

TOWN OF AVON, COLORADO
WORK SESSION MEETING FOR TUESDAY, JANUARY 27, 2009
MEETING BEGINS AT 3:30 PM
AVON TOWN HALL, ONE LAKE STREET



PRESIDING OFFICIALS

MAYOR	RON WOLFE
MAYOR PRO TEM	BRIAN SIPES
COUNCILORS	RICHARD CARROLL, DAVE DANTAS, KRISTI FERRARO
	AMY PHILLIPS, ALBERT "BUZ" REYNOLDS, JR.

TOWN STAFF


TOWN ATTORNEY: ERIC HEIL	TOWN MANAGER: LARRY BROOKS	TOWN CLERK: PATTY MCKENNY
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ALL WORK SESSION MEETINGS ARE OPEN TO THE PUBLIC EXCEPT EXECUTIVE SESSIONS
COMMENTS FROM THE PUBLIC ARE WELCOME; PLEASE TELL THE MAYOR YOU WOULD LIKE TO SPEAK UNDER NO. 2 BELOW
ESTIMATED TIMES ARE SHOWN FOR INFORMATIONAL PURPOSES ONLY, SUBJECT TO CHANGE WITHOUT NOTICE
PLEASE VIEW AVON'S WEBSITE, [HTTP://WWW.AVON.ORG](http://www.avon.org), FOR MEETING AGENDAS AND MEETING MATERIALS
AGENDAS ARE POSTED AT AVON MUNICIPAL BUILDING AND RECREATION CENTER, ALPINE BANK, AND AVON LIBRARY
THE AVON TOWN COUNCIL MEETS ON THE SECOND AND FOURTH TUESDAYS OF EVERY MONTH

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- 3:30 PM – 4:00 PM** 1. **EXECUTIVE SESSION** pursuant to C.R.S. 24-6-402(4)(b), for the purpose of receiving legal advice from the Town Attorney on specific legal questions and pursuant to C.R.S. 24-6-402(4)(e) for the purpose of determining positions, developing strategies and instructing negotiators with regard to pending issues with the Village at Avon
2. **INQUIRY OF THE PUBLIC FOR COMMENT AND APPROVAL OF AGENDA**
- 4:00 PM – 4:15 PM** 3. **COUNCIL COMMITTEE AND STAFF UPDATES**
- a. ECO appointments (Ron Wolfe, Mayor)
- b. Beaver Creek Committee Meeting Update (Kristi Ferraro, Councilor)
- c. Battle Mountain Facility Committee Meeting Update (Kristi Ferraro, Councilor)
- d. Recreational Trails Master Plan Update (Jenny Strehler, Public Works and Transportation Director) Update on progress of master planning for recreational trails / Memo Only
- 4:15 PM – 4:30 PM** 4. **FOLLOW UP TO JOINT MEETING WITH P&Z COMMISSION FOR PRE APPLICATION FOR WILDRIDGE PARCEL, TRACT B, BLOCK 1, (LOT IMMEDIATELY ADJACENT TO THE FIRE HOUSE)** (Eric Heidemann, Assistant Town Manager Community Development Director) Provide council with an update on the joint work session that was held on December 9th and to clarify information that was presented during the meeting
- 4:30 PM – 5:00 PM** 5. **SWIFT GULCH PUBLIC WORKS AND TRANSPORTATION FACILITIES FUNDING UPDATE** (Scott Wright, Assistant Town Manager Finance and Jenny Strehler, Public Works and Transportation Director) Review funding updates for the design and construction of new Public Works and Transportation Facility
- 5:00 PM** 6. **ADJOURNMENT**

Memo

To: Honorable Mayor and Town Council
Thru: Larry Brooks, Town Manager
From: Robert Janusz, Parks/Facilities Superintendent
Date: January 20, 2009
Re: Avon Recreational Trails Master Plan (*Memo Only*)



Summary: This is a staff update regarding the *Avon Recreational Trails Master Plan* project. A draft plan has been prepared and will be reviewed by P&Z Committee on February 3, 2009. The final plan will be recommended for adoption by Town Council. A consultant presentation will be scheduled to accompany first reading.

