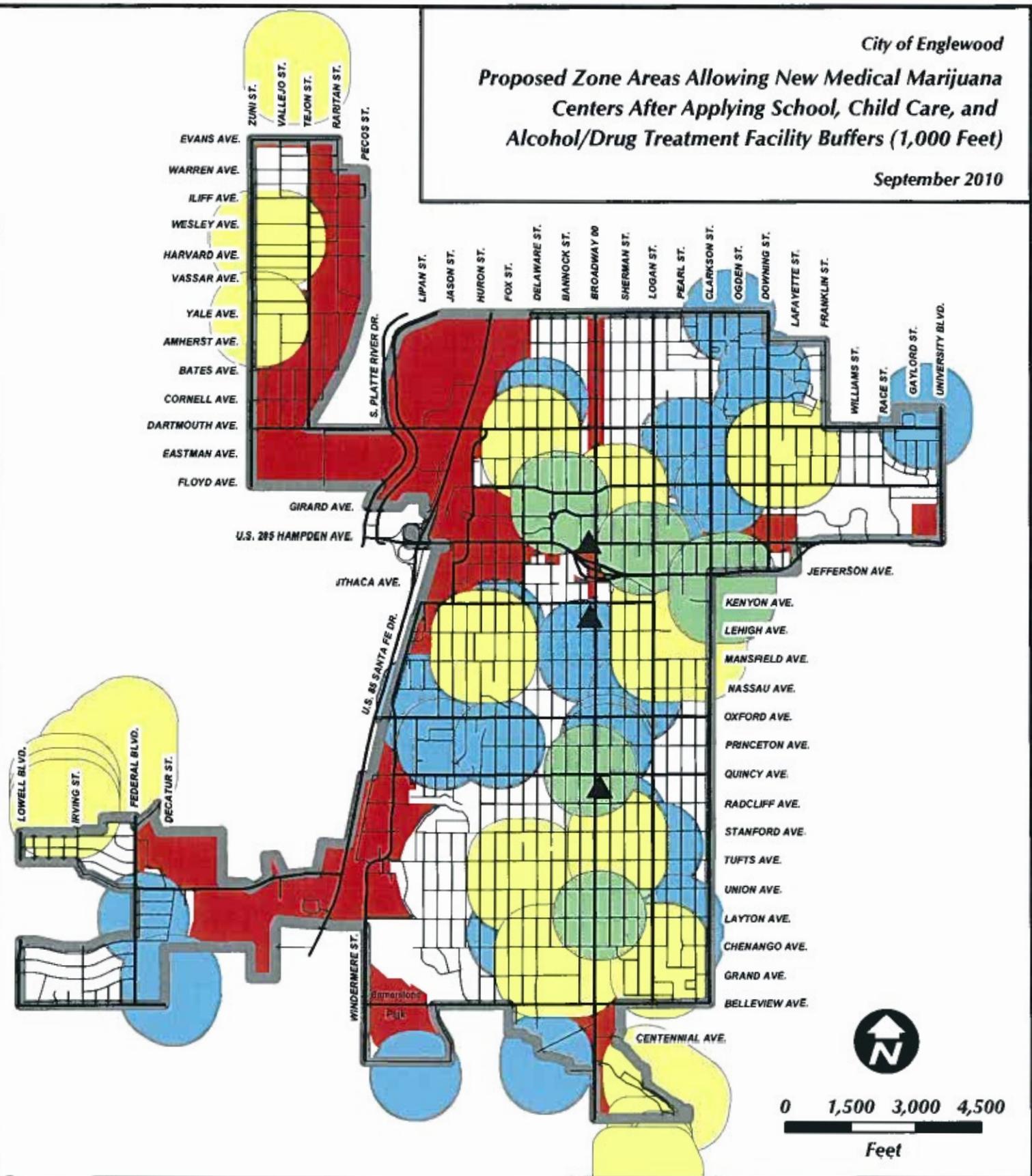
Medical Marijuana Center: A person licensed to operate a business that sells medical marijuana to registered patients or primary caregivers as defined in Section 14 of Article XVIII of the state constitution, but is not a primary caregiver.

Medical Marijuana-Infused Products Manufacturer: A person licensed pursuant to operate a business as described in C.R.S. 12-43.3-404.

Optional Premises Cultivation Operation: A person licensed to operate a business as described in C.R.S. 12-43.3-403.

**City of Englewood**  
**Proposed Zone Areas Allowing New Medical Marijuana**  
**Centers After Applying School, Child Care, and**  
**Alcohol/Drug Treatment Facility Buffers (1,000 Feet)**

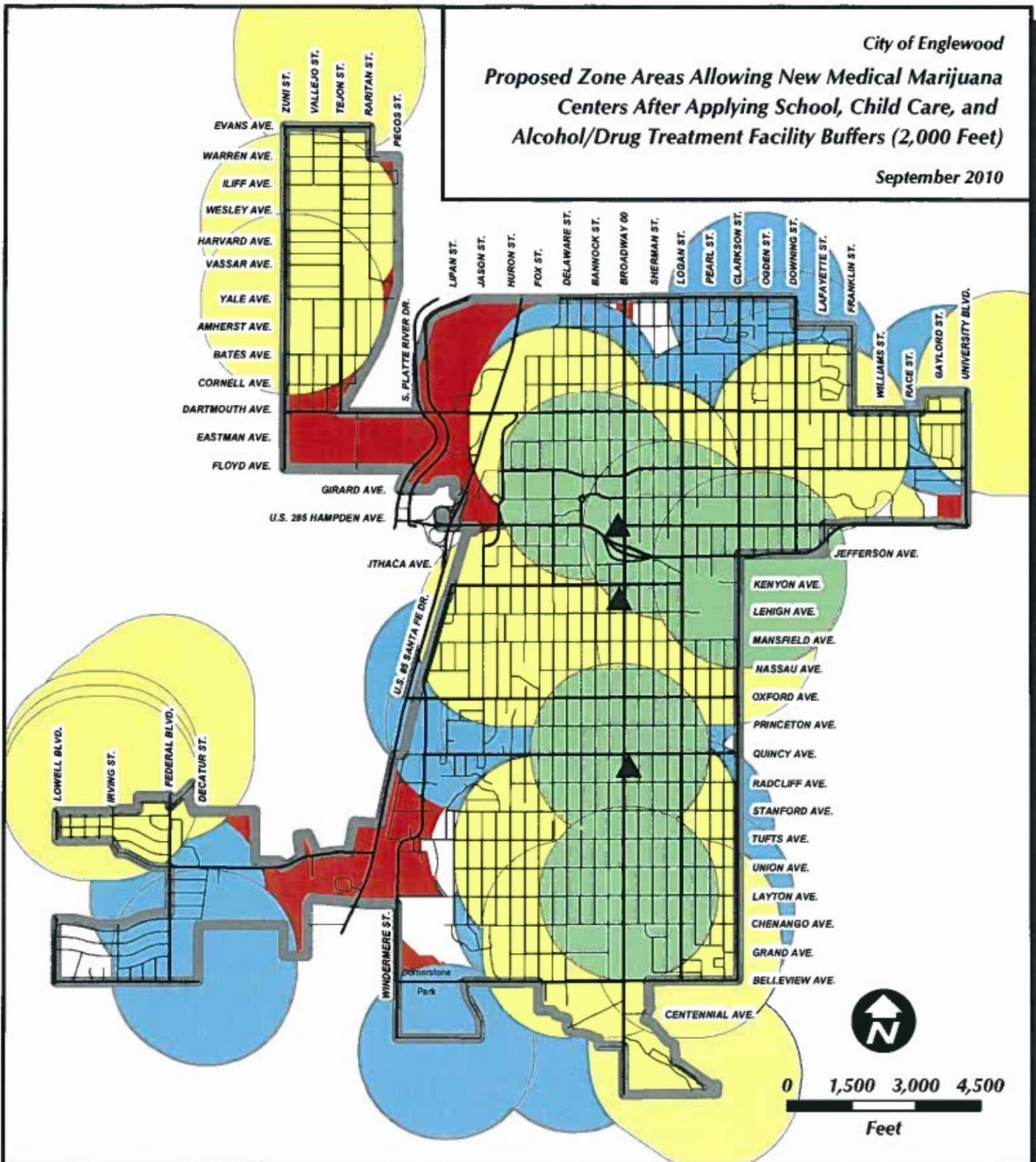
September 2010



- |  |                     |
|--|---------------------|
| ▲ Existing Medical Marijuana Centers   | — Arterial Streets  |
| ■ School Property 1,000 Foot Buffer  | — Collector Streets |
| ■ Child Care Facility 1,000 Foot Buffer                                      | ■ City Boundary     |
| ■ Alcohol and Drug Treatment Facility 1,000 Foot Buffer                      |                     |
| ■ Potential Zone Areas (I, B, M, PUD) Allowing New Medical Marijuana Centers |                     |

