

**GRAND JUNCTION CITY COUNCIL  
WORKSHOP AGENDA**

**MONDAY, DECEMBER 19, 2005, 7:00 P.M.  
CITY HALL AUDITORIUM  
250 N. 5<sup>TH</sup> STREET**

**MAYOR'S INTRODUCTION AND WELCOME**

- 7:00 **COUNCILMEMBER REPORTS**
- 7:10 **CITY MANAGER'S REPORT**
- 7:15 **REVIEW FUTURE WORKSHOP AGENDAS** [Attach W-1](#)
- 7:20 **REVIEW WEDNESDAY COUNCIL AGENDA**
- 7:30 **APPOINTMENTS TO BOARDS & COMMISSIONS:** City Clerk Stephanie Tuin will bring options to the City Council for filing vacancies on the Planning Commission and Zoning Board of Appeals. [Attach W-2](#)
- 7:40 **EMS UPDATE:** The GJFD and AMR have submitted further information and a staff committee consisting of the City Manager, City Attorney, Administrative Services Director and Assistant City Attorney have reviewed the amended proposals and interviewed representatives of both proposers. The City Manager will update the City Council on the process. [Attach W-3](#)
- 8:10 **TABOR UPDATE AND STRATEGIES:** Administrative Services and Finance Director Ron Lappi will review the City's status in regard to the Taxpayer Bill of Rights and identify strategies to be used in the future to deal with such limitations. [Attach W-4](#)

**ADJOURN**

**Attach W-1  
Future Workshop Agendas**

# **FUTURE CITY COUNCIL WORKSHOP AGENDAS**

(14 December 2005)

↪ **JANUARY 2, MONDAY**

Canceled for New Year's Holiday

↪ **JANUARY 16, MONDAY 11:30 AM** at the **⇒Avalon Theater**

11:30 AVALON THEATER: Continued discussion of recent study

↪ **JANUARY 16, MONDAY 7:00PM**

7:00 COUNCIL REPORTS, REVIEW WEDNESDAY AGENDA AND FUTURE WORKSHOP AGENDAS

7:25 CITY MANAGER'S REPORT

7:30 APPOINTMENTS TO BOARDS & COMMISSIONS

7:35 CDBG: Update and possible plan amendments

8:00 BIRD FLU UPDATE with Dr. Aduddell

↪ **JANUARY 30, MONDAY 11:30 AM** in the **Administration Conference Room**

11:30 WESTERN COLORADO BOTANICAL GARDENS Board of Directors

↪ **JANUARY 30, MONDAY 7:00PM**

7:00 COUNCIL REPORTS, REVIEW WEDNESDAY AGENDA AND FUTURE WORKSHOP AGENDAS

7:25 CITY MANAGER'S REPORT

7:30 NEIGHBORHOOD PROGRAM UPDATE

## **FEBRUARY 2006**

↪ **FEBRUARY 13, MONDAY 11:30 AM** in the **Administration Conference Room**

11:30 DEVELOPMENT REVIEW PERFORMANCE MEASUREMENTS

↪ **FEBRUARY 13, MONDAY 7:00PM**

7:00 COUNCIL REPORTS, REVIEW WEDNESDAY AGENDA AND FUTURE WORKSHOP AGENDAS

7:25 CITY MANAGER'S REPORT

7:30 APPOINTMENTS TO BOARDS & COMMISSIONS

7:35 JARVIS REDEVELOPMENT

↳ **FEBRUARY 27, MONDAY 11:30 AM in the Administration Conference Room**  
11:30 OPEN

↳ **FEBRUARY 27, MONDAY 7:00PM**

7:00 COUNCIL REPORTS, REVIEW WEDNESDAY AGENDA AND FUTURE WORKSHOP AGENDAS

7:25 CITY MANAGER'S REPORT

7:30 STRATEGIC PLAN UPDATE

7:45 RIVERSIDE PARKWAY: Phase 2 update

↳ **MARCH 13, MONDAY 11:30 AM**

11:30 OPEN

↳ **MARCH 13, MONDAY 7:00PM**

7:00 COUNCIL REPORTS, REVIEW WEDNESDAY AGENDA AND FUTURE WORKSHOP AGENDAS

7:25 CITY MANAGER'S REPORT

7:30 APPOINTMENTS TO BOARDS & COMMISSIONS

7:35 OPEN

### ↩ BIN LIST ↩

1. Police Department building
2. North Avenue Corridor Plan (March?)
3. Annual meeting with DDA Board (they would prefer as early as possible in 2006)
4. Monthly Legislative Update: January Through May

### 2006 Department Presentations to City Council

Should we continue with these presentations in this way?



## *Memorandum*

**TO:** Kelly Arnold  
**FROM:** Mark Relph  
**CC:** David Varley, Tim Moore, Bob Blanchard  
**DATE:** December 13, 2005  
**SUBJECT:** Irrigation Lateral 135 requests to meet with City Council

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**Subject:** The Irrigation Lateral Company 135 has formally requested a meeting with City Council to discuss their challenges to maintain an open ditch irrigation system as part of new urban development. They are proposing a concept where new development fees are assessed at the time of development to place the open ditch system into a pipe.

**Attachments:**

1. Letter from the Irrigation Co dated with accompanying pictures

**Background:** The Lateral Company has expressed a growing concern to maintain an open ditch irrigation system originally intended for a more agricultural environment, with one that is changing to a more densely, urban setting. The Lateral Company is proposing a system of fees to be assessed at the time of development, but there be other alternatives to address their concerns.

The City's current development review process for irrigation systems in new development is limited to ensuring the water is transferred through the subdivision in a reasonable manner. If the system crosses what will be a public ROW, we ensure a sleeve is placed properly and compacted per our standards. Otherwise, we do not inspect the irrigation systems.

Irrigation companies receive a set of plans during the review process, but rarely submit comments. The majority of developments in the Pear Park area do pipe open ditches through the subdivision and usually place the pipe in the rear yard easements. In this case, we would review the easement language and location of the easement. If the subdivision proposes to use the irrigation water for outside watering, SSID's includes a checklist for the system design, but our

review is very limited and we would not inspect the installation of the system. On occasion, a development proposes to combine stormwater and irrigation in the same pipe/ditch system. We just completed a subdivision on Orchard Mesa with this type of combined facility. In this case, we do a more thorough review of pipe sizes, projected stormwater runoff, etc.

LATERAL 135  
3042 Belford Court  
Grand Junction, CO 81504  
(970) 260-9583

December 2, 2005

Mr. Mark Relph  
Public Works Director  
250 N. 5<sup>th</sup> Street  
Grand Junction, CO 81501

Dear Mark:

Listed below are the recommendations to the City of Grand Junction Lateral 135. as well as other incorporated Laterals, that the City implement to all developers making application for approval for upcoming subdivisions, commercial property and/or educational facilities.

Included with this request are photographs of Lateral 135 which we feel need the most immediate attention.

The first set of pictures shows how badly the lateral needs to have underground pipes. This stretch runs between two rows of houses from E Road and down Grand Valley Drive to Gunnison Avenue, about four blocks. NOTE: (75% of all water goes through Area One.)

The second set of pictures are going west below Cherokee Village; about 35% of all water goes down this ditch.

Pictures #3 show the ditch, further west from pictures #2, which services about 12 houses.

The last set of pictures show the ditch which is used mostly to transport water back to the canal.

- If they plan on using irrigation water then funds should be set aside to help with the cost of providing safe water for everyone.

Mr. Mark Relph  
December 2, 2005  
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- That each developer pays as follows: 4 units per acre - \$250/lot  
3 units per acre - \$333/lot  
2 units per acre - \$500/lot  
1 unit per lot - \$1,000/lot

These costs will be in addition to any irrigation systems the developer plans on having in his/her subdivision, commercial property and/or educational facilities.


- Said monies to be held in Trust and withdrawn only when needed to make improvements to the Lateral, such as upgrading Laterals so that all are in pipes (no open ditches), to cut down on water loss due to seepage, evaporation as well as mosquitoes.
- This will also insure Laterals and subdivisions compliance with upcoming Federal laws so that drain water won't mix with irrigation water (that they are run separately).
- Laterals would need to submit to the developer the amount of monies needed to comply with the law and to insure water for everybody, thus allowing for less maintenance of said Lateral.
- To make available to the Irrigation Laterals, a contact person(s) who would provide yearly assessment information for use of the Lateral, as well as the amount of shares owned by the subdivision, commercial property and/or educational facility.
- This action would be imposed on all subdivisions, commercial property and/or educational facilities presently approved but not completed as well as those in the future.

Mr. Mark Relph  
December 2, 2005  
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If the City will put into immediate effect, an ordinance or regulation, this will be a win/win situation for not only Lateral 135 but the developers and the future residents of the planned subdivisions as well as other laterals within the Valley.

Mark, thank you for your time in assisting us with these requests.

Sincerely,

A handwritten signature in black ink, appearing to read "Gordon Barker". The signature is written in a cursive style with a long, sweeping underline.

Gordon Barker, President  
Irrigation Lateral 135

Presented with the approval of the Board of Directors of Irrigation Lateral 135: Gordon Barker, John Massis, Keith Scott



**Group 1**



**Group 1**



**Group 2**



**Group 3**



**Group 4**



**Attach W-2  
Upcoming Appointments**

**CITY OF GRAND JUNCTION**

CITY COUNCIL AGENDA						
<b>Subject</b>	Upcoming Appointments to Boards & Commissions –Planning Commission/Zoning Board of Appeals					
<b>Meeting Date</b>	December 19, 2005					
<b>Date Prepared</b>	December 19, 2011				<b>File # NA</b>	
<b>Author</b>	Stephanie Tuin			<b>City Clerk</b>		
<b>Presenter Name</b>	Stephanie Tuin			<b>City Clerk</b>		
<b>Report results back to Council</b>	X	No		Yes	<b>When</b>	
<b>Citizen Presentation</b>		Yes	X	No	<b>Name</b>	
X	<b>Workshop</b>		<b>Formal Agenda</b>		<b>Consent</b>	<b>Individual Consideration</b>

**Summary:** After three rounds of advertising and trying other methods of getting the word out, the City has received two applications plus three requests for reappointment. Scheduling for interviews is the next step.

**Budget:** NA

**Action Requested/Recommendation:** Direction on when to schedule for interviews.

**Attachments:**

1. The current membership roster for both boards being discussed
2. Ethical Standards Resolution No. 84-02, adopted on 9-4-02

**Background Information:**

**Planning Commission**

Four terms are expiring in October. All incumbents are eligible for reappointment but only three are requesting reappointment. The first alternate can be moved up into a regular position, the second alternate would then become first alternate and the vacancy is then a second alternate position and member of the Zoning Board of

Appeals. Possible expertise needed on this board would include transportation, engineering or urban design expertise.

The Planning Commission is a seven member board plus two alternates that serve four-year terms. Members must be city residents. The Planning Commission hears and decides certain planning and zoning related issues and will make recommendations to the City Council on similar matters. The Commission holds public hearings on the 2<sup>nd</sup> and 4<sup>th</sup> Tuesday of each month at 7:00 p.m. and holds luncheon workshops twice a month. Unlike other volunteer boards, members of the Commission, including each alternate, receive \$25.00 for each meeting attended. The time commitment for the Planning Commission fluctuates but tends to be more than some of the other volunteer boards, from 15 to 25 hours per month. Meetings have lasted up to six hours (rare) or as short as 5 minutes but average three hours twice a month. There is quite a bit of preparation time needed before the meetings and the meetings are also televised.

Planning Commission's current projects include: a subcommittee is working on Big Box Code regulations and two members are serving on the 24 Road Subarea Plan review. In 2006, a South Downtown Land Use Plan will begin and Planning Commission representatives will likely participate in that process.

### **Zoning Board of Appeals**

Three of the members of the Zoning Board of Appeals also serve on the Planning Commission. The Chair for the two boards is the same and then the two alternates for the Planning Commission are members of the Zoning Board of Appeals. If an alternate member of the Planning Commission is made a regular member, a vacancy is created on the Appeals board.

This Board is a five-member board which hears and decides appeals of administrative decisions, appeals for variances of the bulk requirements and non-conforming uses, and requests for exceptions to the side or rear setback requirements pursuant to the Zoning and Development Code. The Board also makes recommendations to the Planning Commission for amendments to the Zoning and Development Code. Members must be City residents and the roster should contain members must be selected from the fields of: engineering, architecture, construction trades and citizens-at-large. The Board meets on the 2nd Wednesday of the month at noon as needed, which is around five or six times per year. The meetings are generally less than an hour.

### **Direction Needed**

- Can we go forward with interviews of the three incumbents and the two new applicants to fill the vacancies?

- Will the first alternate be moved up (as is customary)?
- Are two applications sufficient to fill the vacancy as second alternate to the Planning Commission/ Zoning Board of Appeals member?
- Who wants to be an interviewer?
- Do we wait until after the first of the year to schedule an interview date?