Previous Council Action: Council awarded Anasazi Trails Inc. (ATI), to develop a "Recreational Trails Master Plan" in July, 2008 with a not-to-exceed professional services cost of \$30,000.

Background: ATI, working in conjunction with Town staff, hosted an open house meeting in Wildridge to assess the resident's opinions on placement of several potential multi-use trails. With their input, and the interest for trails shown in the 2008 Parks Survey, the "Recreational Trails Master Plan" was developed as to which existing trails would be rehabilitated for sustainability, and the development priority of potential new trails. The planning area for this Master Plan is shown in Figure 1.

Discussion: In the summer of 2008, ATI conducted trail assessments to determine points of origin, trail corridors, and trail sustainability. ATI identified six areas that fit the parameters of a sustainable recreational trails program. ATI has submitted a draft *Avon Recreational Trails Master Plan* which discusses all elements of developing and maintaining a set of recreational trails for this planning area. The consultant's recommended priority ranking of trail projects, suggested schedule, and the estimated cost for design/build implementation is shown in Table 1. The *Master Plan* is scheduled to be reviewed by Planning & Zoning on February 3, 2009. An early-release copy of the report will be available to Town Council while it is also being considered by P&Z. After all staff and P&Z comments are fully incorporated, the document will be routed to Town Council for formal adoption (likely on February 10th or 24th).

Financial Implications: The intent of the *Avon Recreational Trails Master Plan* is to provide a long-term vision of future recreational trails in Avon. As capital funds become available, the Town Council may elect to fund construction of one or more trail improvement projects each year. At present, approximately \$830,000.00 has been budgeted in the town's overall CIP five-year plan (about \$200,000 per year from 2010-2014 for construction) under "discretionary projects". This budget appears reasonable to conduct the full list of recommended projects described in the plan.

Recommendation: No recommendation action at this time.

Town Manager Comments:



Figure 1. Avon Recreational Trails Master Plan Planning Area

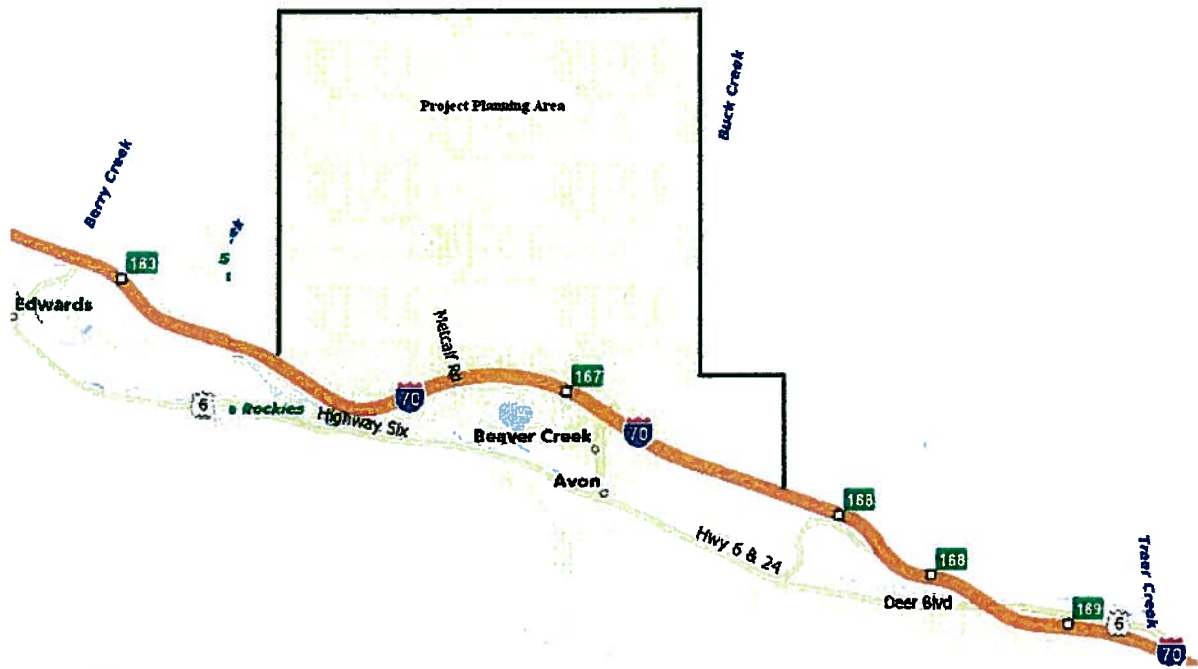
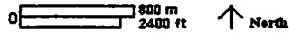
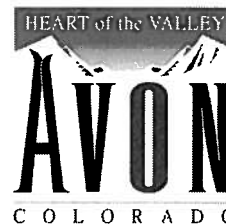