City of Englewood  
**Proposed Zone Areas Allowing New Medical Marijuana  
 Centers After Applying School, Child Care, and  
 Alcohol/Drug Treatment Facility Buffers (2,000 Feet)**

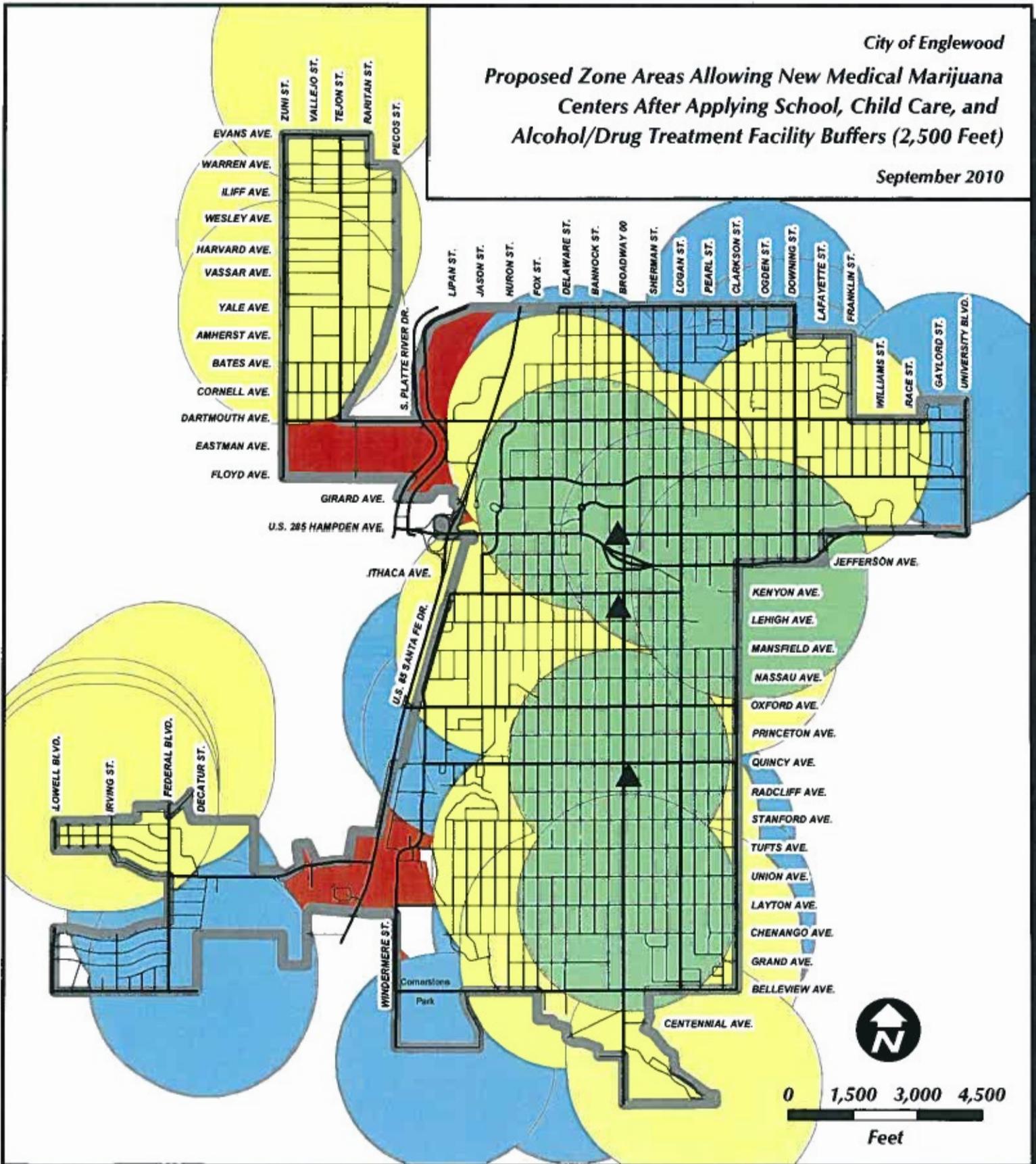
September 2010



- ▲ Existing Medical Marijuana Centers
- School Property 2,000 Foot Buffer
- Child Care Facility 2,000 Foot Buffer
- Alcohol and Drug Treatment Facility 2,000 Foot Buffer
- Potential Zone Areas (I, B, M, PUD) Allowing New Medical Marijuana Centers
- Arterial Streets
- Collector Streets
- ▭ City Boundary

*City of Englewood*  
**Proposed Zone Areas Allowing New Medical Marijuana Centers After Applying School, Child Care, and Alcohol/Drug Treatment Facility Buffers (2,500 Feet)**

September 2010



- ▲ Existing Medical Marijuana Centers
- School Property 2,500 Foot Buffer
- Child Care Facility 2,500 Foot Buffer
- Alcohol and Drug Treatment Facility 2,500 Foot Buffer
- Potential Zone Areas (I, B, M, PUD) Allowing New Medical Marijuana Centers
- Arterial Streets
- Collector Streets
- ▭ City Boundary

## Memorandum

**To:** Mayor Jim Woodward and City Council  
**From:** Gary Sears, City Manager  
Frank Gryglewicz, Director of Finance and Administrative Services  
**Date:** February 24, 2011  
**Re:** Materials for February 28, 2011 Study Session

Attached you will find materials for the budget discussion scheduled for February 28, 2011.

The first attached report is titled "City of Englewood, Colorado General Fund Review and Financial Condition/Forecast." This report provides a history of the City's revenues, expenditures, surpluses/deficits, transfers, and reserves from 2000 to the 2011 Budget.

The report also discusses the various major revenue resources available to the City, including a history of Outside City Sales Tax Collections.

Expenditures history and growth are discussed as are staffing levels.

An overview of the 2011 Budget is provided.

An overview of the City's Internal Service Funds is included because the City has used some of the excess funds available to help "shore up" the General Fund's reserves during periods of reduced revenues.

A history of the General Fund's reserves is provided.

A 2012 Budget Outlook (and assumptions) is included for discussion with Council and staff.

Also included is a spreadsheet titled "City of Englewood, General Fund Revenue, Expenditure, and Fund Balance 2007 – 2015." This report shows actual results from 2007 to 2009, unaudited results for 2010, the 2011 Budget, the 2011 Estimate and forecasts for the years 2012 to 2015.

The assumptions for the forecast include:

- Sales and property taxes will grow at a conservative two percent over the next three years.
- Other taxes will grow at a 2.5 percent growth rate from 2012 to 2015.
- Other revenues will grow at 3.5 percent.
- Investment income will continue to grow at a low, two percent rate.
- Expenditure growth will be held at one percent over the next four years.
- All the assumptions listed above are subject to adjustment as actual results are obtained and changes in the economy are analyzed.