## PLANNING COMMISSION

Four Year Terms

Seven Member Board

<b>NAME</b>	<b>APPTED</b>	<b>REAPPT'D</b>	<b>EXP</b>	<b>OCCUPATION</b>
Roland E. Cole	12-05-01		10-05	Retired
John Redifer	12-05-01		10-05	Educator Mesa State
Dr. Paul A. Dibble (chair)	12-15-99	11-01-00 10-06-04	10-00 10-08	Theologist/ Business Owner
Bill Pitts	04-17-02		10-05	Broker
William E. Putnam	11-01-00	12-05-01	10-05	Retired
Lynn Pavelka-Zarkesh	08-18-04	10-06-04	10-08	Instructor
Tom Lowrey	8/18/04	10-06-04	10-08	Attorney
Reginald Wall (1 <sup>st</sup> Alternate)	08-18-04	10-06-04	10-08	Store Manager
Patrick Carlow (2 <sup>nd</sup> Alternate)	11-17-04		10-08	Sales

Seven members plus two BOA members as alternates are appointed by City Council. The chair of the Planning Commission also serves on the Board of Appeals.

Members must be city residents.

Meetings: Second and fourth Tuesday, 7:00 p.m., City Auditorium

**ZONING  
BOARD OF APPEALS**

Four Year Terms

Five Member Board

<b>NAME</b>	<b>APPTED</b>	<b>REAPPT'D</b>	<b>EXP</b>	<b>OCCUPATION</b>
Paul Dibble Chair	01-02	10-06-04	10-08	Theologist / Business Owner
Mark Williams	07-19-00	11-05-03	10-03 10-06	Attorney
Travis Cox	08-18-04		10-07	Realtor
Reginald Wall (1 <sup>st</sup> Alternate)	08-18-04	10-06-04	10-08	Store Manager
Patrick Carlow (2 <sup>nd</sup> Alternate)	11-17-04		10-08	Sales

Five voting members are appointed by City Council. Members must be city residents and voting members must be selected from the fields of engineering, architecture, construction trades and citizens-at-large. The chair of the Planning Commission also serves on the Board of Appeals.

Meetings: Second Wednesday, noon, City Hall Auditorium

**CITY OF GRAND JUNCTION, COLORADO**

**RESOLUTION NO. 84-02**

**A RESOLUTION CLARIFYING THE ETHICAL STANDARDS FOR MEMBERS OF THE CITY'S BOARDS, COMMISSIONS AND SIMILAR GROUPS**

Recitals.

- A. The various City boards, committees, commissions and other groups are similar in that: the members are typically appointed by the City Council; the mission of each is somehow supportive of the City; and from the perspective of the citizen, the actions and pronouncements of the members of such boards and commissions may be viewed as being the act or pronouncement of the City.
- B. The power and legal responsibilities of several of such City groups rise to the level that the City Council should provide additional guidance and rules, pursuant to the City charter, state and other law.
- C. Members of entities/boards who have one or more of the following powers, duties or opportunities, should be subject to higher scrutiny and care, and will be termed "Authoritative":
- spend money,
  - adopt a budget,
  - buy or sell property,
  - act for or bind the City,
  - sue and be sued,
  - hire/fire and supervise employee(s),
  - make land use decisions, including zoning and/or variances;
  - issue and regulate City licenses, including the power to suspend or revoke a right or privilege to do business with or within the City.
- D. The following are Authoritative:
- Grand Junction Downtown Development Authority
  - Walker Field Public Airport Authority (only for the three City appointees)
  - Grand Junction Housing Authority
  - Grand Junction Planning Commission
  - Grand Junction Planning Commission Board of Appeals
  - Building & Fire Code Board of Appeals
  - Contractor's Licensing Board
  - Parks Improvement Advisory Board (only for the City's appointee)

Public Finance Corporation  
Riverview Technology Corporation  
Grand Junction Forestry Board  
Ridges Architectural Control Committee

- E. A member of a body with advisory powers and duties only could normally not make a decision that is an actual conflict of interest, although a question of appearance of impropriety might arise. Such groups that are normally acting through a City employee or another City group will be termed “Advisory” for this resolution.

The following groups and boards are Advisory:

Commission on Arts and Culture  
Parks and Recreation Advisory Board  
Urban Trails Committee  
Riverfront Commission  
Historic Preservation Board  
Growth Plan members  
Study groups  
Transit Committees/groups  
Visitor & Convention Bureau Board of Directors  
Other *Ad Hoc* Committees

- F. All members City’s boards and groups are encouraged to discuss such matters with the City Attorney or the Mayor as soon as the member determines that a situation or circumstances has arisen or is likely to.
- G. Some court cases from other jurisdictions have suggested that the ethical and conflict rules for Authoritative groups should be the same as the rules for the City Council. Based on those cases, initial drafts of these rules treated all members of Authoritative groups as being equivalent as members of the City Council.

While having one rule for the Council and all Authoritative groups has the benefit of simplicity, there are quite real and significant limitations. Namely such a rule would mean, for example, that the spouse of an appointee to a City board would be prohibited from bidding on a City job, even though the particular board has no other connection with the bid.

- H. Having considered the benefits and practical impacts of the earlier draft, the Council determines that the earlier draft rule should apply to the members of the Council. For authoritative boards, the rule should be to view each such board on its own, and not act as though totally unrelated boards and groups are the same for these purposes.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION:**

1. These rules supplement state and other applicable law, especially including §101 of the City charter.
2. The recitals are a substantive part of these rules.
3. A member of an Authoritative board is subject to the same rules as is a Council person, but only with regard to the particular board or group on which the member serves.
4. Rules for members of an Authoritative board are:
  - (a) With regard to the board or group on which the member serves, it is not allowed for the member, or immediate family or business associates of the member, to contract with or have a business relationship with such member's board or group.
  - (b) It is not allowed for a member to act or be involved in a decision or situation in which it could reasonably be perceived that the member's personal or financial interests could influence the decision-making.
  - (c) Regarding the board or group on which a member serves, such member shall not act, influence or be involved in a decision or situation in which the member's immediate family or business associate is involved.
  - (d) Regarding the board or group on which the member serves, it is not allowed for a member's immediate family or business associate to do business with the board or group.
  - (e) Each member must disclose the conflict or appearance of impropriety (including the potential of either) as soon as possible.
  - (f) If a conflict exists, the member must remove him or herself from further involvement in the decision or the process. If an appearance of impropriety exists, the member may remove him/her self or may seek the guidance of the other members of the board or group. In addition, if either a conflict or the appearance thereof reasonably exists, the member must avoid exercise of any attempt to influence any decision-maker.
5. Advisory boards and members are not subject to the rules that apply to Authoritative boards or groups, except that:
  - (a) A member of an advisory board or group must: as soon as possible disclose the conflict, appearance of impropriety, or potential thereof; and

such member must absent him/herself from participation or influence regarding the matter.

6. There is no conflict, nor impropriety, for any member of any City Authoritative or Advisory board or group if the matter does not involve the board or group on which the member serves.
7. Some explanatory situations are described on the attached "Ethical Situations and Recommended Actions."

For this resolution:

- (a) "disclosure" or "disclose" means to write or email each member of the respective board or group, and to send a copy to the Mayor and to the City Attorney. The City Attorney shall deliver a copy of all such disclosures, along with any legal opinion that is made available to the public, to the City Clerk who will keep a public record of all such disclosures;
- (b) "immediate family" means a person's spouse/partner and the person's children, siblings and others living together as a family unit. Cousins, aunts, uncles, and parents would not be deemed "immediate family" unless living with the person as a part of the same family unit;
- (c) "business associate(s)" means a person who is:
  - (i) an owner of ten percent (10%) or more of a firm, corporation, limited liability company, partnership or other legal entity; and/or
  - (ii) an officer or director of a corporation; a manager or general manager of a member of a limited liability company; a partner of a partnership or a similar position of authority in another entity.

PASSED and ADOPTED this 4<sup>th</sup> day of September, 2002.

/s/ Cindy Enos-Martinez

President of the Council

—  
ATTEST:

/s/ Stephanie Tuin

Stephanie Tuin  
City Clerk

# Memo

**To:** City Council  
**From:** Dan Wilson, City Attorney  
**CC:** Law, Kelly Arnold, David Varley  
**Date:** July, 2002  
**Re:** Ethical Rules Scenarios

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**Scenario #1:** An applicant for an authoritative board is the owner of a firm and routinely does business for the City, but not for the board for which he is applying. The historical sales to the City by the applicant have all been pursuant to public bid process.

**Answer:** The applicant would be able to do business with the City and with any board other than the authoritative board to which appointed.

**Scenario #2:** An applicant for an authoritative board is not the owner, but is the number three person in a ten person firm that routinely does business with the City, but not for the board for which he is applying. The sales to the City by the applicant's firm are pursuant to public bid process.

**Answer:** If the #3 person is not an owner of the firm nor an officer, manager or member of the firm but is in a support role to the CEO/owner, then there is no conflict of interest.

Does this second scenario involve an appearance of impropriety? Stated another way, would a member of the public view the connection of the applicant to the firm as being identical as that of the owner? If so, the #3 person should disclose his/her relationship with the firm during the application process.

**Scenario #3** – If the applicant for the authoritative board was one of the primary workers for the ten person firm, but not in a management or supervisory role, would the result change?

**Answer:** The resolution would allow the arrangement. The person can serve because the person is not exercising decision making authority for the firm.

**Scenario #4:** – If an applicant for an authoritative board is the owner of a firm that provides services to another City authoritative board (rather than directly to the City), should the result change?

**Answer:** Because each authoritative board is viewed separately from other City authoritative boards, the applicant would be able to do business with the City and with any authoritative board except the one to which the person was appointed.

**Scenario #5:** If an applicant for an authoritative board is the husband of an owner of a firm that provides services to another City authoritative board, should the result change?

**Answer:** The owner/wife would only be barred from doing business with the particular authoritative board on which the husband served.

**Scenario #6** – If an applicant for an authoritative board is the sibling of an owner of a firm that provides services to another City authoritative board, should the result change?

**Answer:** This depends on the relationship between the siblings. Unless the sibling was living in the same house as the owner of the firm, there is no conflict.

An individual applicant or board member might still recuse in a particular instance regarding other members of one's extended family if the relationship is such that it would be difficult to make an independent and objective decision.

**Scenario #7:** If an applicant's best friend does business with the City, but does not do business with the authoritative board itself, is that a problem?

**Answer:** No conflict exists. Nevertheless, because the public could reasonably perceive that the close personal relationship would influence decision-making, recusal is appropriate.

**Scenario #8:** If an applicant's ex-spouse is one of the prime contractors for the City from time to time, but not at the time that the applicant would be appointed, would the applicant's appointment bar another contract during his or her term?



**Answer:** No, because the “ex-spouse” does not fit within the definition of family or close business associate.

**Scenario #9:** May the child of a member of an advisory board bid on a City Public Works Department contract authorized by the City Council?

**Answer:** Because the requirement for members of advisory boards is disclosure, once that has been completed, there is no other bar to such a bid.

**Scenario #10:** Assume that the Arts Commission was expected to recommend to the Parks Director regarding the Director’s purchase of a piece of art. If one of the members of the Commission was close friends with the creator of one of the pieces of art, the member should disclose the relationship and avoid further involvement with the process of making recommendations and acquiring the artwork.

-end-

**Attach W-3  
EMS Update**

**CITY OF GRAND JUNCTION**

CITY COUNCIL AGENDA						
<b>Subject</b>	Update on Ambulance transport provider					
<b>Meeting Date</b>	December 19, 2005					
<b>Date Prepared</b>	December 15, 2005				<b>File #</b>	
<b>Author</b>	Kelly Arnold Ron Lappi John Shaver			City Manager Administrative Services Director City Attorney		
<b>Presenter Name</b>	Kelly Arnold			City Manager		
<b>Report results back to Council</b>		<b>No</b>	X	<b>Yes</b>	<b>When</b>	February, 2006
<b>Citizen Presentation</b>		<b>Yes</b>	X	<b>No</b>	<b>Name</b>	
X	<b>Workshop</b>		<b>Formal Agenda</b>		<b>Consent</b>	<b>Individual Consideration</b>

**Summary and Background Information:** At the November 7, 2005 workshop, City Council gave direction to request further financial information from the Grand Junction Fire Department (GJFD) and American Medical Response (AMR) on their respective responses to the Request for Proposals for ambulance service (RFP) for the Grand Junction ambulance service area (GJASA).

The GJFD and AMR have submitted further information and a staff committee consisting of the City Manager, City Attorney, Administrative Services Director and Assistant City Attorney have reviewed the amended proposals and interviewed representatives of both proposers.

The selection of an ambulance provider (for the Grand Junction Ambulance Service Area – GJ ASA) has been a goal of the City Council since the County resolution creating service areas was adopted in early 2005. The City Council has determined it is in the best interest of the community to have one ambulance provider service for the next five years with the opportunity to extend that service for an additional five years. The ambulance service must be provided on specific performance standards that are required by the County.

**Budget:** Both responses were complete and responsive to the RFP and request for supplemental information. Following are the estimated/proposed impacts to the City General Fund of each proposal as supplemented.