Table 1. Summary of Recommended Recreation Trails Projects

Work Element	Description of Work	Estimated Costs	Year
Avon/Singletree Trail/Nottingham Road Trailhead	Design and construct new Nottingham Road Trailhead. Reconstruct 1/4 mile of trail and permanently close and reclaim 3/4 mile of trail. Construct new trailhead off Nottingham Road.	\$148,500	2010
Beaver Creek Lookout Trail	Construct new trailhead and terminus overlook, close and reclaim 1/4 mile of social trail, and limited reconstruction of existing trail.	\$250,328	2011
Metcalf Creek Trail	Design and construct approximately 3 1/2 miles of new singletrack trail and a new trailhead with parking and toilets.	\$243,278	2012
Saddleridge Trail	Closure and reclamation of 1/4 mile of social trails, reconstruct 1/4 mile of existing trail, and construct 1/2 mile of new spur trail to Beaver Creek Lookout trail and construct new access point.	\$45,416	2013
Buck Creek Trail	Reconstruct 1/4 mile of trail and design and install new footbridge.	\$54,649	2013
Interior Connecting Trails	Closure and reclamation of 1/4 mile of existing social trails and construction of 1/2 mile of new singletrack trail, access point and amenities	\$29,592	2013
Total =		\$771,763	

Memo



To: Honorable Mayor and Town Council
Thru: Larry Brooks, Town Manager
From: Eric Heidemann, Asst. Town Manager – Community Development *EH*
Date: January 27, 2009 Council Meeting
Re: Work Session Update - Tract B, Wildridge

Summary:

The purpose of this memo is to provide the Council with an update on the Wildridge Tract B joint work session that was held on December 9th, 2008 and to clarify information that was presented during the meeting. The property owner had presented several development scenarios, some of which included an option for the Town to purchase the property, as well as an option to trade the site for a Town-owned property that is referred to as the Swift Gulch Annex.

After discussing the use of the Swift Gulch Annex Building with the Public Works Director, staff would like to clarify that the site is currently being used by the Public Works staff on a daily basis for storing equipment, chemicals, cinders, paint, etc. Staff has relayed this information to the property owner as a matter of clarification. However, the property owner would like direction on whether the Town is interested in purchasing the property. The property owners have been invited to this work session to answer any questions the Council may have.

Background:

The owner of the property, Philip Matsen of Gandorf Tract B, LLC, requested a joint work session with the Planning and Zoning Commission and Town Council for a vacant piece of property in Wildridge – Tract B, Block 1. The subject property measures .38 acres and is located immediately north of the Wildridge Fire Station. The property is bordered by three streets: Wildridge Road, Old Trail Road, and Saddle Ridge Loop; hence, there are three 25' building setbacks that restrict site planning options.

According to the Wildridge PUD, the property is currently zoned "Light Commercial" with 4 Apartments assigned. This particular zoning is unique for the Wildridge Subdivision and is the only commercially zoned piece of property in the subdivision.