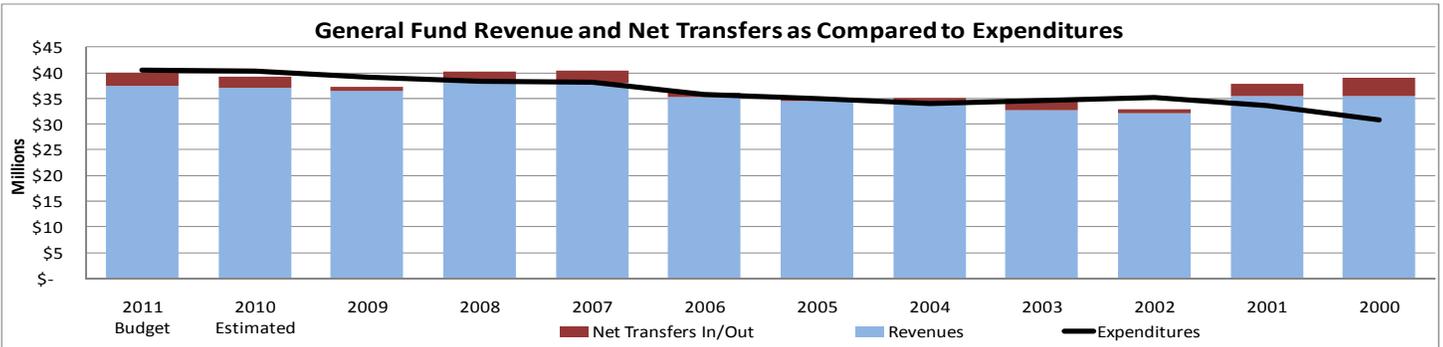
Other assumptions:

- No new taxes or tax increases
- No use of the Long Term Asset Reserve (LTAR)
- A one-time transfer of \$600,000 from Risk Management Fund is proposed for 2012
- Rents collected from leased properties at McLellan Reservoir are proposed for General Fund purposes
- The common area maintenance expenditure growth rate is estimated at three percent
- No pay increases are anticipated for all employee groups
- No personal leave payouts for *all* employee groups
- Four furlough days are included for 2012 to 2015
- Pension contribution rates remain at 2011 levels
- Healthcare rates remain at 2011 levels

These materials are intended to illustrate and facilitate the difficult task that faces Council and staff in preparing future budgets that are fiscally sound and provide the best service mix for the citizens of Englewood given the limited resources available for expenditure.

Attachments

**City of Englewood, Colorado  
General Fund Review  
and  
Financial Condition/Forecast**



Year	Revenues	Expenditures	Operating Surplus/ (Deficit)	Operating Surplus/ (Deficit) as a % of Revenues	Operating Surplus/ (Deficit) as a % of Expenditures	Net Transfers In/Out	Net Transfers as a % of Revenues	Net Transfers as a % of Expenditures	Net Income/ (Loss)-Fund Balance Increase (Decrease)
2011 Budget	\$ 37,424,105	\$ 40,430,513	\$ (3,006,408)	8.03%	7.44%	\$ 2,519,204	6.73%	6.23%	\$ (487,204)
2010 Estimated	\$ 36,992,714	\$ 40,261,701	\$ (3,268,987)	8.84%	8.12%	\$ 2,301,099	6.22%	5.72%	\$ (967,888)
2009	\$ 36,466,887	\$ 39,186,138	\$ (2,719,251)	7.46%	6.94%	\$ 851,445	2.33%	2.17%	\$ (1,867,806)
2008	\$ 38,578,517	\$ 38,416,055	\$ 162,462	0.42%	0.42%	\$ 1,564,874	4.06%	4.07%	\$ 1,727,336
2007	\$ 38,011,042	\$ 38,120,598	\$ (109,556)	0.29%	0.29%	\$ 2,340,321	6.16%	6.14%	\$ 2,230,765
2006	\$ 35,366,263	\$ 35,822,637	\$ (456,374)	1.29%	1.27%	\$ 768,700	2.17%	2.15%	\$ 312,326
2005	\$ 34,574,501	\$ 34,981,055	\$ (406,554)	1.18%	1.16%	\$ 457,200	1.32%	1.31%	\$ 50,646
2004	\$ 33,978,243	\$ 34,017,474	\$ (39,231)	0.12%	0.12%	\$ 1,021,027	3.00%	3.00%	\$ 981,796
2003	\$ 32,778,116	\$ 34,662,595	\$ (1,884,479)	5.75%	5.44%	\$ 2,138,736	6.52%	6.17%	\$ 254,257
2002	\$ 32,186,562	\$ 35,105,134	\$ (2,918,572)	9.07%	8.31%	\$ 779,958	2.42%	2.22%	\$ (2,138,614)
2001	\$ 35,501,801	\$ 33,507,772	\$ 1,994,029	5.62%	5.95%	\$ 2,316,048	6.52%	6.91%	\$ 4,310,077
2000	\$ 35,467,374	\$ 30,789,503	\$ 4,677,871	13.19%	15.19%	\$ 3,655,318	10.31%	11.87%	\$ 8,333,189

**Overview of the General Fund’s Revenues:**

- ◆ Total General Fund Revenues were \$35,467,372 in 2000; in 2009, revenues grew to \$36,466,887, an increase of \$999,515 (2.8 percent) or an average of \$99,951 per year.
- ◆ Taxes provide the majority of the revenues available to the General Fund. In 2000, 78 percent of the General Fund’s revenues were from taxes, in 2009, 73 percent of revenues were from taxes.
- ◆ From 2000 to 2009 total revenue has increased 2.82 percent on average, over the past five years (2005-2009) total revenue has grown 5.47 percent.

**Property Taxes**

The City’s mill levy (5.880) has not changed since TABOR went into effect. This revenue source has been relatively stable even with the downturn in home prices.

**Sales Taxes**

- ◆ Retail Sales/Use taxes made up 67.5 percent of total revenues and 83 percent of tax revenue in 2000 and 56.5 percent of total revenues and 77.7 percent of tax revenues in 2009.

- ◆ Retail Sales/Use taxes collections peaked in 2000, with the City collecting \$23,941,579 compared to the \$20,624,659 (13.8 percent less) collected in 2009.
- ◆ Since 1968, retail sales/use tax growth has averaged 11.1 percent (due in large part to Cinderella City). In the past ten years the average has been negative .04 percent.
- ◆ From 2005 to 2009 sales/use tax revenue declined from \$20,886,855 to \$20,624,659, a decrease of \$262,196 or 1.2 percent.
- ◆ The outlook for future sales/use tax growth is most likely flat or nominal due in part to the slow economic recovery, the build out of available retail space, changing demographics, projected increases in non-taxed catalog and Internet sales.

**Outside City Sales Tax Collections**

Outside City sales tax collections have been a major revenue contributor for the City as the **chart below** indicates. The rise in Outside City collections rose as collections from Cinderella City declined. Due to a number of factors, Outside City collections have declined since the peak in 2000.