GJFD: For six month of the first year of service (beginning July 1, 2006) the cost to the General Fund will be \$654,690 (includes a one-time donation of \$598,436 for equipment). In 2007 cost is projected to be \$86,264; 2008 cost is \$120,434; 2009 cost is \$258,500; and 2010 cost is \$240,704.

The estimates total \$1.4 million for the first five years, with anticipated General Fund costs required thereafter.

The GJFD has proposed that it will perform both emergent and non-emergent ambulance transport; however, on further review it is possible that the GJFD, if it was selected as the GJ ASA provider may subcontract the non-emergent work. It is unknown whether the GJFD would incur any additional cost or revenue if it did not perform the non-emergency transports.

AMR: Under the AMR proposal there is no General Fund cost except for the incremental cost for administering a performance contract with AMR. Some additional staff time (finance, legal and fire administration) with perhaps a portion of a position being assigned to routinely monitor the contract would be necessary.

AMR has offered to explore options for service that could include a collaborative approach to share some ambulance services and revenues with the City that could provide additional General Fund revenue depending up on the structure of the approach that is negotiated and agreed.

**Action Requested/Recommendation:** The staff review committee acknowledges that the initial review committee did score the GJFD proposal higher in quality compared to AMR (852 points to 788 points) but the spread is negligible compared to the cost associated with the proposals. Because of the significant cost of the GJFD proposal as well as the continuing cost of the proposed staffing increases, the staff committee concluded that the analysis and recommendation must turn on cost.

AMR has a proven track record in Grand Junction of providing good service; the review team believes that AMR's services may even improve, at no additional cost to the Grand Junction taxpayers, under the terms of a carefully drafted performance based agreement. If AMR is selected and if contract negotiations are successful AMR will be required to post a \$1,000,000 letter of credit as a performance guarantee.

The staff review committee recommends that Council direct that negotiations begin with AMR on a five year agreement. Most specifically, staff is interested in pursuing options collaborative approaches with GJFD. One option may be to carefully review and site ambulance stations for optimal response times.

Staff would request that the Council adopt the recommendation as soon as possible in order to begin negotiations with an anticipated start of a new contract in July 2006. AMR has indicated that such a timetable is feasible for its operations. Staff would like to schedule another workshop time with Council in February to give an update on the options prior to finalizing contract negotiations.

In addition a letter will be sent to Mesa County providing an update.

**Attachments:**

- ★ Letters from City Manager to GJFD and AMR to provide further information on their RFP.
- ★ Letter with financial information for GJFD.
- ★ Letter with financial information for AMR.



ALPHA STREET

serving the community together

November 3, 2005

Jim Bright  
Grand Junction Fire Department  
330 S 6<sup>th</sup> Street  
Grand Junction, CO 81501

Dear Jim:

Thank you for submitting a proposal in response the City's request for proposal (RFP) for the selection of an ambulance service provider for the Grand Junction ambulance service area. The selection of an ambulance service provider is a very important step in moving the emergency medical system in the Grand Valley to the next higher level of service. As you are aware the decision has not yet been made on which proposer will provide that service. The purpose of this letter is to update you on the progress and advise you of the next steps in the process.

The Selection Review Committee awarded Grand Junction's proposal more Quality points than it awarded the other proposal. This fact speaks highly of the effort that you and your committee put forth; however, the Review Committee had significant concerns with the financial aspects of the GJFD proposal and accordingly did not score the financial section of your submittal.

Because of those concerns the Review Committee concluded that additional information would be required in order to complete the process and fully evaluate the proposal. The Review Committee's comments and recommendations were presented to the City Council on October 31, 2005. At that meeting the Council directed me to request the following additional financial information from the Grand Junction Fire Department. The supplemental information that you provide will be evaluated with the expectation of a decision being made by February 15, 2006. In order to be deemed responsive the financial documents must:

1. Be calculated using the Mesa County EMS Resolution's maximum allowable rates;
2. The calculations should take TABOR implications into consideration (including but not limited to the proposal recognizing that no more than a 10% general fund subsidy will be provided if the service is to be provided as an enterprise). If not an enterprise, the proposal must demonstrate how additional revenue will not cause the City to be out of compliance with TABOR/create a TABOR refund and/or specifically address the reasons why it cannot meet TABOR implications.

The GJFD will have 30 days in which to compile and submit the supplemental financial information. The submittal shall be to me on or before the close of business on December 5, 2005.

Because the Fire Department received the highest Quality score, the supplemental information provided by the Department will be reviewed first. If the information is responsive, then I may ask the Selection Review Committee to review the supplemental information or I may make a recommendation to City Council to accept or reject the GJFD proposal, the other proposal or to reject all proposals. Please be advised that even if the GJFD submits responsive supplemental

information, the City Council may determine that the competing proposal is in the best interest of the community.

Because the process is not yet concluded and because it is a competitive process, please remind your team members not to engage in any lobbying of appointed or elected officials.

If you have questions, please contact me. I look forward to your response.

Sincerely,



Kelly Arnold  
City Manager

Cc: File



7 Dec-2005

FIRE

December 4, 2005

Mr. Kelly Arnold, City Manager  
250 N. 5<sup>th</sup> Street  
Grand Junction, Colorado 81501

HAND DELIVERED

Dear Kelly:

I am pleased provide the enclosed financial information you requested via your letter to Operations Chief Jim Bright on November 3, 2005. In that letter, you instructed Chief Bright to submit updated financial information as part of the Grand Junction Fire Department's proposal for the Grand Junction Ambulance Service Area Ambulance Service Provider. You specifically requested that updated information consider (1) the maximum allowable rates established in the Mesa County EMS Resolution and (2) that the Department consider an enterprise fund for accounting purposes. The GJFD EMS Proposal Task Force has addressed the request and provided the updated material.

I find that the updated financial information meets with the direction given. Additionally, it is possible to provide ambulance service for the GJASA using an enterprise fund approach. It is requested that start up costs be addressed as a separate issue and that the City fund the costs of \$598,436 as a loan to the service. It is anticipated that the incremental net costs of providing ambulance service will exceed the revenue generated; however, the shortfall is projected to be within the TABOR criteria for a General Fund subsidy to an enterprise fund (see attached worksheets).

The delivery of emergency medical service is a complicated issue for all communities and involves a large number of stakeholders. Given the nature of the Grand Junction system, there is an operational need to understand the role of the primary responder along with the sequence of medical transport and continuous care to a care facility. These two elements of the pre-hospital phase of medical care are common to all communities; however, there is a wide variance in the method used to deliver the phases of service.

First-responders typically are distributed strategically across a community and are used to achieve rapid response with the goal of early patient contact and care. This approach allows ambulance transport to be used in a more effective and efficient manner. It also allows the GJFD to handle a higher number of calls in the system without exhausting resources.

Kelly Arnold page 2 of 3 pages

The GJFD proposal is crafted to meet the pre-hospital needs of the Grand Junction Ambulance Service Area. If accepted, the proposal will:

- Continue the use of Fire Department resources for first response to medical emergencies;
- Provide emergent transport of patients using Fire Department resources;
- Include non-emergent transport of scheduled routine patients with Fire Department ambulances; and,
- Will consider subcontracting some scheduled routine patients, all out-of-town transports and stand-by events to an outside ambulance provider.

Selection of the Fire Department as the Ambulance Provider for the Grand Junction Ambulance Service Area will improve the stability of the system. The Department already has a longstanding history in the delivery of EMS and has the existing base resources to provide the service. The Department's fire station locations are strategically located throughout the response area and already provide paramedic-level first response for emergency calls. Additionally, the Department offers the following existing strengths:

- Dual-role fire-EMS personnel who are trained to provide a high level of emergency services which adds strength and value to the system;
- The Department has a very low percentage of employee turnovers, since, once hired, they tend to look at the position as a career,
- The Department has existing personnel support services which include a high degree of training as well as support from the City's Human Resources Department; and,
- The Department is established by City Charter and has primary responsibility to provide public safety services such as EMS and Fire Suppression.

The expansion of the Department's EMS system to include transports will enhance the quality of care to our citizens. This will be evident with:

- An improvement in patient care because the same agency will handle all aspects of field care, including transports;
- Medical personnel being involved in all phases of the care (from first response to delivery at a hospital) who will be able to follow up with Emergency Department staff;
- Improve the level of familiarity and build trust with hospital care providers resulting from greater contact;
- More thorough quality assurance, control and management of field personnel and services; and,
- Improvements in our ability to coordinate all of our public safety services, including large-scale events.



Kelly Arnold page 3 of 3 pages

In summary, the Department has the ability to provide transport services in a highly professional and competent manner. The EMS Task Force has provided information which indicates the ability to provide the incremental expansion of services within an enterprise fund structure. Given the updated financial projections, there will be a need to subsidize the enterprise fund with general fund revenues although the projected subsidy is within TABOR criteria. The additional expenses and revenues will not be subject to the City's existing agreement with the Grand Junction Rural Fire Protection District since they will be accounted for in the enterprise fund.

I fully support the Department's proposal and believe that it offers maximum integration of system resources. It is the Department's responsibility through the City's Charter and Mission Statement to provide services such as pre-hospital medical care. The Department already has the primary resources needed and currently exceeds Mesa County's performance criteria of emergency medical response within the Grand Junction Ambulance Service Area. Additionally, it is important to understand that the delivery of pre-hospital medical services is a difficult and changing environment due to changes in reimbursement secondary to federal mandates. Regardless of the City's decision on an ambulance provider at this time, it is possible that, due to these changes and to rising costs, the City may ultimately end up with this essential service.

Sincerely,



Rick Beaty  
Fire Chief

Enclosures

Copy: file

**TO: RICK BEATY, FIRE CHIEF**  
**FROM: JIM BRIGHT, OPERATIONS OFFICER**  
**DATE: NOVEMBER 28, 2005**  
**SUBJECT: ADDITIONAL EMS-RFP INFORMATION**

As requested in the November 3, 2005 letter from City Manager Kelly Arnold, the Grand Junction Fire Department EMS-RFP Task Force has reviewed and updated the financial information originally provided using the Mesa County EMS Resolution maximum allowable rates. We have also reviewed the TABOR implications of our proposal.

The GJFD original proposal was designed with two key principles in mind. Those principles were:

- The core mission of the GJFD is to provide 9-1-1 emergency services for fires, emergency medical services, hazardous materials incidents, and technical rescue incidents to the citizens of Grand Junction and the Grand Junction Fire Protection District.
- The GJFD EMS proposal could not diminish our ability to deliver the aforementioned 9-1-1 emergency services.

In order to meet these principles and also consider the TABOR implications, the updated financial information is applied only to the second option presented in our original proposal. This option proposed that all emergency (9-1-1) ambulance transports would be provided by the GJFD and that non-emergency ambulance transports would be provided in a shared partnership with a private provider. The attached financial information anticipates the GJFD providing 1400 non-emergency transports in the first year with a 5% increase in all transports, per year, for the second through fifth years. In addition, we recommend that this service be set up as an enterprise fund.

The updated financial information applied to the recommended option is based on more recent ambulance transport and expense data, and includes calculations for a modified work schedule using the same number of personnel in the original proposal. This modified work schedule reduces the amount of overtime as originally proposed but maintains the same level of service.

After review, City legal staff concluded that the 10% subsidy limitations imposed by TABOR should be applied to the billed revenue. To not exceed this limitation, we are requesting a donation from the City to the proposed enterprise fund equal to the startup costs. If allowed to set aside the startup costs, the TABOR limitation is not exceeded in any single year for the term of the contract.