The PUD further defines 'Light Commercial' as *"retail sales and commercial service uses limited to food, groceries, household and automotive items limited to the sale of gasoline, oil, and related products, but not automotive repairs; provided for the convenience of Wildridge residents, their guests, and visitors; caretaker apartment units and municipal services are included in Light Commercial."*

Memo

To: Honorable Mayor and Town Council
Thru: Larry Brooks, Town Manager
From: Scott Wright, Assistant Town Manager/Finance
Jennifer Strehler, Director of Public Works
Date: January 27, 2009
Re: Public Works and Transportation Facilities Funding Update

Summary: This is a staff update on the economic stimulus package and how it may result in an opportunity for Avon to accelerate the construction of the needed Public Works and Transportation improvements planned for the Swift Gulch site. The state and federal grant administrators have deemed this project eligible to receive substantial grant funding but they are expected to impose a very aggressive time-table. If we are unable or unwilling to meet key milestones, the funding will go to another project (possibly outside of Colorado). No formal Council action is needed at this time but future requests for action are anticipated.

Previous Council Actions:

- Presentation of Options for Use of Swift Gulch and Village Site from Master Plan Information (August 28, 2007)
- Award of the Design Contract to Camp Dresser and McKee, Inc. funding authorized for Conceptual Design Phase work only (April 8, 2008)
- Staff update on the schematic design (June 10, 2008)
- P&Z Meeting and Site Tour (June 17, 2008)
- CIP Budget approved including \$1,200,000 for design work (less \$522,000 revenue from the County) for project #13009 in 2009 (November 2008)

Background: In fall of 2008, the Town and the County submitted joint applications for state and federal grant funding for the transit portion of the planned Swift Gulch site improvements. This Transit portion is referred to as the *ECO/Avon Joint Regional Transit Operational Facility*. The original expectation was that no grant funding would likely be available until 2011. However a current bill pending in Congress, entitled the "American Recovery and Investment Act of 2009", would appropriate an estimated \$100M to Colorado transportation projects with 0% local match requirement and could accelerate the town's opportunity to implement this project. Only projects ranked high on the state's priority list and which can obligate funds within 180 days are eligible. Our project has been deemed eligible and currently ranks 8th overall and 3rd in the list of rural transit projects. It is very possible that we will be offered sufficient grant funds (e.g., \$15M-\$20M) to execute all or a portion of this project in the very near future.

Discussion: The whole project is shown schematically in Figure 1. Cost and schedule assumptions are shown in Table 1. Staff is taking action to insure that the project remains eligible for grant funding and can realistically be implemented in the aggressive time frame set by the state and federal grant administrators. The following key items and activities deserve mention:

- *Scalability* – The project is large but can be constructed in phases. An approximate sequence of construction is shown in Table 1. Staff is working with the design team to make sure that the design development deliverable remains flexible to respond to the level and timing of grant funding. Once grant funding has been confirmed, the appropriate bid package construction scope(s) of work can be determined.

- *Local Financing* – A portion of the resulting facilities will be shared with Avon Public Works. It is expected that about 18% of the total project cost will need to be paid for in cash by the town. Staff is seeking options for financing about \$3,000,000 associated with this share of the project. (It is assumed that the remaining 78% will be all transit grant funded.) See Table 2 under *Financial Implications* below.
- *County participation* – The County has stated that they want to stay “in” as our project partner. They adopted a CIP on 1/20/2009 which included \$284,000 expenditure to TOA for their share of the conceptual design (done in 2008) and their share of the design development work (to be done in the next 3 months. Staff is drafting an Inter-governmental Agreement with the County which will state:
 - The County’s obligation to reimburse the town in 2009 up to \$284,000 for consultant-conducted work through design development.
 - The estimated value of land and facilities to be constructed on behalf of the County.
 - The Town’s obligation to implement the project and make these facilities available to the County for 25-30 years, assuming sufficient grant funds are awarded
 - The County’s intention to annually rent/lease specific portions of the constructed facility for 25-30 years (as an ECO Transit satellite)
- *Schedule (approximate)*