Year	CityCenter	CityCenter % of Total	Outside	Outside % of Total	Total
1995	342,131	2.55%	4,367,592	32.55%	13,416,145
1996	180,240	1.25%	5,348,000	37.07%	14,425,909
1997	78,694	0.51%	6,140,287	39.62%	15,496,353
1998	21,875	0.12%	8,475,866	44.81%	18,914,546
1999	6,839	0.03%	10,044,922	47.31%	21,232,576
2000	272,906	1.18%	10,703,111	46.19%	23,170,975
2001	1,307,787	5.71%	9,546,101	41.70%	22,894,073
2002	1,946,504	9.66%	7,198,532	35.73%	20,145,372
2003	2,317,691	11.39%	7,501,340	36.88%	20,340,177
2004	2,364,216	11.48%	7,705,926	37.42%	20,591,675
2005	2,420,140	11.72%	7,794,388	37.73%	20,657,797
2006	2,460,242	11.96%	7,252,573	35.25%	20,574,695
2007	2,371,783	10.61%	8,117,519	36.32%	22,351,002
2008	2,312,523	10.06%	8,027,915	34.93%	22,982,569
2009	2,145,546	10.42%	6,435,979	31.26%	20,591,187

**Overview of the General Fund’s Expenditures:**

- ◆ From 2000 to 2009, expenditures grew from \$30,789,503 to \$39,186,138, an increase of \$8,396,635 (27.3 percent) or \$839,663 per year.
- ◆ Police, Fire, Parks and Recreation, Public Works, Library’s percentage of total expenditures averaged approximately 74.3 percent over the past ten years.
- ◆ Administrative costs as a percentage of total expenditures averaged 20.5 percent over the past ten years.
- ◆ Debt service and other contractual expenditures as a percentage of total expenditures have averaged approximately 5.2 percent over the past ten years.
- ◆ Wages and benefits make up over seventy percent of General Fund expenditures.

**General Fund Personnel**

The chart below shows the full time employees (FTEs) for the past ten years, estimated 2010 and budget 2011 for all funds; the General Fund is listed first.

PERSONNEL STAFFING COMPARISON - PERMANENT EMPLOYEES FTE

	2001	2002	2003	2004	2005	2006	2007	2008	2009	Budget 2010	Estimate 2010	Budget 2011	2010 Est vs 2011
<b>General Fund (02)</b>													
02-0201 City Manager's Office	6.010	5.700	5.680	5.600	5.000	5.500	5.500	5.380	5.000	5.000	4.962	4.923	-0.04
02-0301 City Attorney's Office	7.200	6.900	6.900	4.800	5.375	5.380	5.500	5.500	5.500	5.500	5.702	5.663	-0.04
02-0401 Municipal Court	12.800	13.800	11.050	10.200	10.990	10.990	11.055	10.900	10.607	10.375	10.236	10.197	-0.04
02-0501 Human Resources	5.000	5.000	5.000	4.620	3.620	4.675	4.675	4.670	3.770	3.570	3.543	3.515	-0.03
02-0600 Finance & Administrative Services	19.670	20.550	20.050	19.250	19.330	19.580	18.599	18.900	17.900	18.900	17.762	17.625	-0.14
02-0701 Information Technology	8.000	10.000	10.000	10.000	8.500	9.600	9.600	10.600	11.500	11.500	10.419	10.339	-0.08
02-0801 Community Development	13.000	13.000	13.000	11.500	11.500	12.000	12.000	12.000	11.000	11.000	10.915	10.831	-0.08
02-1005 Public Works	55.000	54.000	51.340	54.800	49.190	47.534	47.534	46.534	46.334	47.509	44.175	43.840	-0.34
02-1100 Safety Services	189.620	190.710	184.880	177.870	168.625	171.480	168.630	0.000	0.000	0.000	0.000	0.000	0.00
02-1100 Fire Department								65.000	65.800	65.800	65.367	63.879	-1.49
02-1100 Police Department								101.630	100.700	99.700	101.417	98.960	-2.46
02-1201 Library	19.460	19.000	18.810	17.200	15.625	16.380	15.970	15.700	16.640	16.640	16.268	15.598	-0.67
02-1300 Parks and Recreation	38.000	43.000	37.520	36.500	37.250	38.190	39.199	38.410	37.910	37.910	37.872	36.589	-1.28
Total General Fund	373.760	381.660	364.230	352.340	335.005	341.309	338.262	335.224	332.661	333.404	328.638	321.958	-6.68
<b>Open Space Fund (10)</b>													
10-1305 Open Space Fund								1.000	1.000	1.000	0.992	0.985	-0.01
<b>Public Improvement Fund (PIF) (30)</b>													
30-1006 Concrete Replacement								0.385	0.385	0.000	0.000	0.000	0.00
<b>Water (40), Sewer (41) &amp; Storm Drainage (42)</b>													
40-1600 Water	29.950	29.960	29.960	38.000	40.670	28.970	30.720	30.000	30.400	30.400	29.174	28.948	-0.23
40-1600 Sewer	11.370	11.870	11.870	4.000	5.000	14.895	14.690	14.850	14.450	14.450	14.339	14.228	-0.11
42-1600 Storm Drainage	0.650	0.650	0.650	0.650	0.000	0.450	0.650	0.650	0.650	0.650	0.645	0.640	-0.01
Total - Utilities	41.970	42.480	42.480	42.650	45.670	44.315	46.060	45.500	45.500	45.500	44.158	43.816	-0.34
<b>Golf Course Fund (43)</b>													
43-1300 Golf Course	8.500	9.500	9.500	9.000	9.975	8.750	8.750	9.000	8.500	8.500	7.442	7.385	-0.06
<b>Concrete Utility Fund (44)</b>													
44-1006 Concrete Utility		1.000	1.000	1.000	1.000	3.531	3.531	3.536	3.916	3.916	3.886	3.856	-0.03
<b>Central Services Fund (60)</b>													
60-0610 Central Services - Print Shop	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.100	1.100	1.100	1.092	1.083	-0.01
<b>ServiCenter Fund (61)</b>													
61-1000 ServiCenter	10.000	11.000	11.000	10.000	11.000	10.300	11.300	11.300	11.300	10.000	9.923	9.846	-0.08
<b>Risk Management Fund (63)</b>													
63-0503 Risk Management	1.000	1.000	1.500	1.500	1.500	1.400	1.400	1.250	1.400	1.500	1.302	1.292	-0.01
<b>Employees Benefits Fund (64)</b>													
64-0505 Employees Benefits	2.750	2.600	1.500	2.300	1.500	1.400	1.400	1.250	1.400	1.500	1.302	1.292	-0.01
<b>Englewood Environmental Fund (85)</b>													
85-8501 Englewood Environmental Fund						0.750	0.500	0.500	0.700	0.825	0.819	0.812	-0.01
<b>Littleton/Englewood Treatment Plant (LEWWTP) Fund (90)</b>													
90-1700 LEWWTP	70.000	72.000	74.000	74.000	74.000	75.130	76.370	76.500	77.500	77.500	78.888	77.145	-1.74
<b>GRAND TOTAL</b>	508.980	522.240	506.210	493.790	480.650	487.885	488.958	486.545	484.977	484.745	478.443	469.470	-8.973
<b>Change in number of Employees</b>	20.100	13.260	-16.030	-12.420	-13.140	7.235	1.073	-2.413	-1.568	-0.232	-6.302	-8.973	

**2011 Budget Overview:**

- ◆ Energy (gas, electricity, etc.) will increase but some savings from energy saving projects (like the City of Englewood Green Community Program) may help offset increases.
- ◆ Pension funding requirements will continue to be a major burden on the General Fund.
- ◆ Total revenues are estimated at \$37,424,105 for the year.
- ◆ Sales taxes are budgeted \$21,216,000.
- ◆ Total expenditures are budgeted at \$40,430,513. Budgeted expenditures are approximately \$3 million more than budgeted revenues.

- ◆ Other financing sources (\$2,519,204) and use of reserves (\$487,204) are budgeted to fill the gap between revenues and expenditures.
- ◆ Four furlough days, saving approximately \$360,000, are included in the 2011 Budget.
- ◆ A hiring freeze is in effect for all but the most critical positions.
- ◆ A pay freeze is in effect for all employees other than the Englewood Police Benefits Association (EPBA) and Englewood Fire Fighters Association (EFFA).
- ◆ Managers, Supervisors, and Confidential (MSC), directors, and Englewood Employees Association (EEA) will not be paid for unused personal leave.