**APPENDIX 6: FINANCIAL STATEMENT AND BUDGET FORMS - Page 1**

**EXPENSES**

Emergency and Non-Emergency Transport

Proposer: The Grand Junction Fire Department

<b>Item</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
<i>Personal Services</i>					
	<b>6 months</b>				
Paramedic Wages	\$ 214,619	\$ 464,202	\$ 501,651	\$ 567,414	\$ 583,029
Paramedic Benefits	\$ 74,218	\$ 161,563	\$ 175,817	\$ 195,512	\$ 207,836
EMT Wages	\$ 259,026	\$ 560,208	\$ 605,376	\$ 684,816	\$ 703,656
EMT Benefits	\$ 94,500	\$ 205,771	\$ 223,994	\$ 248,898	\$ 265,005
Other Wages	\$ 65,409	\$ 143,966	\$ 152,157	\$ 165,110	\$ 169,699
Other Benefits	\$ 7,696	\$ 17,944	\$ 19,147	\$ 20,510	\$ 21,847
<b>Subtotal</b>	<b>\$ 715,468</b>	<b>\$ 1,553,654</b>	<b>\$ 1,678,142</b>	<b>\$ 1,882,260</b>	<b>\$ 1,951,072</b>
<i>Vehicle Costs</i>					
Fuel	\$ 2,408	\$ 5,065	\$ 5,326	\$ 5,602	\$ 5,882
Vehicle Repair & Maintenance	\$ 3,401	\$ 7,006	\$ 7,216	\$ 7,432	\$ 7,655
Vehicle Lease/Depreciation	\$ 66,000	\$ 66,000	\$ 66,000	\$ 66,000	\$ 66,000
<i>Medical Equipment/Supplies</i>					
Medical Supplies	\$ 33,118	\$ 68,439	\$ 70,492	\$ 72,607	\$ 74,786
Medical Equipment Lease/Depreciation				\$ 4,234	\$ 4,234
Maintenance and Repair	\$ 1,140	\$ 1,174	\$ 1,209	\$ 1,500	\$ 1,545
<i>Other</i>					
Rents and Leases					
Insurance	\$ 4,051	\$ 4,051	\$ 4,051	\$ 4,051	\$ 4,051
Utilities and Telephone	\$ 540	\$ 540	\$ 540	\$ 540	\$ 540
Office Supplies and Postage	\$ 1,354	\$ 1,381	\$ 1,409	\$ 1,471	\$ 1,500
Professional Services	\$ 63,626	\$ 133,616	\$ 141,258	\$ 147,311	\$ 154,677
Taxes					
Startup Costs	\$ 598,436				
MC Fee + Ambulance Lic. Fee	\$ 13,500	\$ 26,875	\$ 28,220	\$ 29,636	\$ 31,115
<b>Subtotal</b>	<b>\$ 787,574</b>	<b>\$ 314,147</b>	<b>\$ 325,721</b>	<b>\$ 340,384</b>	<b>\$ 351,985</b>
<b>TOTAL EXPENSES</b>	<b>\$ 1,503,042</b>	<b>\$ 1,867,801</b>	<b>\$ 2,003,863</b>	<b>\$ 2,222,644</b>	<b>\$ 2,303,057</b>

**APPENDIX 6: FINANCIAL STATEMENT AND BUDGET FORMS - Page 2**

**REVENUES**

Proposer: The Grand Junction Fire Department

Item	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Patient Charges</i>					
Private	\$ 222,949	\$ 468,193	\$ 491,603	\$ 516,183	\$ 541,992
Insurance	\$ 581,215	\$ 1,220,552	\$ 1,281,579	\$ 1,345,658	\$ 1,412,941
Medicare	\$ 1,130,456	\$ 2,373,957	\$ 2,492,655	\$ 2,617,287	\$ 2,748,152
Welfare/Mcaid	\$ 141,949	\$ 298,092	\$ 312,996	\$ 328,646	\$ 345,079
Other 3rd Party Payments	_____	_____	_____	_____	_____
 <i>Other Revenue, Specify</i>					
<i>Out of town transports</i>	_____	_____	_____	_____	_____
<i>standby at a rate of</i>	_____	_____	_____	_____	_____
	\$ 2,076,569	\$ 4,360,794	\$ 4,578,833	\$ 4,807,774	\$ 5,048,164
 <i>(Less) Uncollectable Accounts</i>					
Private	\$ 133,769	\$ 280,916	\$ 294,962	\$ 309,710	\$ 325,195
Insurance	\$ 209,237	\$ 439,399	\$ 448,553	\$ 484,437	\$ 508,659
Medicare	\$ 746,101	\$ 1,566,811	\$ 1,645,152	\$ 1,727,410	\$ 1,813,780
Welfare/Mcaid	\$ 139,110	\$ 292,130	\$ 306,737	\$ 322,073	\$ 338,177
Other 3rd Party Payments	_____	_____	_____	_____	_____
 <b>TOTAL REVENUES</b>	 <b>\$ 848,352</b>	 <b>\$ 1,781,538</b>	 <b>\$ 1,883,429</b>	 <b>\$ 1,964,144</b>	 <b>\$ 2,062,353</b>
 <b>NET REVENUES (Total</b>					
Revenues Less Expenses)	 <b>-654,690</b>	 <b>-86,263</b>	 <b>-120,434</b>	 <b>-258,500</b>	 <b>-240,704</b>
 Less Startup Cost	 -56,254				

# grand junction

serving the community together

November 3, 2005

Scott Lenn  
American Medical Response  
922 S Santa Fe Ave.  
Pueblo, CO 81006

Dear Scott:

Thank you for submitting a proposal in response to the City's request for proposal (RFP) for the selection of an ambulance service provider for the Grand Junction ambulance service area. The selection of an ambulance service provider under the new County resolution is a very important step in moving the emergency medical system in the Grand Valley to the next higher level of service. As you are aware the decision has not yet been made on which proposer will provide that service. The purpose of this letter is to update you on the progress and advise you of the next steps in the process.

The Selection Review Committee awarded AMR's proposal fewer Quality points than it awarded the other proposal; however, it is clear that AMR did a very good job in its response. The effort that you and your company put forth is appreciated.

The Review Committee had significant concerns with the financial aspects of the AMR proposal and accordingly did not score the financial section of your submittal. Because of those concerns the Review Committee concluded that additional information would be required in order to complete the process and fully evaluate the proposal. The Review Committee's comments and recommendations were presented by City staff to the City Council on October 31, 2005. At that meeting the Council directed me to request the following additional financial information from AMR. The supplemental information that you provide will be evaluated with the expectation of a decision being made by February 15, 2006. In order to be deemed responsive the supplemental financial documents must:

- 1) assume the maximum rates allowed/currently established by the Mesa County Ambulance Resolution and/or the regulations promulgated there under.

AMR will have 30 days in which to compile and submit the supplemental financial information. The submittal shall be to me on or before the close of business on December 5, 2005.

Because AMR received a lower Quality score, the supplemental information provided by the other proposal will be reviewed first. If the information is responsive, then I may ask the Selection Review Committee to review the supplemental information or I may make a recommendation to City Council to accept or reject the other proposal or to reject all proposals. Please be advised that even if AMR submits responsive supplemental information, the City

Council may determine that the competing proposal is in the best interest of the community based on the scoring.

Because the process is not yet concluded and because it is a competitive process, please remind your team members not to engage in any lobbying of appointed or elected officials.

If you have questions, please contact me. I look forward to your response.

Sincerely,



Kelly Arnold  
City Manager

Cc: File



**AMERICAN MEDICAL RESPONSE**

**Grand Junction**

**529 25 ½ Road Suite B106 \* Grand Junction, Colorado \* 81505  
Phone (970) 242-2920 \* Fax (970) 241-2791 \* Dispatch (877) 211-9321**

**RECEIVED**

NOV 21 2005

| November 16, 2005

Mr. Kelly Arnold, City Manager  
City of Grand Junction  
250 North Street  
Grand Junction, CO 81501

RE: Supplemental financial information request for Grand Junction Ambulance RFP

Dear Mr. Arnold,

We are pleased to submit a detailed response to your request, dated November 3, 2005, for clarification on our response to the Grand Junction request for proposal's (RFP), specifically as it relates to our pricing documentation in the appendix of the RFP response. As required, the supplemental financial documents that are being submitted assume the maximum rates established by the Mesa County Ambulance resolution and/or the regulations promulgated there under.

During the final preparation for our oral presentation on October 13<sup>th</sup> 2005, AMR discovered that a required attachment, Form C, Proposed Operating Budget, had been incorrectly submitted with outdated pricing information that did not reconcile to the text and charts in the Pricing section of the text, specifically page 86, *average collections per patient transport 2007-2011* and page 87 *average net collections per patient transport* bar graph. As you can see, the average collections per patient transport for 2007 of \$349.20 aligns with the corrected Form C, Proposed Operating Budget, Page 3, not the incorrect version that reflected an average amount of \$357. As such, the Form C that was inadvertently attached to the RFP response was an earlier draft version of the operating budget that contained advanced life support (ALS) emergency ambulance rates that exceeded the Mesa County maximum ambulance rates that were recently enacted in July of 2005 by county resolution. Clearly, the submitted text and corrected worksheets now accurately align with a rate schedule that complies with the Mesa County Ambulance resolution and/or the regulations promulgated there under.

When AMR discovered the error in our proposal, it was immediately brought to the attention of the Grand Junction Purchasing Office the next morning. In addition, we notified the RFP selection committee at the onset of our oral presentation on October 14<sup>th</sup>. While we did offer the correct and intended Form C, Proposed Operating Budget, with pricing in accordance with the Mesa County Resolution consistent with the text and charts in the RFP, we were advised that the committee was unable to consider any additional information at that time. AMR fully understood the committee's position relative to that request at the time and assumed full responsibility for the oversight. Hence, AMR is again submitting the correct Form C, Proposed Operating Budget, which is attached to this letter of transmittal and is consistent with our proposal text.

Our correct Form C, Proposed Operating Budget, assumed Year 1 operating costs of \$2,030,820 or \$346.47 per transport. The Form C Proposed Operating Budget also contemplated total revenues of \$2,063,301 in Year 1, or net revenue of \$32,481. These figures were derived from proposed ambulance base rates as follows:

Source of Payments	Billing Rate
A0425 – Ground mileage	\$ 19.90
A0426 - ALS1 (non-emergency)	\$ 781.00
A0427 - ALS1-(emergency)	\$ 781.00
A0428 – BLS (non-emergency)	\$ 572.00
A0429 – BLS (emergency)	\$ 572.00
A0433 - ALS2	\$ 587.12
A0434 - Specialty Care (SCT)	\$ 781.00

As you can see in the attached Form C, Proposed Operating Budget, as well as in the text and chart on pages 86-87 of our proposal, the total revenue and revenue per transport are consistent with the RFP response submitted by AMR in the Pricing section. Moreover, these rates are again consistent with the Mesa County resolution regarding maximum ambulance rates. The projections for years 2-5 are consistent with historical growth for both transports (2.5%) and cost of living increases (3%). It is important to note that AMR's pricing did not include any financial subsidy, served both emergency 911 and non-emergency as an exclusive franchise as specifically outlined in the RFP, and also includes guaranteed performance security through a \$1M irrevocable letter of credit as required by the RFP. In other words, our proposal guarantees meeting contract performance to the standards set forth while serving all of the customers in both the emergency and facility transfer market, all at no financial risk or increased cost to local government. If additional staffing or resources are required to meet the performance standards committed to in this RFP and our resulting proposal, AMR assumes all of the financial risk for doing so at the rates set forth in its document.



I thank you in advance for the opportunity to respond to your request for additional information and/or clarification as allowed by the RFP in Section 3.1.3. We hope we have provided the data you were seeking that allows you to clarify the information being requested. American Medical Response remains steadfast in our desire to continue to provide high quality EMS and ambulance transport services to the Grand Junction Ambulance Service Area (ASA) under a performance contract with guaranteed performance security for years to come. Please do not hesitate to contact me if you require any additional information or documentation.

Respectfully,



Scott Lenn, Operations Director  
Southern and Western Colorado  
American Medical Response

Attachment (1)

**Scott Lenn, Director of Operations**  
**Brain Lurvey, Interim Manager \* Supervisor: Dave Andrus**  
**CES Coordinator: Jennifer Jones \* Administrative Assistant: Becky Ottman**

Form C—Proposed Operating Budget, Page 1

Proposer: **American Medical Response**

<b>EXPENSES</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
<i>Personal Services</i>					
Paramedic Wages	\$ 499,381	\$ 515,610	\$ 532,368	\$ 549,670	\$ 567,534
Paramedic Benefits	\$ 91,091	\$ 98,072	\$ 105,764	\$ 114,245	\$ 123,608
EMT Wages	\$ 271,581	\$ 280,407	\$ 289,520	\$ 298,930	\$ 308,645
EMT Benefits	\$ 49,538	\$ 53,335	\$ 57,518	\$ 62,131	\$ 67,222
Other Wages	\$ 153,442	\$ 158,429	\$ 163,578	\$ 168,895	\$ 174,384
Other Benefits	\$ 27,989	\$ 30,134	\$ 32,498	\$ 35,104	\$ 37,980
<b>Subtotal</b>	<b>\$ 1,093,022</b>	<b>\$ 1,135,988</b>	<b>\$ 1,181,245</b>	<b>\$ 1,228,973</b>	<b>\$ 1,279,373</b>
<i>Vehicle Costs</i>					
Fuel	\$ 38,564	\$ 39,914	\$ 41,311	\$ 42,757	\$ 44,253
Veh. Repair & Maintenance	\$ 74,363	\$ 76,966	\$ 79,660	\$ 82,448	\$ 85,334
Veh. Lease/Depreciation	\$ 111,890	\$ 111,890	\$ 111,890	\$ 111,890	\$ 111,890
<b>Subtotal</b>	<b>\$ 224,818</b>	<b>\$ 228,770</b>	<b>\$ 232,861</b>	<b>\$ 237,095</b>	<b>\$ 241,477</b>
<i>Medical Equipment/Supplies</i>					
Medical supplies	\$ 79,717	\$ 78,882	\$ 83,280	\$ 87,923	\$ 92,824
Med. Equip. lease/depreciation	\$ 18,473	\$ 18,473	\$ 18,473	\$ 18,473	\$ 18,473
Maintenance and Repair	\$ 4,278	\$ 4,428	\$ 4,583	\$ 4,743	\$ 4,909
<b>Subtotal</b>	<b>\$ 102,467</b>	<b>\$ 101,783</b>	<b>\$ 106,335</b>	<b>\$ 111,138</b>	<b>\$ 116,206</b>
<i>Other</i>					
Rents and leases	\$ 77,739	\$ 80,460	\$ 83,276	\$ 86,191	\$ 89,208
Insurance	\$ 39,165	\$ 42,714	\$ 47,038	\$ 51,631	\$ 56,653
Utilities and telephone	\$ 63,360	\$ 65,421	\$ 67,550	\$ 69,749	\$ 72,020
Office supplies and postage	\$ 24,243	\$ 24,727	\$ 25,222	\$ 25,726	\$ 26,241
Professional services	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes and transport surcharge	\$ 29,525	\$ 30,262	\$ 31,018	\$ 31,792	\$ 32,585
External dispatch fees	\$ 52,182	\$ 54,008	\$ 55,899	\$ 57,855	\$ 59,880
AED donations	\$ 5,975	\$ 5,975	\$ 5,975	\$ 5,975	\$ 5,975
Support services	\$ 137,236	\$ 139,981	\$ 142,780	\$ 145,636	\$ 148,549
Patient billing services	\$ 126,139	\$ 128,662	\$ 131,235	\$ 133,860	\$ 136,537
General administrative	\$ 54,950	\$ 56,113	\$ 57,302	\$ 58,518	\$ 59,760
<b>Subtotal</b>	<b>\$ 610,513.53</b>	<b>\$ 628,324.52</b>	<b>\$ 647,295.32</b>	<b>\$ 666,932.24</b>	<b>\$ 687,406.56</b>
<b>TOTAL</b>	<b>\$ 2,030,820</b>	<b>\$ 2,094,866</b>	<b>\$ 2,167,737</b>	<b>\$ 2,244,139</b>	<b>\$ 2,324,462</b>