January 28	Receive Cat Ex from FTA
February 10	Authorize amendment for design development work
March 1	Learn of Tier 1 (90-120 day obligation) and Tier 2 (180 day obligation) transportation grant award amounts and timing
May 15	Receive draft design deliverable from consultant
May 21	Issue draft Request for Proposals (RFP) for design/build (D/B) contractor
June 1	Issue final RFP for D/B contractor
July 2	Bid Opening
July 10	Issue Notice of Intent to Award
August 28	Execute D/B contract (and obligate grant funds)
September 15	Initiate construction work (Phase 1A only)
November 15	Complete Phase 1A
November 15 - March 30, 2010	Project suspended for winter weather
April 1, 2010	Initiate construction work on Phase 1B and remaining phases C-G
September, 2011	Complete construction

- *Design Development* – An amendment to the original agreement for design services will be issued so that the design development deliverable and supporting cost-sharing and grant-contract information can be prepared by the consultant. This work will take about 3 months. Application for local permits will be made after the design deliverable is complete. Note that the resulting deliverables are needed regardless of whether we get grant funding now or in the future. Staff is working up the scope and budget for this amendment and plans to request approval from Council for this on February 10th. Note that this amendment will be ≤ \$350,000 and that the County’s 2009 contribution will off-set most of this cost with the remainder covered by the CIP fund project budget.
- *Construction Procurement* - To meet economic stimulus objectives and obligate all of the awarded grant funds within 180 days of receiving formal notice, a modified design/build procurement approach is likely to be necessary. This can be done and is reflected in the schedule listed above. It

may also be possible to bid-out only Phase 1A and officially “start the project” in 2009 while finishing a traditional design-bid-build package during June 2009-January 2010, and then bidding Phases 1B-F in early 2010; this will depend on when we learn of a grant award and how far along into design development we have progressed by that time. Phase 1G will likely be a separate procurement (see “Alternative Energy” below).

- *Temporary Facilities* –Avon Transit and the Fleet Division will continue to operate out of the Swift Gulch site throughout construction. Grant funding can be used for set-up of temporary transit facilities only (e.g., on middle or upper tier of site). The town will need to provide temporary facilities elsewhere for public works operations. Staff anticipates the need to utilize the Village parcel (current site of the Stone Creek School), the Annex, and likely also lease another lot for this purpose. Staff is “cleaning house” and evaluating options to house temporary public works operations.
- *Operations and maintenance cost* – The resulting facilities will cost more to operate than those in current use. Staff is preparing an estimate of the additional annual cost for power, natural gas, routine maintenance, and asset management, based on other existing facilities of this size and type.
- *Site License Revenue* - The County will be charged a “site license fee” which will include a pro-rata portion of the O&M costs plus a land-lease fee. Note too that other transit agencies may opt to lease space from TOA at a “market-driven rate”. Gross revenue from site license fees are estimated at about \$140,000/yr during the first 10-15 years; this is sufficient to pay debt service on principal of about \$1.4 million.
- *Alternative Energy* – The project plan includes photovoltaic (PV) system to be installed on the roof of the new bus storage building (\$1,600,000) and the permanent administration building (\$800,000). This element is considered “optional”, however, there are several sources of grant funding available for this system including 100% funding currently available from the FTA’s Energy Fund. If PV cells were installed on both roofs, about 20% of the total site electric demand can be satisfied by this PV system. A net metering agreement with Holy Cross Energy would be needed to allow power to be exported and credited against other town electric accounts. Once grant funding is announced for the main facilities, staff will determine whether to recommend including the PV system in the initial construction and/or submitting grant request(s) to add this component at a later time.

Financial Implications: Based on input from the grant administrators, we are assuming that 100% federal funding will be provided for the transit portions of this project at some point in the near future. By paying for the Public Works portion (about 18%) of the project, Avon could receive a needed facility and major capital improvement at a cost of less than 20¢ on the dollar. The question is how should Avon pay for this Public Works portion; as shown in Table 1 this minimum cost is about \$3,000,000 and a maximum cost could be as high as \$6,000,000 (e.g., if we wanted to build-out the full site and construct a shared permanent Administration Building). However, given the economic climate and the town’s other pressing needs, the Town Manager is not comfortable researching means to try and finance the upper limit of \$6,000,000 at this time. Options for the Public Works portion of the project are shown in Table 2.