**Internal Service Funds:**

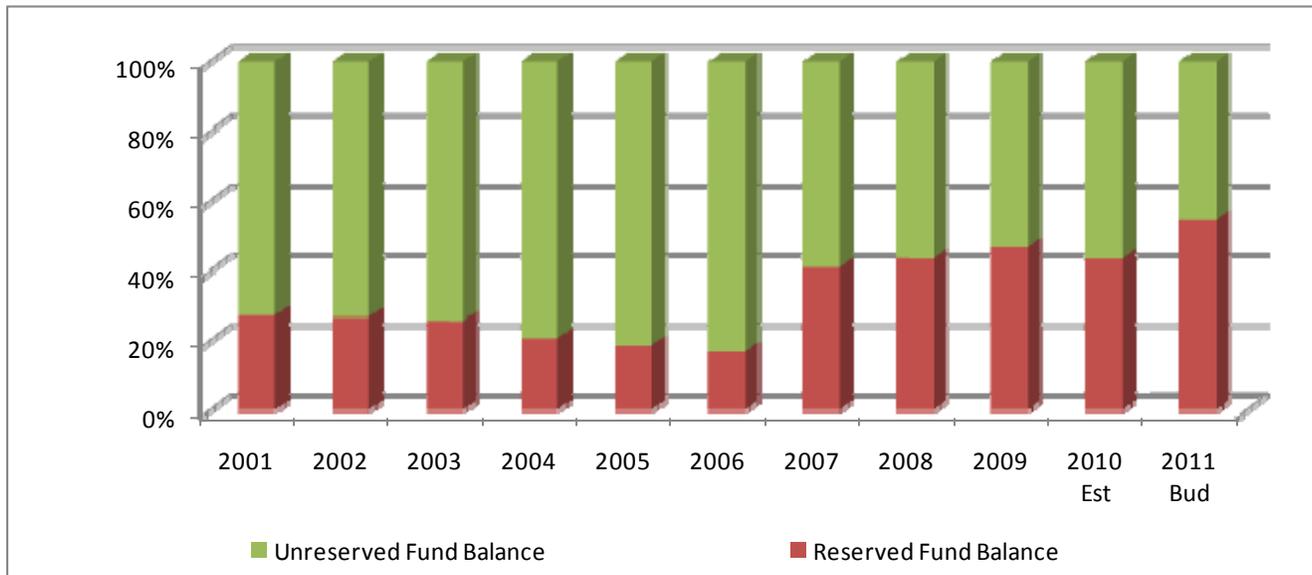
In the past, the General Fund has transferred in funds from the internal service and capital projects funds to shore up the reserves and pay lease and other debt related payments. The table below shows the 2011 budget for the City’s internal service funds. Further review of these funds may provide additional funding in 2011 and/or 2012.

	Central Services Fund	Servicenter Fund	CERF	Risk Management Fund	Employee Benefits Fund
<b>Beginning Funds Available</b>	179,046	728,847	896,357	1,011,911	154,571
Total Operating Revenues	358,900	2,128,371	800,992	1,445,271	5,337,426
Total Operating Expenses	368,501	1,908,507	22,614	1,309,159	5,245,737
<b>Operating Surplus (Deficit)</b>	(9,601)	219,864	778,378	136,112	91,689
<b>Other Financing Sources (Uses)</b>					
Other Financing Sources	-	-	-	-	-
Other Financing Uses	111,266	186,801	773,618	546,000	200,000
<b>Net Financing Sources (Uses)</b>	(111,266)	(186,801)	(773,618)	(546,000)	(200,000)
<b>Net Income (Loss)</b>	(120,867)	33,063	4,760	(409,888)	(108,311)
<b>Ending Funds Available</b>	58,179	761,910	901,117	602,023	46,260

**Reserves:**

The City of Englewood holds a prudent amount of reserves as a safeguard against unforeseen and unexpected financial and operating conditions. The table below and bar graph on the next page show the breakdown of the General Fund’s total reserves over the past ten years.

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 Est	2011 Bud
Fund balance Before Reserves	6,619,821	4,481,207	5,535,464	6,516,987	6,812,976	7,143,302	9,374,427	11,102,763	9,234,957	8,157,514	7,670,310
TABOR Emergency Reserve	936,000	997,000	1,003,000	1,015,000	1,020,000	1,040,000	1,290,000	1,280,000	1,170,000	1,170,000	1,170,000
LTAR							2,428,312	3,485,143	3,131,979	2,083,467	2,713,467
Contractual Reserve	608,055	515,372	424,096	336,703	252,613	171,200	124,800	80,800	39,200	298,512	298,512
Reserved Fund Balance	1,544,055	1,512,372	1,427,096	1,351,703	1,272,613	1,211,200	3,843,112	4,845,943	4,341,179	3,551,979	4,181,979
Unreserved Fund Balance	4,108,368	4,108,368	4,108,368	5,165,284	5,540,363	5,932,102	5,531,315	6,256,820	4,893,778	4,605,535	3,488,331



◆ The ending 2010 *total* General Fund reserves are estimated at \$8,157,514; this includes the Long Term Asset Reserve-\$2,083,467, TABOR reserve-\$1,170,000, COPS Grant reserve-\$298,000, and the undesignated/unreserved reserve-\$4,605,535. The unreserved/undesignated reserve for 2010 is \$4,605,353 or 12.45 percent of estimated revenues. Ending *total* reserves for the 2011 budget is \$7,670,310.

### 2012 Budget Outlook:

- ◆ Revenues will most likely continue to grow slowly as the economy recovers and unemployment drops.
- ◆ Competition for highly qualified employees may increase, pushing wage costs higher.
- ◆ Health care costs could increase faster than inflation and revenue growth.
- ◆ Pension funding will continue to burden the General Fund.
- ◆ Unless revenue growth is unexpectedly higher than past experience, expenditures will most likely exceed revenues.
- ◆ If expenditures exceed revenues, reserves could decline substantially without a transfer in of funds.
- ◆ Available transfers from the internal service funds are greatly diminished.
- ◆ The City relies heavily on sales/use tax, a highly volatile revenue source. Because of this, reserves are important to ensure the City can make it through short-term revenue disruptions without impacting service or staffing levels.
- ◆ Historically, the City targeted undesignated/unreserved fund balance at two months (16 percent) of revenues on reserve to deal with short-term, unexpected events, including financial downturns.
- ◆ The City changed its target to ten percent after the major decline in revenues in 2002.
- ◆ The City is required by TABOR to hold reserves that can be used for emergencies (non-financial) and replenished within 12 months.
- ◆ The City is estimating reserves to be 12.45 percent at the end of 2010.
- ◆ Reserves are “one-time” sources and should be used to fill short-term gaps.
- ◆ The General Fund has not had excess revenue to fund any capital projects since 2001.
- ◆ The City has used a combination of transfers and reserves to keep the General Fund reserves at adequate levels, but these sources are being depleted quickly and may no longer be available to the City.
- ◆ Some reserves are legally restricted and cannot be used to fund general expenditures.

**Assumptions for 2012 and Beyond**

- ◆ Revenues are expected to grow at relatively low rates (two to three percent).
- ◆ Sales and use tax growth will most likely remain low as projected at two percent in the future due to the build out of available retail space, changing demographics, and projected increases in non-taxed catalog and Internet sales.
- ◆ Expenditures are expected to grow faster than revenues because of continued increases in personnel related expenditures (e.g. wages, health care, pension costs, etc.), loss of flexibility to adjust tax rates to changing needs and the slow recovery from the recession.
- ◆ Expenditures are expected to exceed revenues unless revenues are increased, expenditures are decreased or some combination of the two is made.
- ◆ The City's reserves will be depleted rapidly if deficits are funded from this source.
- ◆ The Taxpayers Bill of Rights (TABOR) does not allow the City to increase taxes without a vote of the electorate.
- ◆ The General Fund Budget is approximately 74.0 percent (2009) personnel related expenditures as compared to total expenditures or 72.2 percent personnel related expenditures as compared to total uses of funds. Expenditure cuts would most likely have to come from here.
- ◆ The General Fund has used one-time transfers to "shore up" the decline in revenues. These one-time transfers will be limited in 2012 and beyond.
- ◆ Fund balance could decrease rapidly if revenues do not grow fast as or faster than expenditures.