**Form C—Proposed Operating Budget, Page 2**

Proposer: **American Medical Response**

<b>Revenues</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
<i>Patient Charges</i>					
Private	\$ 1,230,184	\$ 1,297,974	\$ 1,368,598	\$ 1,442,190	\$ 1,518,891
Insurance	\$ 1,672,566	\$ 1,764,734	\$ 1,860,754	\$ 1,960,810	\$ 2,065,093
Medicare	\$ 2,264,428	\$ 2,389,211	\$ 2,519,209	\$ 2,654,671	\$ 2,795,856
Welfare	\$ 610,042	\$ 643,659	\$ 678,681	\$ 715,175	\$ 753,210
Other 3rd party payments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<i>Other Revenue, Specify</i>					
Standby activity	\$ 16,504	\$ 18,155	\$ 19,970	\$ 21,967	\$ 24,164
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<i>(Less) Uncollectable Accounts</i>					
Private	\$ (997,126)	\$ (1,052,074)	\$ (1,109,318)	\$ (1,168,967)	\$ (1,231,137)
Insurance	\$ (713,715)	\$ (751,774)	\$ (771,305)	\$ (793,459)	\$ (816,865)
Medicare	\$ (1,475,723)	\$ (1,581,683)	\$ (1,674,939)	\$ (1,781,899)	\$ (1,893,534)
Welfare	\$ (543,860)	\$ (575,822)	\$ (609,148)	\$ (643,904)	\$ (680,157)
Other 3rd party payments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>TOTAL REVENUE</b>	<b>\$ 2,063,301</b>	<b>\$ 2,152,380</b>	<b>\$ 2,282,502</b>	<b>\$ 2,406,583</b>	<b>\$ 2,535,520</b>
<b>NET REVENUE (Total Revenue less Expenses)</b>	<b>\$ 32,481</b>	<b>\$ 57,514</b>	<b>\$ 114,766</b>	<b>\$ 162,444</b>	<b>\$ 211,058</b>

**Attach W-4  
TABOR Update**

**CITY OF GRAND JUNCTION**

CITY COUNCIL AGENDA							
<b>Subject</b>		Update on TABOR and Strategies					
<b>Meeting Date</b>		December 19, 2005					
<b>Date Prepared</b>		December 14, 2005			<b>File #</b>		
<b>Author</b>		Ron Lappi		<b>Admin. Services and Finance Dir.</b>			
<b>Presenter Name</b>		Ron Lappi		<b>Admin. Services and Finance Dir.</b>			
<b>Report results back to Council</b>		X	No		Yes	When	
<b>Citizen Presentation</b>			Yes	X	No	Name	
X	Workshop		Formal Agenda			Consent	Individual Consideration

**Summary:** TABOR was adopted by the voters of the State of Colorado in November 1992, and created various revenue growth restrictions, policies and practices. It also restricts the ability of local governments to change tax rates, tax bases, and to issue various forms of general government debt. The revenue growth restrictions can be overridden by a local vote, as debt, tax rates, and bases may be.

**Budget:** Impacts on the City of Grand Junction began in 1998 with a small property tax refund. Revenue refunds through 2005 have totaled \$2,707,537; all of which has been property tax except \$560,883 of general revenues (excluding property tax) in 1999. Our future projections expect these numbers (especially property tax refunds) to continue to increase.

**Action Requested/Recommendation:** Review and discuss TABOR implications for the City of Grand Junction, and identify possible override elections to retain revenues, increase tax rates, and/or authorize the use of debt.

**Attachments:**

- A lay person’s report on TABOR and how it works
- Example of revenue growth calculation
- Text of the actual TABOR Amendment to Article X, Section 20
- Our TABOR compliance history
- Graph of TABOR revenue and refund history
- Graph of the beneficiaries of the recent TABOR authorized refund.

- 20 year projection of revenue limit and actual revenue
- TABOR growth rate projections versus actual revenue
- Projected 20 year property tax refunds
- Detailed worksheets at 5.5% and 6.0% Sales Tax Growth

**Background Information:** Because of the continued local growth component of Grand Junction from new construction and annexation; the impacts on the City's revenues has been minimal since 1992. There were no refunds from 1993 through 1997. We have had a property tax refund every year since 1997, that we refunded through a temporary credit mill levy, starting at \$139,000 and which has grown to approximately \$459,000 in 2005. The future is of course impossible to project and is sensitive to all kinds of variables from sales tax growth, to the Denver/Boulder Consumer Price Index, to new construction annually, to inflation, and to new annexations annually. The models that we are using are very sensitive to minor changes in these variables over the next twenty years.

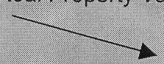
If we asked the voters for approval of new taxes, debt or retention of property tax refunds; we would also ask to exempt those things from the TABOR base and limitations as part of the question. In 2013 our City debt service, that is exempt from TABOR, will actually go down creating an opportunity to add some general government debt for a purpose supported by the community.

Besides a tax and debt strategy, this may be the right time to consider a question before the voters on retention and utilization of the current property tax refund. These amounts annually could pay of the Riverside Parkway Bonds early, or support a bond issue to build a new safety services facility to replace our aging Police Building. The 22% assessed value increase this year has caused a 147% increase in the potential property tax refund next year, and significantly increases the potential retention value to the City. We normally expect an 8% increase in assessed values during the every other year reassessment. Only if we raise our sales tax projection to 6%, will we experience a general government refund in the next twenty years. Of course any one year spike in revenues will cause a refund, while a significant dip in revenues will cause the ratcheting down effect recently experienced by the State of Colorado. Options for the refund of revenues other than property tax, which must be returned to property tax payers (or retained with voter approval), can be refunded in a variety of creative ways including: free days at the pools, free recreation programs for a month, free trash services for a month, checks to every household in the City, property tax refunds, free golf for certain days or a week, etc.

## **CITY OF GRAND JUNCTION REPORT ON TABOR**

- **TABOR requires an election to raise taxes in any way (not a problem for GJ).**
- **TABOR requires an election to issue additional general government debt (not a problem for GJ).**
- **TABOR also restricts our ability to retain revenues generated from our growth population, property values, new construction, retail sales activity; which then restricts our ability long term to provide the infrastructure needed by our citizens and the services they demand.**
- **TABOR requires two different revenue growth calculations annually. The first applies to property tax revenue and the second applies to all general government revenues including property tax.**
- **The annual allowed growth percentage is the total of the Denver/Boulder CPI for the immediate previous calendar year, plus the certified growth in actual value of all real property due to new construction and annexations.**
- **TABOR is not a spending limitation, since any revenues that you are allowed to keep under the above calculation can be simply reserved for future needs and expended at that time.**
- **Long term the problem with TABOR is that we will be able to retain less and less of our revenue growth to meet the needs of our community. The actual mechanics and math calculations of the model ensure that eventually we will only be retaining approximately the Denver/Boulder CPI. This number has little to do with the growing needs of a dynamic growing community such as Grand Junction.**
- **Our only refunds under TABOR have been a small property tax refund of \$200,000 to \$300,000 since 1998, except for 1999 when we refunded \$600,000 (most of which was overall revenues from Sales Tax).**
- **Since 2001 our overall general government revenues have been growing significantly slower than the allowed growth under TABOR, causing a ratchet down effect of our revenue base that we can never recover.**

## Tabor Growth Rate Calculation

<b>LOCAL GROWTH COMPONENT</b>		<u>Example</u>
Change In Real Property Value Due To ANNEXATIONS		\$ 50,000,000
+ <u>Change In Real Property Value Due To NEW CONSTRUCTION</u>		<u>\$ 4,000,000</u>
= Net Growth In Real Property Value		\$ 54,000,000
		
	<u>Net Growth In Real Property Value</u>	<u>\$ 54,000,000</u>
Divided By	Prior Years Actual Value Of Real Property	\$ 1,900,000,000
<b>= Local Growth Rate</b>		<b>2.84%</b>

<b>INFLATION GROWTH COMPONENT</b>		<u>Example</u>
Prior Year's DENVER/BOULDER CPI-U		<b>2.90%</b>

<b>CURRENT YEAR TABOR GROWTH LIMIT</b>		<u>Example</u>
Local Growth Rate		<b>2.84%</b>
+ <u>Inflation Growth Rate</u>		<u><b>2.90%</b></u>
<b>= TABOR GROWTH LIMIT</b>		<b>5.74%</b>

## Text of Amendment 1—Taxpayer's Bill of Rights (Bruce)

Be it Enacted by the People of the State of Colorado:

### Article X, Section 20

**The Taxpayer's Bill of Rights. (1) General provisions.** This section takes effect December 31, 1992 or as stated. Its preferred interpretation shall reasonably restrain most the growth of government. All provisions are self-executing and severable and supersede conflicting state constitutional, state statutory, charter, or other state or local provisions. Other limits on district revenue, spending, and debt may be weakened only by future voter approval. Individual or class action enforcement suits may be filed and shall have the highest civil priority of resolution. Successful plaintiffs are allowed costs and reasonable attorney fees, but a district is not unless a suit against it be ruled frivolous. Revenue collected, kept, or spent illegally since four full fiscal years before a suit is filed shall be refunded with 10% annual simple interest from the initial conduct. Subject to judicial review, districts may use any reasonable method for refunds under this section, including temporary tax credits or rate reductions. Refunds need not be proportional when prior payments are impractical to identify or return. When annual district revenue is less than annual payments on general obligation bonds, pensions, and final court judgments, (4) (a) and (7) shall be suspended to provide for the deficiency.

(2) **Term definitions.** Within this section: (a) "Ballot issue" means a non-recall petition or referred measure in an election.

(b) "District" means the state or any local government, excluding enterprises.

(c) "Emergency" excludes economic conditions, revenue shortfalls, or district salary or fringe benefit increases.

(d) "Enterprise" means a government-owned business authorized to issue its own revenue bonds and receiving under 10% of annual revenue in grants from all Colorado state and local governments combined.

(e) "Fiscal year spending" means all district expenditures and reserve increases except, as to both, those for refunds made in the current or next fiscal year or those from gifts, federal funds, collections for another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage awards, or property sales.

(f) "Inflation" means the percentage change in the United States Bureau of Labor Statistics Consumer Price Index for Denver-Boulder, all items, all urban consumers, or its successor index.

(g) "Local growth" for a non-school district means a net percentage change in actual value of all real property in a district from construction of taxable real property improvements, minus destruction of similar improvements, and additions to, minus deletions from, taxable real property. For a school district, it means the percentage change in its student enrollment.

(3) **Election provisions.** (a) Ballot issues shall be decided in a state general election, biennial local district election, or on the first Tuesday in November of odd-numbered years. Except for petitions, bonded debt, or charter or constitutional provisions, districts may consolidate ballot issues and voters may approve a delay of up to four years in voting on ballot issues. District actions taken during such a delay shall not extend beyond that period.

(b) 15-25 days before a ballot issue election, districts shall mail at the least cost, and as a package where districts with ballot issues overlap, a titled notice or set of notices addressed to "All Registered Voters" at each address of one or more active registered electors. Titles shall have this order of preference: "NOTICE OF ELECTION TO INCREASE TAXES/TO INCREASE DEBT/ON A CITIZEN PETITION/ON A REFERRED MEASURE." Except for district voter-approved additions, notices shall include only:

(i) The election date, hours, ballot title, text, and local election office address and telephone number.

(ii) For proposed district tax or bonded debt increases, the estimated or actual total of district fiscal year spending for the current year and each of the past four years, and the overall percentage and dollar change.