Recommendation: No action or recommendation is requested from Town Council at this time.

Town Manager Comments:



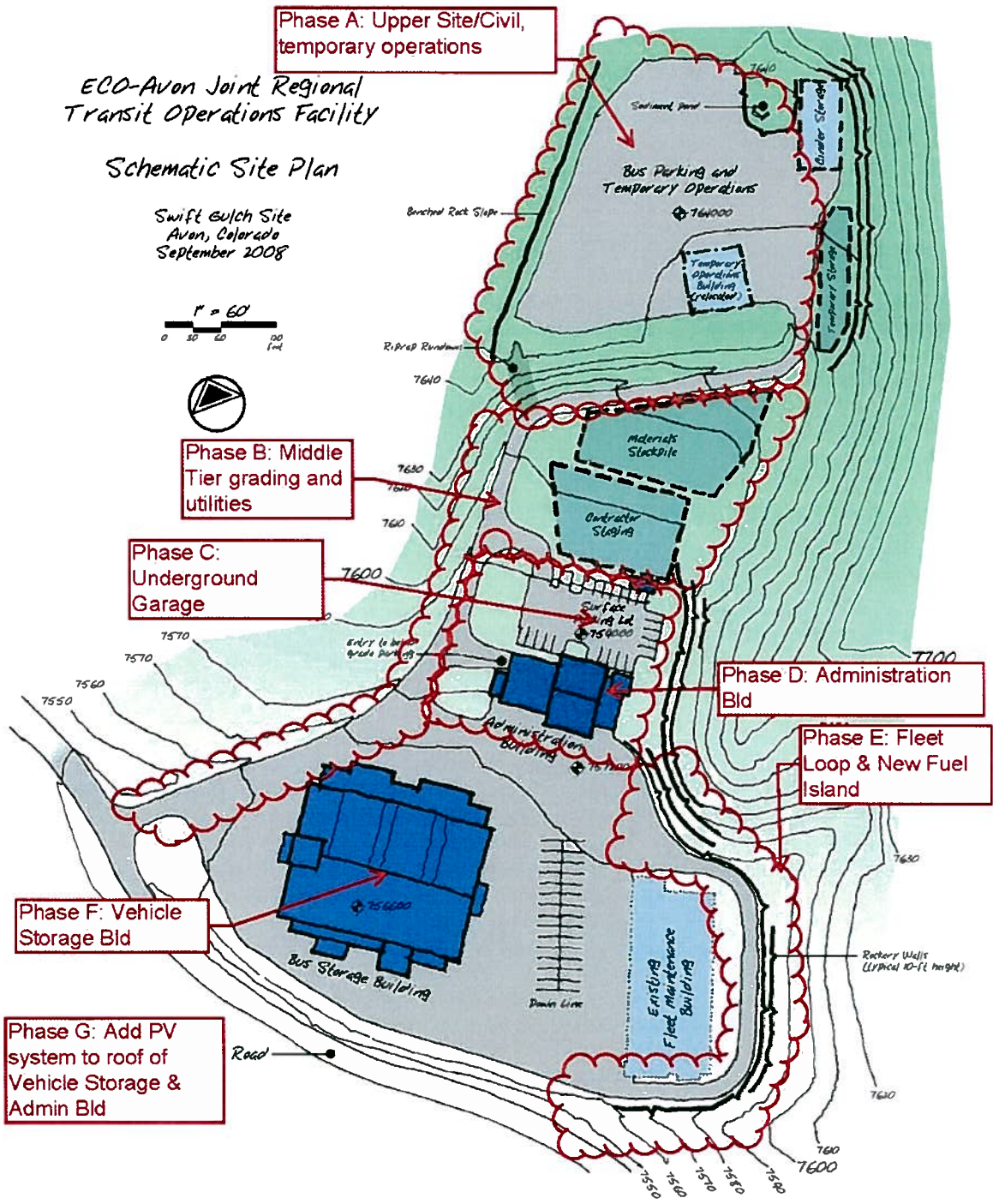


Figure 1. Site Plan Showing Project Sequencing

Table 1. Estimated Project Costs by Phase and Partner

PHASE	Year Constructed	Description	Estimated Cost	Avon Public Works Share	Avon Transit Share	Eagle County Share
MINIMUM PROJECT:						
A	2009	Build storm pond and storm pipe in upper yard. Temp road, no retaining walls. Revegetate area.	\$ 151,000	\$ 46,000	\$ 79,000	\$ 26,000
B	2010	Utilities to serve middle and lower site only. Install storm pipe from middle tier to SG Rd., Grade and pave new road & pads for PW shops & underground garage.	1,700,000	520,000	885,000	288,000
C	2010	Underground parking garage Includes lower level of Admin (garages). Finish with paved lot on top.	5,330,000	1,635,000	2,784,000	905,000
D	2010	Install new portables for temporary Administration Bld. Single floor (8,000sf) Does not include furniture or fixtures. Insufficient space to co-share with County	805,000	402,500	402,500	0
E	2011	Fleet Loop and New Fuel Island	721,000	165,000	282,000	274,000
F	2011	Vehicle Storage Bld. (40 total) County leases 15 stalls	8,220,000	0	5,095,000	3,123,000
G	2011	Add PV System to roof of Bus Barn only. (Optional: do only if/when separate energy grant is awarded).	1,560,000	0	965,000	592,000
		Total Phase 1:	\$18,500,000	2,769,000	\$ 10,493,000	\$ 5,208,000
OPTIONAL ADD-ONS (if sufficient grant funding is provided)						
(differential costs shown below)						
A1	2009	Upper site widened for maximum use via retaining walls, graded to higher elevation	\$ 2,365,000	733,000	1,230,000	402,000
B1	2010	Pave upper road and upper tier, utilities installed on upper tier	2,939,000	911,000	1,528,000	500,000
D1	2010	Install larger (15,000sf) stick-built permanent Administration Bld rather than small temporary portable. To be determined how much of this building County wishes to share/use (18% assumed).	3,000,000	930,000	1,560,000	510,000
G1	2011	Add PV System to roof of Admin Bld.	763,000	237,000	473,000	130,000
		Total Optional Add-ons:	9,067,000	2,811,000	4,791,000	1,542,000