**Opportunities:**

The City could see an increase in sales tax if the economy turns around but the biggest future revenue opportunity will most likely come from leasing the McLellan Reservoir properties. If the properties can be leased it could bring in much needed revenue and diversify the revenue base for a long period of time. Other redevelopment opportunities (Kent Place, King Soopers area at Federal and Belleview, Flood Middle School, Masonic Temple, etc.) exist for increasing sales and property taxes.

City of Englewood, General Fund Revenue, Expenditure, & Fund Balance 2007 - 2015  
 Scenario I: Hold Expenditure Growth to 1% 2012 to 2015 with Sale Tax Growing at 2 Percent and Other Revenue Growing 3.5 Percent

Sales & Use Tax Growth:	-0.60%	-8.81%	2.00%	2.00%	2.00%	2.00%
Property Tax Increase:	14.21%	-0.83%	2.00%	2.00%	2.00%	2.00%
All Other Tax Growth Rate:	6.36%	-6.92%	2.50%	2.50%	2.50%	2.50%
All Other Revenue Growth Rate:	1.46%	1.28%	0.00%	3.50%	3.50%	3.50%
Investment Income Growth Rate:	26.44%	-55.80%	2.00%	2.00%	2.00%	2.00%
Combined Expenditure Growth:	2.35%	0.44%	1.00%	1.00%	1.00%	1.00%

Line	Actual 2007	Actual 2008	Actual 2009	Unaudited 2010	Budget 2011	Estimate 2011	Projected 2012	Projected 2013	Projected 2014	Projected 2015	Notes
<b>REVENUES</b>											
1	2,623,118	2,995,990	2,971,303	3,020,884	3,017,000	3,017,000	3,077,340	3,138,887	3,201,665	3,265,698	<b>Revenue Assumptions for 2012-2015:</b> - No tax increases - No use of LATR funds - 2012 Revenue assumptions are as of January 2011 and may change by the time the proposed budget is presented - Sales/Use Tax Revenue flat for 2012 and 2% annual increase for 2013-2015 - A one time transfer of \$600,000 from the Risk Management Fund - Use of EMRF rents for General Fund Operations
2	341,423	316,242	276,415	263,434	250,000	250,000	250,000	256,250	262,656	269,223	
3	<b>22,753,820</b>	<b>22,617,767</b>	<b>20,624,659</b>	<b>20,712,179</b>	<b>21,216,000</b>	<b>21,216,000</b>	<b>21,640,320</b>	<b>22,073,126</b>	<b>22,514,589</b>	<b>22,964,881</b>	
4	2,356,385	2,588,214	2,452,611	2,526,490	2,650,851	2,650,851	2,522,000	2,585,050	2,649,676	2,715,918	
5	278,785	261,743	218,448	196,320	190,000	190,000	185,000	175,750	166,963	158,614	
6	9,722	10,078	9,141	8,743	8,713	8,713	8,750	8,925	9,104	9,286	
7	<b>28,363,253</b>	<b>28,790,034</b>	<b>26,552,577</b>	<b>26,728,050</b>	<b>27,332,564</b>	<b>27,332,564</b>	<b>27,683,410</b>	<b>28,237,988</b>	<b>28,804,652</b>	<b>29,383,619</b>	
8	1,168,977	671,609	588,303	695,663	575,100	575,100	592,900	613,652	635,129	657,359	
8	1,106,280	1,079,285	1,333,688	1,463,762	1,459,564	1,459,564	1,529,551	1,583,085	1,638,493	1,695,841	
9	3,113,550	3,476,583	3,163,735	3,187,797	3,336,962	3,336,962	3,192,056	3,303,778	3,419,410	3,539,090	
10	2,235,938	2,364,758	2,315,598	2,489,781	2,587,653	2,587,653	2,677,653	2,771,371	2,868,369	2,968,762	
11	1,445,641	1,461,100	1,639,678	1,437,957	1,509,150	1,509,150	1,436,500	1,486,778	1,538,815	1,592,673	
12	411,516	520,325	229,999	100,316	200,000	200,000	108,946	111,125	113,347	115,614	
13	166,247	215,824	643,311	292,608	423,112	423,112	323,757	350,000	350,000	350,000	
14	<b>38,011,402</b>	<b>38,579,518</b>	<b>36,466,889</b>	<b>36,395,934</b>	<b>37,424,105</b>	<b>37,424,105</b>	<b>37,544,773</b>	<b>38,457,776</b>	<b>39,368,216</b>	<b>40,302,958</b>	
<b>Expenditures</b>											
<b>General Government</b>											
15	227,964	254,254	250,044	213,870	250,120	250,120	252,621	255,147	257,699	260,276	<b>Expenditure Assumptions for 2012-2015:</b> - 1% Expenditure annual growth rate - 3% CAM expenditure annual growth rate - Pay Freezes for EEA/MSC/Director Employee Groups - No Personal Leave Payouts for all employee groups - 4 Furlough Days - Pension Contribution rate at 2011 levels - Healthcare benefits at 2011 levels
16	694,358	698,563	678,038	702,228	762,518	762,518	770,143	777,845	785,623	793,479	
17	890,152	915,303	914,493	901,469	999,105	999,105	1,009,096	1,019,187	1,029,379	1,039,673	
18	673,949	674,322	674,170	659,882	664,732	664,732	671,379	678,093	684,874	691,723	
19	1,412,444	1,464,725	1,366,437	1,301,472	1,344,556	1,344,556	1,358,002	1,371,582	1,385,297	1,399,150	
20	557,855	579,136	456,275	419,422	481,102	481,102	485,913	490,772	495,680	500,637	
21	1,568,074	1,626,571	1,575,924	1,445,582	1,550,906	1,550,906	1,566,415	1,582,079	1,597,900	1,613,879	
22	1,254,364	1,280,156	1,360,237	1,280,660	1,338,543	1,338,543	1,351,928	1,365,448	1,379,102	1,392,893	
23	130,925	59,759	160,578	48,138	90,000	90,000	60,000	60,000	60,000	60,000	
24	<b>7,410,085</b>	<b>7,552,789</b>	<b>7,436,196</b>	<b>6,972,723</b>	<b>7,481,582</b>	<b>7,481,582</b>	<b>7,525,498</b>	<b>7,600,153</b>	<b>7,675,554</b>	<b>7,751,710</b>	
25	16,497,359										
26		7,215,444	7,320,268	7,418,568	7,465,775	7,465,775	7,540,433	7,615,837	7,691,995	7,768,915	
27		9,974,925	10,183,890	10,310,683	10,587,026	10,587,026	10,692,896	10,799,825	10,907,823	11,016,902	
28	5,122,603	4,862,524	4,806,065	4,786,498	5,158,842	5,158,842	5,210,430	5,262,535	5,315,160	5,368,312	
29	5,566,094	5,916,449	5,727,968	5,835,640	5,969,515	5,969,515	6,029,210	6,089,502	6,150,397	6,211,901	
30	1,259,525	1,261,112	1,275,554	1,284,083	1,256,520	1,256,520	1,269,085	1,281,776	1,294,594	1,307,540	
31			188,165								
32	<b>28,445,581</b>	<b>29,230,454</b>	<b>29,501,910</b>	<b>29,635,472</b>	<b>30,437,678</b>	<b>30,437,678</b>	<b>30,742,055</b>	<b>31,049,475</b>	<b>31,359,970</b>	<b>31,673,570</b>	
33	<b>35,855,666</b>	<b>36,783,243</b>	<b>36,938,106</b>	<b>36,608,195</b>	<b>37,919,260</b>	<b>37,919,260</b>	<b>38,267,553</b>	<b>38,649,628</b>	<b>39,035,524</b>	<b>39,425,280</b>	
<b>Debt Service &amp; Contractual (Non-Discretionary):</b>											
34	178,967										Energy/utility savings is an offset to various General Fund department budgets for this debt service cost. Ameresco to audit the energy savings.
35	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	96,000	
36	18,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	
37	299,171	326,649	346,826	346,826	340,049	340,049	357,000	367,710	378,741	390,104	
38	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	100,063	
39			0	56,666	113,332	113,332	113,332	56,666	0	0	
40				15,781	37,644	37,644	87,068	89,903	92,815	95,807	
41				(15,781)	(37,644)	(37,644)					
42	1,572,731	1,571,000	1,571,750	1,574,000	1,577,000	1,577,000	1,574,000	1,574,000	1,570,000	1,570,000	
43					151,416	151,416	152,947	152,947	65,127	65,127	
44		118,393	118,395	118,393	118,393	118,393	118,393	118,393	118,393	118,393	
45	<b>2,264,932</b>	<b>2,227,105</b>	<b>2,248,034</b>	<b>2,306,948</b>	<b>2,511,253</b>	<b>2,511,253</b>	<b>2,513,740</b>	<b>2,470,619</b>	<b>2,336,076</b>	<b>2,350,430</b>	
46	<b>38,120,598</b>	<b>39,015,198</b>	<b>39,186,140</b>	<b>38,915,143</b>	<b>40,430,513</b>	<b>40,430,513</b>	<b>40,781,292</b>	<b>41,120,247</b>	<b>41,371,600</b>	<b>41,775,710</b>	
47	<b>(109,196)</b>	<b>(435,680)</b>	<b>(2,719,251)</b>	<b>(2,519,209)</b>	<b>(3,006,408)</b>	<b>(3,006,408)</b>	<b>(3,236,519)</b>	<b>(2,662,471)</b>	<b>(2,003,385)</b>	<b>(1,472,752)</b>	
48	2,340,321	2,164,016	851,445	1,456,224	2,194,204	2,194,204	1,086,740	432,909	291,335	294,327	Risk Management Fund \$600,000 Transfer in 2012; the balance is PIF Debt Service Transfer 2012-2015 Use of EMRF rents for General Fund Operations 2012-2015
49				0	325,000	325,000	492,413	492,413	492,413	492,413	
50	7,143,302	9,374,427	11,102,763	9,234,957	8,157,514	8,171,972	7,684,768	6,027,401	4,290,252	3,070,615	
51	9,374,427	11,102,763	9,234,957	8,171,972	7,670,310	7,684,768	6,027,401	4,290,252	3,070,615	2,384,603	
52	1,290,000	1,280,000	1,170,000	1,170,000	1,170,000	1,170,000	1,170,000	1,170,000	1,181,046	1,209,089	
53	124,800	80,800	39,200	298,512	298,512	298,512	298,512	298,512	298,512	298,512	
54	1,986,000	3,485,143	3,131,979	2,083,467	2,713,467	2,713,467	2,713,467	2,713,467	2,713,467	2,713,467	
55	<b>5,973,627</b>	<b>6,256,820</b>	<b>4,893,778</b>	<b>4,619,993</b>	<b>3,488,331</b>	<b>3,502,789</b>	<b>1,845,422</b>	<b>406,785</b>	<b>(823,898)</b>	<b>(1,537,953)</b>	
56	<b>15.72%</b>	<b>16.22%</b>	<b>13.42%</b>	<b>12.69%</b>	<b>9.32%</b>	<b>9.36%</b>	<b>4.92%</b>	<b>1.06%</b>	<b>-2.09%</b>	<b>-3.82%</b>	
57	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	
58	3,801,140	3,857,952	3,646,689	3,639,593	3,742,411	3,742,411	3,754,477	3,845,778	3,936,822	4,030,296	
59	<b>2,172,487</b>	<b>2,398,868</b>	<b>1,247,089</b>	<b>980,400</b>	<b>(254,080)</b>	<b>(239,622)</b>	<b>(1,909,055)</b>	<b>(3,438,992)</b>	<b>(4,760,720)</b>	<b>(5,568,249)</b>	
60	2,172,487	2,398,868	1,247,089	980,400	0	0	0	0	0	0	