(iii) For the first full fiscal year of each proposed district tax increase, district estimates of the maximum dollar amount of each increase and of district fiscal year spending without the increase.

(iv) For proposed district bonded debt, its principal amount and maximum annual and total district repayment cost, and the principal balance of total current district bonded debt and its maximum annual and remaining total district repayment cost.

(v) Two summaries, up to 500 words each, one for and one against the proposal, of written comments filed with the election officer by 30 days before the election. No summary shall mention names of persons or private groups, nor any endorsements of or resolutions against the proposal. Petition representatives following these rules shall write this summary for their petition. The election officer shall maintain and accurately summarize all other relevant written comments.

(c) Except by later voter approval, if a tax increase or fiscal year spending exceeds any estimate in (b) (iii) for the same fiscal year, the tax increase is thereafter reduced up to 100% in proportion to the combined dollar excess, and the combined excess revenue refunded in the next fiscal year. District bonded debt shall not issue on terms that could exceed its share of its maximum



repayment costs in (b) (iv). Ballot titles for tax or bonded debt increases shall begin, "SHALL (DISTRICT) TAXES BE INCREASED (first, or if phased in, final, full fiscal year dollar increase) ANNUALLY...?" or "SHALL (DISTRICT) DEBT BE INCREASED (principal amount), WITH A REPAYMENT COST OF (maximum total district cost)...?"

(4) Required elections. Starting November 4, 1992, districts must have voter approval in advance for (a) Unless (1) or (6) applies, any new tax, tax rate increase, mill levy above that for the prior year, valuation for assessment ratio increase for a property class, or extension of an expiring tax, or a tax policy change directly causing a net tax revenue gain to any district.

(b) Except for refinancing district bonded debt at a lower interest rate or adding new employees to existing district pension plans, creation of any multiple-fiscal year direct or indirect district debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years.

(5) Emergency reserves. To use for declared emergencies only, each district shall reserve for 1993 1% or more, for 1994 2% or more, and for all later years 3% or more of its fiscal year spending excluding bonded debt service. Unused reserves apply to the next year's reserve.

(6) Emergency taxes. This subsection grants no new taxing power. Emergency property taxes are prohibited. Emergency tax revenue is excluded for purposes of (3) (c) and (7), even if later ratified by voters. Emergency taxes shall also meet all of the following conditions (a) A 2/3 majority of the members of each house of the general assembly or of a local district board declares the emergency and imposes the tax by separate recorded roll call votes.

(b) Emergency tax revenue shall be spent only after emergency reserves are depleted, and shall be refunded within 180 days after the emergency ends if not spent on the emergency.

(c) A tax not approved on the next election date 60 days or more after the declaration shall end with that election month.

(7) Spending limits. (a) The maximum annual percentage change in state fiscal year spending equals inflation plus the percentage change in state population in the prior calendar year, adjusted for revenue changes approved by voters after 1991. Population shall be determined by annual federal census estimates and such number shall be adjusted every decade to match the federal census.

(b) The maximum annual percentage change in each local district's fiscal year spending equals inflation in the prior calendar year plus annual local growth, adjusted for revenue changes approved by voters after 1991 and (8) (b) and (9) reductions.

(c) The maximum annual percentage change in each district's property tax revenue equals inflation in the prior calendar year plus annual local growth, adjusted for property tax revenue changes approved by voters after 1991 and (8) (b) and (9) reductions.

(d) If revenue from sources not excluded from fiscal year spending exceeds these limits in dollars for that fiscal year, the excess shall be refunded in the next fiscal year unless voters approve a revenue change as an offset. Initial district bases are current fiscal year spending and 1991 property tax collected in 1992. Qualification or disqualification as an enterprise shall change district bases and future year limits. Future creation of district bonded debt shall increase, and retiring or refinancing district bonded debt shall lower, fiscal year spending and property tax revenue by the annual debt service so funded. Debt service changes, reductions, (1) and (3) (c) refunds, and voter-approved revenue changes are dollar amounts that are exceptions to, and not part of, any district base. Voter-approved revenue changes do not require a tax rate change.

(8) Revenue limits. (a) New or increased transfer tax rates on real property are prohibited. No new state real property tax or local district income tax shall be imposed. Neither an income tax rate increase nor a new state definition of taxable income shall apply before the next tax year. Any income tax law change after July 1, 1992 shall also require all taxable net income to be taxed at one rate, excluding refund tax credits or voter-approved tax credits, with no added tax or surcharge.

(b) Each district may enact cumulative uniform exemptions and credits to reduce or end business personal property taxes.

(c) Regardless of reassessment frequency, valuation notices shall be mailed annually and may be appealed annually, with no presumption in favor of any pending valuation. Past or future sales by a lender or government shall also be considered as comparable market sales and their sales prices kept as public records. Actual value shall be stated on all property tax bills and valuation notices and, for residential real property, determined solely by the market approach to appraisal.

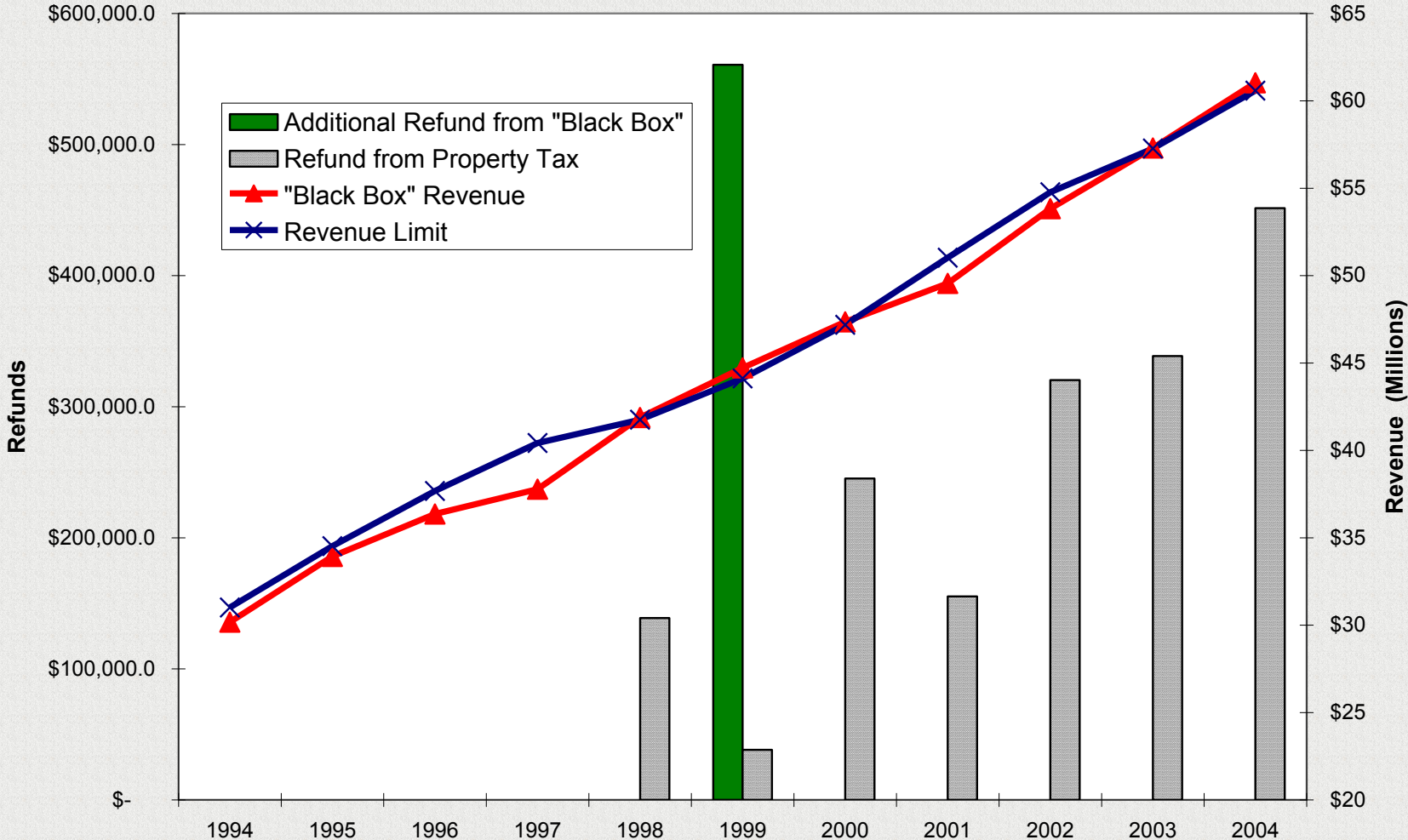
(9) State mandates. Except for public education through grade 12 or as required of a local district by federal law, a local district may reduce or end its subsidy to any program delegated to it by the general assembly for administration. For current programs, the state may require 90 days notice and that the adjustment occur in a maximum of three equal annual installments.

*Received by Secretary of State, May 8, 1991.  
Retyped from the original by Legislative Council staff, June 23, 1992  
and by CML July 29, 1992.*

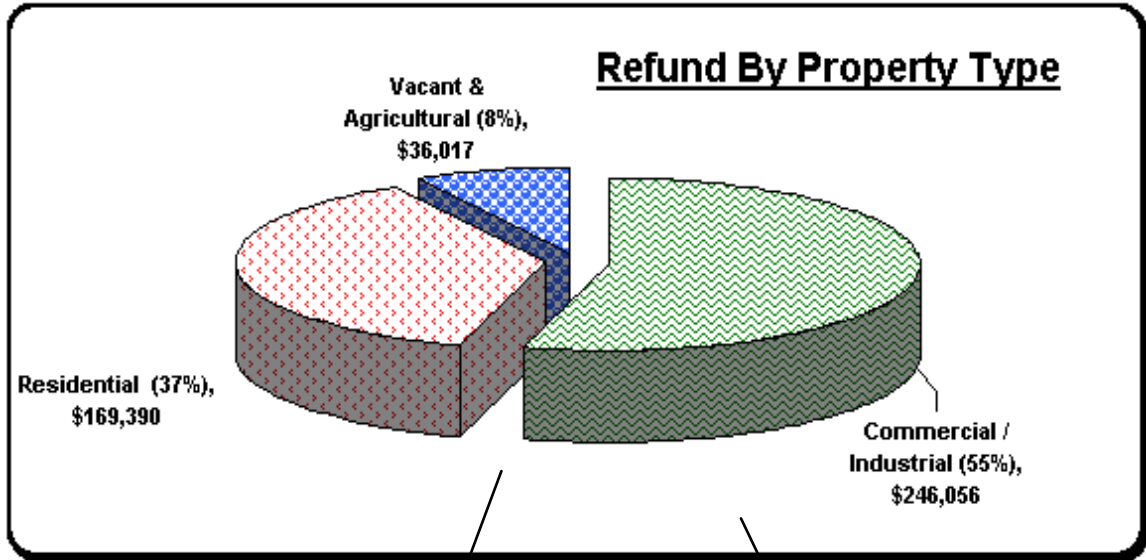
**TABOR COMPLIANCE HISTORY**

Year	Black Box	Revenue	Margin		Property Tax	Total	To Be	Local Growth	Inflation	Total Allowed
	Revenue	Limit	Limit > Actual	Refund Actual > Limit	Refund Collection Year	Refund	Refunded By Credit Mill Levy	Component Collection Year	Component Prior Year	Growth Rate
1994	\$ 30,173,075	\$ 31,013,075	\$ 840,000	\$ -	\$ -	\$ -		10.20%	4.20%	14.40%
1995	\$ 33,928,634	\$ 34,517,998	\$ 589,364	\$ -	\$ -	\$ -		5.04%	4.40%	9.44%
1996	\$ 36,356,931	\$ 37,677,748	\$ 1,320,817	\$ -	\$ -	\$ -		6.75%	4.30%	11.05%
1997	\$ 38,779,149	\$ 40,418,000	\$ 1,638,852	\$ -	\$ -	\$ -		7.67%	3.50%	11.17%
1998	\$ 41,875,616	\$ 41,753,509	\$ -	\$ 122,107	\$ 138,752	\$ 138,752	Levy 1999 Collection 2000	4.37%	3.30%	7.67%
1999	\$ 44,715,776	\$ 44,116,758	\$ -	\$ 599,018	\$ 38,136	\$ 599,018	Levy 2000 Collection 2001	3.26%	2.40%	5.66%
2000	\$ 47,350,130	\$ 47,187,284	\$ -	\$ 162,845	\$ 245,167	\$ 245,167	Levy 2001 Collection 2002	4.06%	2.90%	6.96%
2001	\$ 49,552,042	\$ 51,028,329	\$ 1,476,287	\$ -	\$ 155,208	\$ 155,208	Levy 2002 Collection 2003	4.18%	3.96%	8.14%
2002	\$ 53,825,766	\$ 54,769,872	\$ 944,106	\$ -	\$ 320,273	\$ 320,273	Levy 2003 Collection 2004	5.85%	4.68%	10.53%
2003	\$ 57,304,509	\$ 57,270,615	\$ -	\$ 33,894	\$ 338,612	\$ 338,612	Levy 2004 Collection 2005	4.50%	1.90%	6.40%
2004	\$ 61,036,746	\$ 60,586,584	\$ -	\$ 450,163	\$ 451,463	\$ 451,463	Levy 2005 Collection 2006	4.69%	1.10%	5.79%
2005	Projection \$ 63,041,940	Actual \$ 63,379,625	Projection \$ 337,685	Projection \$ -	Actual \$ 459,044	Projection \$ 459,044	Levy 2006 Collection 2007	4.50%	0.11%	4.61%
2006	Projection \$ 66,840,523	Projection \$ 66,263,383	Projection \$ -	Projection \$ 577,140	Projection \$ 1,134,000	Projection \$ 1,134,000	Levy 2007 Collection 2008	Actual 4.11%	Projection 1.00%	Projection 5.11%
2007	Projection \$ 66,906,130	Projection \$ 69,844,588	Projection \$ 2,938,458	Projection \$ -	Projection \$ 1,123,000	Projection \$ 1,123,000	Levy 2008 Collection 2009	Projection 3.90%	Projection 1.50%	Projection 5.40%
<b>Total thru 2007</b>						<b>\$ 4,964,537</b>				

### Historical Tabor Revenue and Refunds 1997 thru 2004



The City of Grand Junction is refunding \$451,463 of property tax revenue collected in 2004 that was in excess of the limits set forth under the Tabor Amendment. The refund is being disbursed to all property owners within the incorporated city boundaries as a credit against property taxes owed and payable in the year 2006. The chart below depicts the proportionate share of the Tabor Refund by property type based on assessed values.