		Total Project with all Add-ons:	27,570,000	5,580,000	15,284,000	6,750,000

Minimum grant funding necessary = \$15,701,000 for construction + \$800,000 for design + \$100,000 for temp facilities = \$16,600,000

Maximum grant funding possible = \$22,000,000 for construction + \$1,300,000 for design + \$100,000 for temp facilities = \$23,400,000

Table 2. Options for Funding \$3,000,000 Public Works Component Cost

Note, the following assumptions apply to all options listed below:

- Assume at least \$70,000/yr in net revenue (after O&M expenses are paid) is available from site license fees

Option 1. Certificates of Participation

The Town's existing annual debt service for the Avon Recreation Center and Swift Gulch land purchase will be paid-off in 2014. This amount is approximately \$455,000 annually, which would support approximately \$5.2 million in bonds at 6% interest. It might be possible to structure a debt issuance using Certificates of Participation whereby the current Fleet Maintenance facility is used as collateral and the debt repayment could be structured in such a way to minimize the debt service during the early years until the existing debt is paid off in 2014.

Option 2. Colorado State Infrastructure Bank

The CO SIB program was developed as part of a federal pilot program several years ago. The bank makes loans available to communities in all areas of Colorado, to help fund transportation projects. We are in the process of gathering more information from the State regarding this program to see if it is a viable option for the Town.

Option 3. Capital Lease from FTA

If sufficient grant funds were awarded to the Town, e.g., \geq \$19,100,000, the FTA has indicated to the Town that we could possibly structure a capital lease for the public works portion, whereby the general fund would pay the transit enterprise fund an annual lease that ultimately results in purchase of the public works portion of the shared buildings. This scenario is not yet fully understood and we are currently arranging a conference call with FTA to get additional details on this financing arrangement.