# CML LEGISLATIVE BOX SCORE

2011 Regular Session

Updated February 23, 2011

Check for the latest box score at [www.cml.org](http://www.cml.org)  
Lobbyist assigned to each bill in ( )

Subject

\* means with amendments

## SUPPORT

SB 9	<i>Animal Control – Costs of animal impoundment.</i> Sen. Steadman, Rep. Fischer. Changes complicated bonding and impoundment provisions for care of animals impounded in cases of alleged abuse or neglect, and requires payment by owner for actual costs of care. (Kevin Bommer)	Passed Senate*
SB 35	<i>State Budget – Prohibition on transfers of severance tax, federal mineral lease cash funds.</i> Sen. Roberts, Rep. Coram. Establishes a prohibition on the transfer of local government severance tax and FML money to backfill the state general fund and against the governor freezing the use of such funds from use for their intended purposes. (Kevin Bommer)	Postponed indefinitely
SB 66	<i>Liquor – Special events permits.</i> Sen. Jahn. Allows a local licensing authority to elect sole authority to approve or deny applications for special event permits and remove the state licensing authority from its current obligation of reviewing and promptly acting on the issuance of state permits for those jurisdictions. Total events may increase from 10 days to 15 days. (Kevin Bommer)	S. Appropriations
SB 86	<i>Taxation – Sales tax appeals.</i> Sen. Foster, Rep. Murray. Makes technical changes to laws controlling how appeals from a notice of tax assessment or denial of a tax refund are addressed. (Geoff Wilson)	H. Local Government
HB 1036	<i>Public Safety – “Blue Alert” for injured peace officers.</i> Rep. Gardner, D., Sen. King, S. Creates the blue alert program within CBI to facilitate the immediate apprehension of persons who kill or seriously injure peace officers by issuance of a “blue alert” in the same manner in which an “amber alert” is issued for missing or apprehended children. (Kevin Bommer)	S. Judiciary*
HB 1043	<i>Medical Marijuana – Clean-up legislation.</i> Rep. Massey, Sen. Steadman. Clarifies several aspects of the Colorado Medical Marijuana Code adopted in 2010 and extends the moratorium on new licenses until July 1, 2012. (Kevin Bommer)	H. Appropriations*
HB 1122	<i>Home Rule – Modification of charter requirements.</i> Rep. Schafer. Extends the time periods for the first meeting of a charter commission, submission of proposed charter, and the maximum period after publication of the notice of an election to approve the proposed home rule charter during which the election must be held. (Geoff Wilson)	Passed House*
HB 1123	<i>State Budget – Prohibition on transfers of severance tax, federal mineral lease cash funds.</i> Rep. Coram, Sen. Roberts. Establishes a prohibition on the transfer of local government severance tax, FML, and state severance tax for water projects to backfill the state general fund and against the governor freezing the use of such funds from use for their intended purposes. (Kevin Bommer)	H. Agriculture, Livestock & Natural Resources
SCR 001	<i>Initiative Reform – Initiative process and signature requirements.</i> President Shaffer & Sen. Spence. Reps. Murray and Court. Places question on the ballot to raise bar for amending the Colorado constitution. Increases number of votes needed to approve constitutional amendment to 60% of votes cast. Statutory changes would continue to pass with simple majority. Statutory initiatives would require two-thirds vote in the legislature to be changed during first three years. Constitutional amendment initiative petitioners would be required to secure at least five percent of signature totals in each of the state’s congressional districts. (Mark Radtke)	H. State, Veterans & Military Affairs