Residential property owners will receive 37% of the refund. An average of \$9.22 per household.

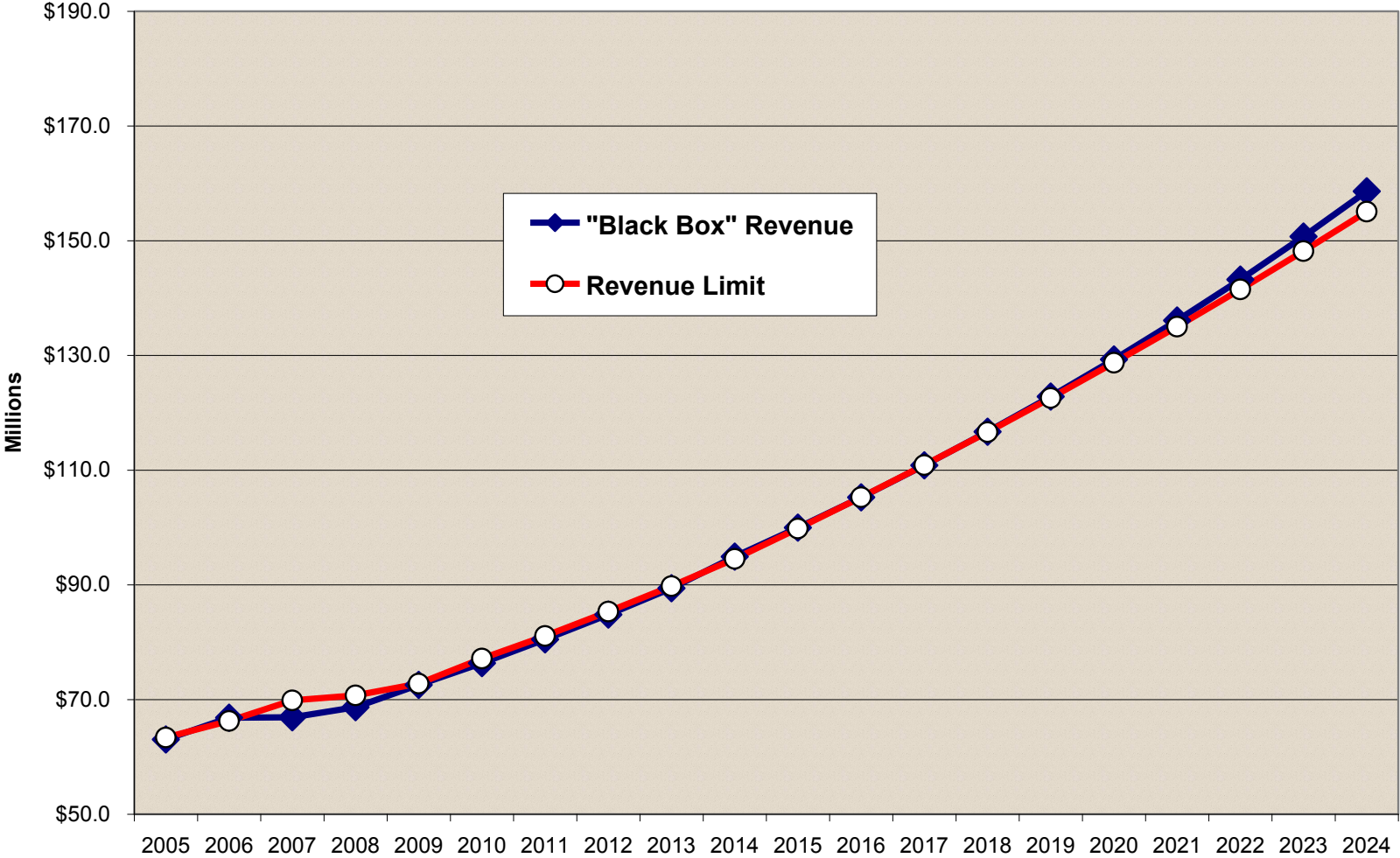
Businesses will receive 55% of the Tabor Refund.

Refund Based on Home Value	
Market Value	Refund
\$ 100,000	\$ 4.96
\$ 150,000	\$ 7.43
\$ 200,000	\$ 9.91
\$ 250,000	\$ 12.39
\$ 300,000	\$ 14.87
\$ 350,000	\$ 17.35
\$ 400,000	\$ 19.82
\$ 450,000	\$ 22.30

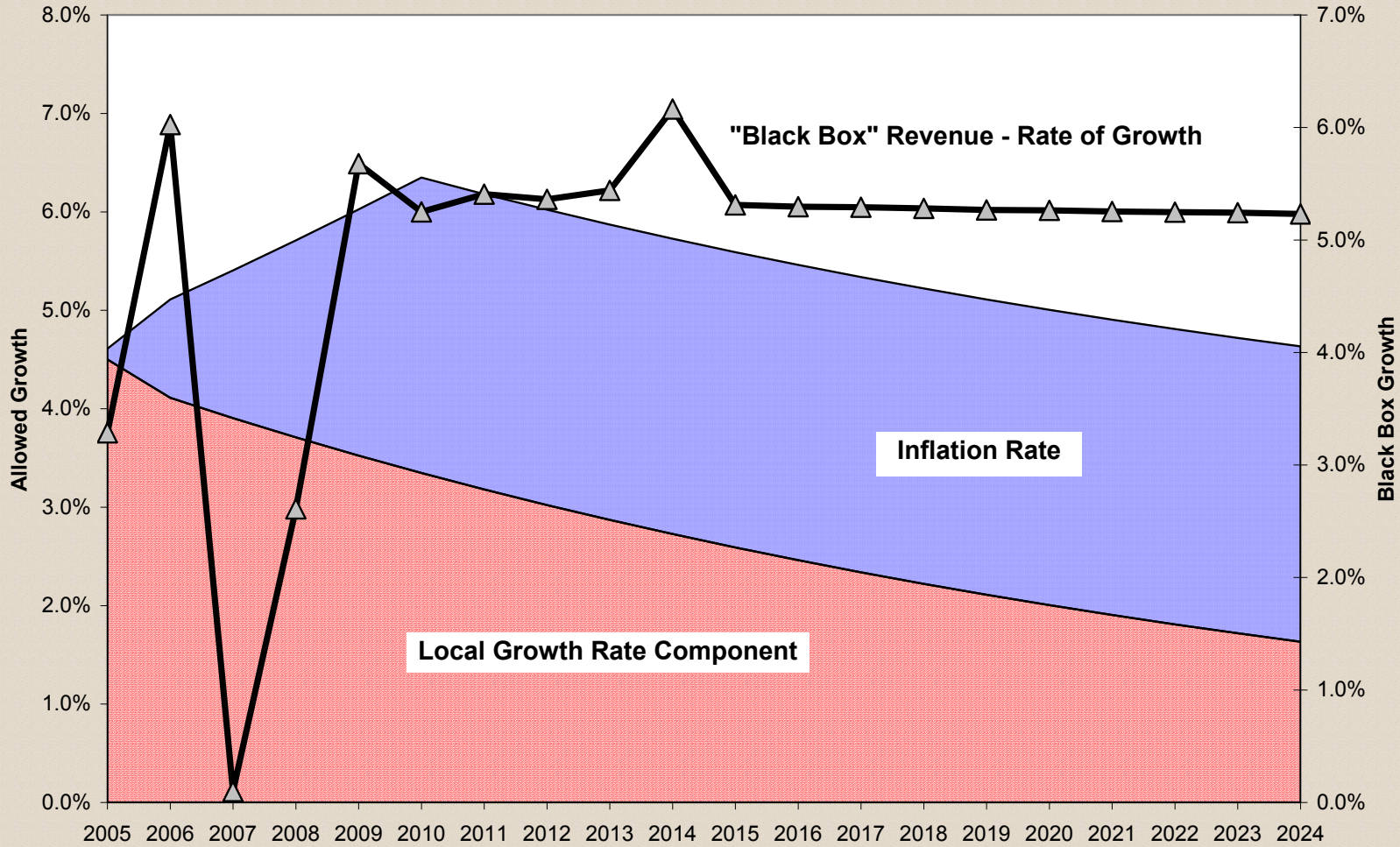
Ten Largest Property Values / Refunds	
Name	Headquarters
Qwest Corp.	Denver, CO
Wal-Mart / Sam's Club	Bentonville, AR
SDG Macerich - Mesa Mall	Santa Monica, CA
Public Service Co.	Minneapolis, MN
Coors Porcelain	Golden, CO
Sundstrand	Windsor Locks, CT
Grand Mesa Center	Birmingham, AL
Lowe's Companies, Inc.	Mooresville, NC
MSPA Acquisition - DoubleTree	United Kingdom
Target Corp.	Minneapolis, MN