<b>SJR 005</b>	<i>Unfunded Mandates – No unfunded mandates resolution.</i> Sen. Roberts, Rep. Gerou. Calls for the federal government to refrain from creating any new unfunded mandates to be passed down to state or local governments; and for the General Assembly to not create new mandates on local governments without providing adequate funding (Kevin Bommer)	S. Consideration of Resolutions
<b>OPPOSE</b>		
<b>SB 26</b>	<i>Taxes – Business personal property tax exemption.</i> Sen. Scheffel, Rep. Holbert. Eliminates business personal property tax (BPPT), starting with 25% exemption for newly purchased business personal property in 2013. Exemption on new equipment is increased by 25% every 2 years thereafter. Tax applied to existing equipment continues to depreciate at current schedule. (Mark Radtke)	Postponed indefinitely
<b>SB 45</b>	<i>Utilities – Transmission line siting.</i> Sen. Johnston, Rep. Levy. Creates a state siting commission process and eliminates any limited existing authority of local governments in siting and land use considerations. (Geoff Wilson)	S. Agriculture & Natural Resources
<b>SB 54</b>	<i>Immigration – Authority to arrest unlawful aliens.</i> Sen. Lambert, Rep. Balmer. Permits warrantless arrests of suspected aliens in the country illegally, convicted of a crime, or subject to deportation. (Kevin Bommer)	Postponed indefinitely
<b>SB 95</b>	<i>Transportation – FASTER repeal.</i> Sen. Grantham, Rep. Conti. Repeals most of the provisions of SB 10-108, the FASTER legislation. (Mark Radtke)	Postponed indefinitely
<b>SB 98</b>	<i>Taxes – Business personal property tax phase-out.</i> Sen. King, S. Annually exempts a percentage of all business personal property from BPPT. Percentage increases over time until the property is 100% exempt. (Mark Radtke)	Postponed indefinitely
<b>SB 112</b>	<i>Labor – Prohibition on collective bargaining.</i> Sen. Cadman. Prohibits any governmental entity or officer from engaging in collective bargaining or recognizing any designated employee representative for the purpose of collective bargaining. (Kevin Bommer)	Postponed indefinitely
<b>SB 159</b>	<i>Budget – Limited gaming revenue distribution.</i> Sen. Steadman, Rep. Ferrandino. Permanently reduces the amount of funding available for eligible local governments through the Local Government Limited Gaming Impact Fund. (Kevin Bommer)	Conference Committee*
<b>SB 162</b>	<i>Budget – Cigarette sales tax shareback.</i> Sen. Hodge, Rep. Ferrandino. Eliminates the rebate of cigarette sales tax to cities and counties that repealed local sales taxes in accordance with a 1973 sales tax simplification agreement. (Geoff Wilson)	Postponed indefinitely
<b>SB 164</b>	<i>Budget – Cash-fund transfers to general fund.</i> Sen. Hodge, Rep. Gerou. Transfers cash funds to the state general fund, including local severance tax and federal mineral lease monies totalling nearly \$85 million. (Kevin Bommer)	Conference Committee*
<b>HB 1046</b>	<i>Transportation – Planning areas.</i> Rep. Vaad. Eliminates areas outside of metropolitan planning organization (MPO) boundaries from participation in Colorado Department of Transportation (CDOT) regional planning. Local governments' roles in regional transportation planning would be eliminated, and the statewide transportation advisory committee would be eliminated. (Mark Radtke)	Postponed indefinitely
<b>HB 1059</b>	<i>Public Safety – Prohibit on local government accident fees.</i> Rep. Swalm. Prohibits local governments from imposing a fee or seeking reimbursement for costs incurred by first responders in connection with a motor vehicle accident. (Kevin Bommer)	H. Local Government
<b>HB 1063</b>	<i>Public safety – Animal control/welfare.</i> Rep. McKinley. Places significant restrictions animal control agents' powers and gives owners greater ability to avoid financial responsibility for injured or sick animals. Creates fiscal impacts on municipalities but does not apply to animal control officers employed by municipalities and enforcing municipal ordinances. (Kevin Bommer)	Postponed indefinitely
<b>HB 1070</b>	<i>Labor – Prevailing wage.</i> Rep. Soper, Sen. Tochtrop. Requires payment of federal prevailing wage (Davis-Bacon) for public works, which are defined as any public construction project financed in whole or in part with state money. (Kevin Bommer)	Postponed indefinitely

<b>HB 1075</b>	<i>Transportation – FASTER transit funds.</i> Rep. Becker. Redirects the money from FASTER transit grants into the HUTF. While it would increase the monthly HUTF disbursements flowing to cities and towns by less than two percent, the change would damage the coalition working to improve transportation funding for both state and local needs. (Mark Radtke)	Postponed indefinitely
<b>HB 1084</b>	<i>Transportation – FASTER late registration fee.</i> Rep. Baumgardner, Sen. Grantham. Repeals \$25 per month late fee for vehicle registration. Returns late fees to a flat \$10 charge that can be waived at the discretion of county clerks. (Mark Radtke)	H. 3 <sup>rd</sup> Reading*
<b>HB 1092</b>	<i>Transportation – Closure of local streets to bicycles.</i> Rep. Kerr, A., Sen. Brophy. This bill prohibits local governments from banning bicycle traffic on streets unless a separate, parallel bicycle path is provided. (Mark Radtke)	H. Judiciary (lost on tie vote, 2/17)
<b>HB 1094</b>	<i>Waste Management – Mandatory waste sorting.</i> Rep. Hullinghorst, Sen. Aguilar. Mandates that municipalities with a population greater than 25,000 residents determine the “quantities” and “categories” of solid waste “and other materials” that originate in the municipality over each 12-month period and annually report information to the state health department. (Geoff Wilson)	Postponed indefinitely
<b>HB 1107</b>	<i>Immigration – Enforcement of illegal immigration violations.</i> Rep. Baumgardner, Sen. Harvey. Mandates several enforcement responsibilities on local law enforcement that are federal responsibilities. (Kevin Bommer)	Postponed indefinitely
<b>HB 1115</b>	<i>Contracts – Reduce Construction Contract Retainage.</i> Reps. Priola & Soper, Sen. Tochtrop. Reduces by half the amount of retainage that municipalities would be able to include in construction contracts. (Mark Radtke)	S. Appropriations*
<b>HB 1116</b>	<i>Waste Management – Local government waste services.</i> Rep. Szabo. Mandates that local governments receive voter approval before providing, contracting to provide, or requiring residents of a local government to pay fees for waste services. Ballot is required to contain a description of the service to be provided and the cost of the service and must be submitted at an election upon which other matters are being voted. (Geoff Wilson)	H. Local Government
<b>HB 1140</b>	<i>Immigration - Illegal alien laws &amp; withholding of local government funds.</i> Rep. Balmer. This bill would withhold local government grants, direct distributions, and state-collected, locally-shared severance tax, federal mineral lease, or cigarette sales tax revenue - respectively - if a local government does not participate in the “Secure Communities” program. (Kevin Bommer)	H. Appropriations*
<b>HB 1141</b>	<i>Taxes – Business personal property tax exemption.</i> Rep. Holbert, Sen. Scheffel. This bill exempts business personal property purchased during the calendar years 2012 and 2013 from business personal property tax. The property purchased during those two years would continue to be exempt from tax during the period it is owned by the original purchaser. This would result in a significant reduction in property tax revenue for local governments. (Mark Radtke)	H. Finance
<b>HB 1199</b>	<i>Building permit fees – Solar permit installation fees.</i> Rep. Gardner, B., Sen. Mitchell. Extends prohibition on counties and municipalities from charging permit fees to install solar energy device or system that exceeds \$500 for a residential application or \$1,000 for a nonresidential application, regardless of local costs. Adds new provisions. (Mark Radtke)	H. Local Government