# "Black Box" Revenue -vs- Revenue Limit

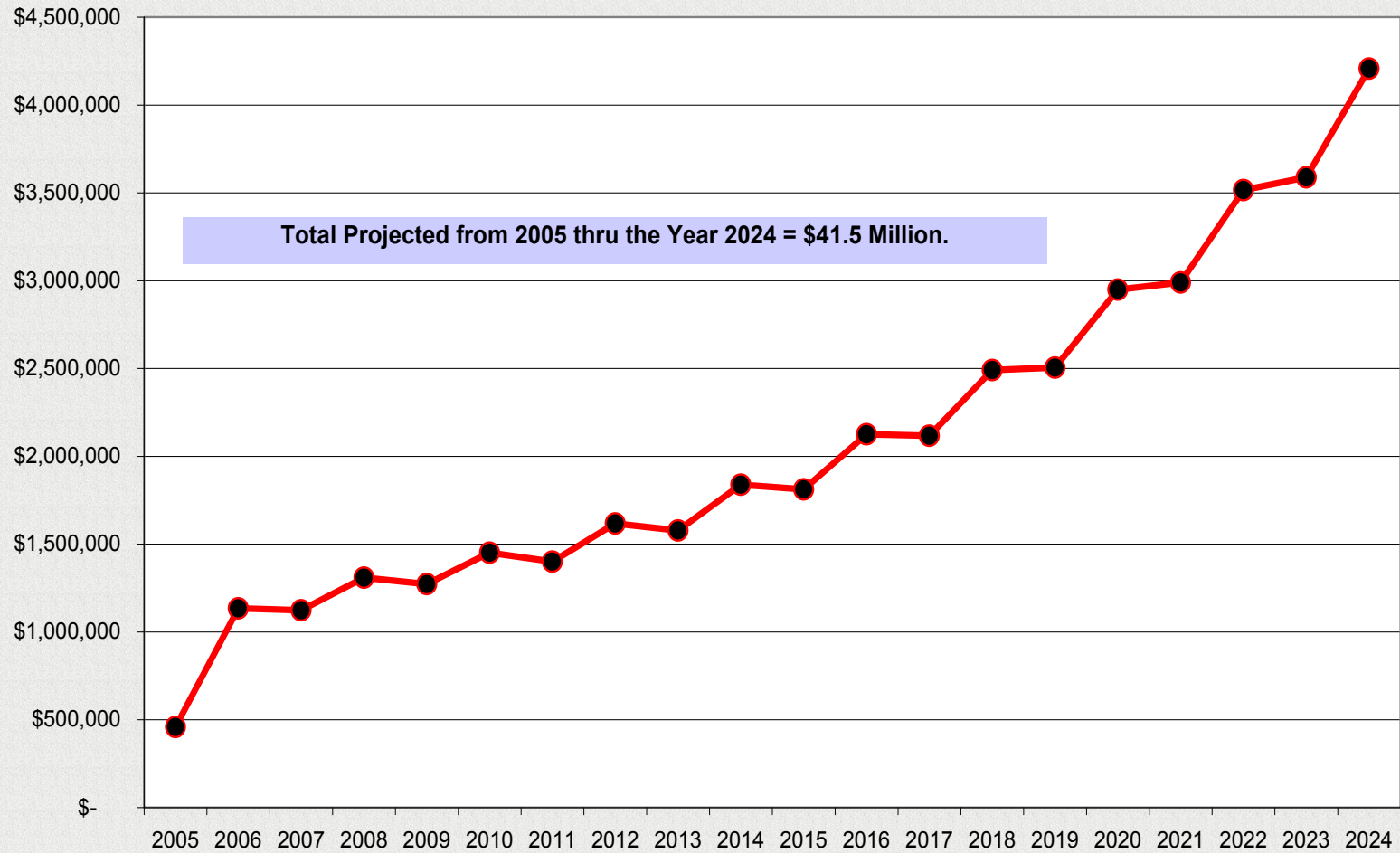
Projection 2005 thru 2024



## Tabor Growth Rate Projections 2005 thru 2024



### Projected Tabor Refunds 2005 thru 2024







**TABOR REFUND PROJECTIONS**

Prepared For: CC Workshop 12/19/05  
Print Date: 12/15/2005

"BLACK BOX" HISTORICAL DATA									
	Actual 1997	Actual 1998	Actual 1999	Actual 2000	Actual 2001	Actual 2002	Actual 2003	Actual 2004	
<b>Revenue History</b>									6.5%
"Black Box" Revenue	38,779,149	41,875,616	44,715,776	47,303,130	49,552,042	53,825,766	57,304,509	61,036,748	
Plus: Debt Service	647,062	577,308	569,356	548,981	570,755	1,345,356	2,415,749		
Base Revenue (Net of Exceptions)	39,426,211	42,452,727	45,285,132	47,852,111	50,122,787	55,171,121	59,720,258	63,452,496	
Less: Sales & Use Taxes	(23,322,462)	(25,844,868)	(28,187,938)	(30,656,358)	(32,514,732)	(34,663,852)	(36,420,315)	(38,266,963)	Average Growth Rates 7.3%
Growth Rate, Sales & Use Tax		10.8%	9.1%	8.8%	6.1%	6.6%	5.1%	5.1%	
<b>Equals "Other" Revenue</b>	16,103,749	16,782,859	17,105,146	17,263,128	17,886,291	19,732,669	22,230,589	25,185,532	
Growth Rate, Other Revenue		4.2%	1.9%	0.9%	1.9%	12.2%	12.7%	13.3%	6.7%

ASSUMPTIONS	
Local Growth Rate Component:	Rate of Growth Declines 5% per Year
Inflation Rate:	Grossly Returns to a more normal rate of 3.0%
Sales & Use Tax:	Growth Rate 6.6%
Other Revenue:	Growth Rate 4.0%
Assessed Value, Reassessment Year:	Growth Rate = 8%
Assessed Value, Non-Reassessment Year:	Growth Rate = 4%

Allowed Growth Rate History										
	1994	1995	1996	1997	1998	1999	2000	2001	2002	Average Rates
Local Growth Rate	10.20%	5.04%	6.75%	7.67%	4.37%	3.26%	4.06%	4.18%	5.85%	4.50%
Inflation Component	4.20%	4.40%	4.30%	3.50%	3.30%	2.90%	3.96%	4.68%	1.90%	0.11%
<b>Total Allowed Growth</b>	14.40%	9.44%	11.05%	11.17%	7.67%	5.66%	6.96%	8.14%	10.53%	6.40%

"BLACK BOX" PROJECTIONS																				
Allowed Growth Rate Projection																				
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Local Growth Rate	-5.00%	4.50%	4.11%	3.90%	3.71%	3.52%	3.35%	3.18%	3.02%	2.87%	2.73%	2.59%	2.46%	2.34%	2.22%	2.11%	2.00%	1.81%	1.72%	1.63%
Inflation Component		0.11%	1.00%	1.50%	2.00%	2.50%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
<b>Total Allowed Growth</b>		4.61%	5.11%	5.40%	5.71%	6.02%	6.35%	6.18%	6.02%	5.87%	5.73%	5.59%	5.46%	5.34%	5.22%	5.11%	5.00%	4.81%	4.72%	4.63%

Base Revenue																					
	2006-Rev	2006-Budget	2007-Budget	2008	2009	2010	2011	2012	2013	TIF Expires	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
"Other" Revenue	26,987,364	28,094,264	27,389,519	28,791,064	29,942,707	31,140,415	32,386,031	33,681,473	33,408,491	34,744,830	36,134,623	37,580,008	39,083,209	40,646,537	42,272,398	43,963,294	45,721,826	47,560,699	48,452,727	51,430,836	
Sales & Use Taxes	40,850,000	43,177,000	45,837,000	48,375,220	51,277,733	54,354,397	57,615,661	61,072,601	64,736,957	68,621,174	72,738,445	77,102,751	81,728,916	86,632,651	91,830,610	97,340,447	103,180,874	109,371,726	115,934,030	122,890,072	
<b>Base Revenue</b>	67,837,364	71,271,264	73,226,519	77,166,284	81,220,440	85,494,812	90,001,692	94,754,074	98,145,447	103,366,004	108,872,068	114,682,759	120,812,125	127,279,188	134,183,699	141,303,741	148,902,700	156,924,425	165,386,757	174,320,908	
Growth Rate	6.0%	6.9%	6.0%	1.6%	5.7%	5.3%	5.3%	5.3%	5.3%	5.3%	3.6%	5.3%	5.3%	5.3%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	
<b>Subtotal: Debt Service</b>	4,775,424	5,030,741	6,120,388	8,285,608	8,187,502	8,370,401	8,434,392	8,524,062	8,917,638	6,203,013	6,201,513	6,205,138	6,203,388	6,201,706	6,205,000	6,202,488	6,203,694	6,203,025	6,200,006	6,203,925	

"BLACK BOX" REVENUE																				
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	63,041,940	66,840,523	66,506,130	68,880,676	73,032,938	77,124,411	81,567,300	86,230,011	91,227,809	97,162,991	102,671,555	108,477,622	114,608,737	121,077,482	127,898,009	135,101,253	142,699,006	150,719,400	159,186,751	168,116,983
Growth Rate	3.3%	6.0%	0.1%	3.0%	6.0%	5.6%	5.8%	5.7%	5.8%	6.5%	5.7%	5.7%	5.7%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%

TABOR MARGIN (REFUND)																				
	2005-Rev	2006-Budget	2007-Budget	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue Limit	60,586,584	63,041,940	66,263,383	66,906,130	68,880,676	73,029,918	77,124,411	81,567,300	86,230,011	91,227,809	96,452,114	101,844,101	107,405,612	113,138,675	119,045,509	125,128,540	131,390,402	137,833,955	144,462,280	151,278,696
Lower of Prior Year Revenue or Limit	60,586,584	63,041,940	66,263,383	66,906,130	68,880,676	73,029,918	77,124,411	81,567,300	86,230,011	91,227,809	96,452,114	101,844,101	107,405,612	113,138,675	119,045,509	125,128,540	131,390,402	137,833,955	144,462,280	151,278,696
Projected Allowed Growth Rate	4.61%	5.11%	5.40%	5.71%	6.02%	6.35%	6.18%	6.02%	5.87%	5.73%	5.59%	5.46%	5.34%	5.22%	5.11%	5.00%	4.90%	4.81%	4.72%	4.63%
Limit	63,378,625	66,263,383	68,844,588	70,725,985	73,029,918	77,665,580	81,890,884	86,478,653	91,291,856	96,452,114	101,844,101	107,405,612	113,138,675	119,045,509	125,128,540	131,390,402	137,833,955	144,462,280	151,278,696	158,286,758

"BLACK BOX" MARGIN																				
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
MARGIN	\$ 337,685	\$ -	\$ 2,938,458	\$ 1,845,309	\$ -	\$ 541,169	\$ 323,584	\$ 248,642	\$ 64,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>"BLACK BOX" REFUND</b>	\$ -	\$ 577,140	\$ -	\$ -	\$ 3,020	\$ -	\$ -	\$ -	\$ -	\$ 710,877	\$ 627,454	\$ 1,072,009	\$ 1,470,062	\$ 2,031,973	\$ 2,769,469	\$ 3,710,851	\$ 4,865,051	\$ 6,257,120	\$ 7,908,055	\$ 9,830,224
Cumulative Refund	-	577,140	577,140	577,140	580,160	580,160	580,160	580,160	580,160	1,291,037	2,118,492	3,190,501	4,660,563	6,692,536	9,462,005	13,172,856	18,037,907	24,296,028	32,203,083	42,033,307

PROPERTY TAX PROJECTIONS																					
	2004	2005-Rev	2006-Budget	2007-Budget	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Assessed Value	507,715,470	529,459,970	637,918,800	663,435,552	716,510,396	745,170,812	804,784,477	836,975,856	903,933,925	940,091,282	1,015,298,584	1,055,910,527	1,140,383,370	1,185,998,704	1,280,878,601	1,332,113,745	1,438,682,844	1,496,230,158	1,615,208,571	1,680,565,714	1,815,010,971
Growth Rate	8.28%	4.28%	20.48%	4.00%	8.00%	4.00%	8.00%	4.00%	8.00%	4.00%	8.00%	4.00%	8.00%	4.00%	8.00%	4.00%	8.00%	4.00%	8.00%	4.00%	8.00%
Assessment @ 8.000 Mills	\$ 4,061,724	\$ 4,235,680	\$ 5,103,350	\$ 5,307,484	\$ 5,732,083	\$ 5,961,366	\$ 6,438,276	\$ 6,695,807	\$ 7,231,471	\$ 7,520,730	\$ 8,122,389	\$ 8,447,284	\$ 9,123,067	\$ 9,487,990	\$ 10,247,029	\$ 10,656,910	\$ 11,509,463	\$ 11,969,841	\$ 12,927,429	\$ 13,444,526	\$ 14,520,088
Allowed Growth Rate	5.79%	4.61%	5.11%	5.40%	5.71%	6.02%	6.35%	6.18%	6.02%	5.87%	5.73%	5.59%	5.46%	5.34%	5.22%	5.11%	5.00%	4.90%	4.81%	4.72%	4.63%
Property Tax Limit	\$ 3,610,260	\$ 3,776,636	\$ 3,969,481	\$ 4,184,012	\$ 4,422,888	\$ 4,689,315	\$ 4,986,275	\$ 5,295,182	\$ 5,614,017	\$ 5,943,569	\$ 6,283,937	\$ 6,635,229	\$ 6,997,566	\$ 7,371,080	\$ 7,758,915	\$ 8,162,290	\$ 8,590,196	\$ 9,079,998	\$ 9,411,839	\$ 9,855,935	\$ 10,312,616

PROPERTY TAX MARGIN																					
	2004	2005-Rev	2006-Budget	2007-Budget	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
MARGIN	\$ 451,463	\$ 459,044	\$ 1,133,869	\$ 1,123,473	\$ 1,309,195	\$ 1,272,052	\$ 1,451,301	\$ 1,400,625	\$ 1,617,455	\$ 1,777,162	\$ 1,838,452	\$ 1,812,055	\$ 2,125,501	\$ 2,116,910	\$ 2,491,113	\$ 2,504,680	\$ 2,949,267	\$ 2,989,843	\$ 3,515,589	\$ 3,588,591	\$ 4,207,572
Cumulative Refund	459,044	1,592,913	2,716,386	4,025,581	5,297,633	6,748,934	8,149,559	9,767,014	11,344,175	13,182,627	14,994,682	17,120,183	19,237,093	21,728,206	24,232,886	27,182,153	30,171,396	33,687,585	37,276,176	41,483,748	

TOTAL (REFUND)																					
	2004	2005-Rev	2006-Budget	2007-Budget	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL (REFUND)	\$ 451,463	\$ 459,044	\$ 1,133,869	\$ 1,123,473	\$ 1,309,195	\$ 1,272,052	\$ 1,451,301	\$ 1,400,625	\$ 1,617,455	\$ 1,777,162	\$ 1,838,452	\$ 1,812,055	\$ 2,125,501	\$ 2,116,910	\$ 2,491,113	\$ 2,504,680	\$ 2,949,267	\$ 2,989,843	\$ 3,515,589	\$ 3,588,591	\$ 4,207,572
Cumulative Projected Refund	\$ 459,044	\$ 1,592,913	\$ 2,716,386	\$ 4,025,581	\$ 5,297,633	\$ 6,748,934	\$ 8,149,559	\$ 9,767,014	\$ 11,344,175	\$ 13,182,627	\$ 14,994,682	\$ 17,120,183	\$ 19,237,093	\$ 21,728,206	\$ 24,497,675	\$ 28,208,526	\$ 32,073,578	\$ 36,330,698	\$ 41,238,753	\$ 47,066,925	

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