

**FINANCIAL ADVISORY BOARD
CITY HALL
AUGUST 10, 2023
5:30 PM**

A G E N D A

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Minutes
 - 4.1. Financial Advisory Board Meeting Minutes from July 25, 2023
5. Public Comments
 - 5.1. In-person and Submitted Written Public Comments
 - 5.2. In-person and Submitted Written Public Comments
6. Reports
 - 6.1. Staff Reports
 - 6.2. Board Reports
7. Old Business
 - 7.1. Review Recommended Options for 2024 Capital Projects for City Council with Re-appropriations {Potential Action Item}
 - 7.2. List of "Partners of the City" Broken Down by General Topic or Maybe Just Tax Credit {Informational}
 - 7.3. Project Updates {Informational}
8. New Business
 - 8.1. List of City Assets That Will Be Potentially Impacted or Influenced by the FAB
9. Adjournment
 - 9.1. The Next Financial Advisory Board Meeting is scheduled for Thursday, September 7, 2023 at 5:30 PM at City Hall Council Chambers

**FINANCE ADVISORY BOARD
REGULAR MEETING MINUTES (DRAFT)
VIRTUAL/IN PERSON MEETING
TUESDAY JULY 25, 2023
5:30 PM**

1. CALL TO ORDER

The meeting was called to order by Chairman Anthony Savastano at 5:35 p.m.

2. ROLL CALL

Present in person on behalf of the Financial Advisory Board were John Ballew, Doug Lyon, Anthony Savastano, Jessica Wheeler, and Tom Barney. Board Members present virtually included Jasper Welch, and Roger Zalneraitis. Staff in attendance included Allison Baker, Public Works Director; Devin King, Multimodal Manager; Scott McClain, Assistant Parks Director; Acting Chief Financial Officer and Staff Liaison Devon Schmidt; and virtually, Sarah Hill, Transportation Director.

3. APPROVAL OF MINUTES

3.1. Board Member Lyon motioned to approve the draft June 14, 2023 Financial Advisory Board regular meeting minutes. Board Member Ballew seconded the motion. All were in favor, motion passed unanimously.

The motion passed: 7 in favor; 0 opposed; 0 abstained; 1 absent

3.2. Board Member Lyon motioned to approve the draft June 21, 2023 Financial Advisory Board regular meeting minutes. Board Member Ballew seconded the motion. All were in favor, motion passed unanimously.

The motion passed: 7 in favor; 0 opposed; 0 abstained; 1 absent

3.3. Board Member Lyon motioned to approve the draft July 10, 2023 Financial Advisory Board study session minutes. Board Member Ballew seconded the motion. It was noted that the Board was only able to address half the agenda. All were in favor, motion passed unanimously.

The motion passed: 7 in favor; 0 opposed; 0 abstained; 1 absent

The Board asked to have it noted that at the June 14, 2023 FAB meeting, the Board discussed how the Board is going to relate information to City Council without a City Council liaison, and that this topic be included on a future agenda.

4. PUBLIC PARTICIPATION

Stephanie Owens-Edwards, Southwest Pickleball Association President, said that pickleball is the fastest growing sport with an average age of players is 38. The community has rallied for pickleball courts for a very long time. When considering the additional cost, remember that a pickleball outdoor complex generates income by bringing people in for tournaments. Ms. Owens-Edwards added that by postponing the project, construction costs will only get higher.

Non-city resident Bruce Moss commented that as a City of Durango employee at the Durango Community Recreation Center and work closely with the pickleball groups and it continues to grow exponentially in popularity and gave national statistics on this growth. The City needs these courts.

Durango resident Seth Furtney commented that there are a whole host of plans within the Parks and Recreation Department that have been adopted by the City that are not being utilized and would like to see this Board benefit from them.

Board Chair Savastano let Mr. Furtney know that the Financial Advisory Board library is inclusive of all those documents.

5. REPORTS: Continuation of July 10, 2023, Study Session of 2024 Capital Improvement Project (CIP) Proposal - Staff Presentations

5.1. 2024 CIP Plan for Sewer from July 10, 2023 Study Session was ***tabled*** until the continuation of the Study Session.

5.2. The Board review the mid-Year Capital Improvement Projects Appropriations for City Council:

5.2.1. For the 2005 Tax Fund, the Board was informed that staff is still working on an easement for alignment of the SMART 160 Trail, and not ready for the construction this year. In addition, the Schneider Pickleball Courts project bid came in over 1 million than what was budgeted in 2023, and therefore would like to transfer \$1 million from the SMART 160 project to the Schneider Park Pickleball project. The Board discussed the history of this project, the high cost compared to other communities, the benefits of it being in Schneider Park, and that a portion of the project is for park improvements, so therefore call the project Pickleball Courts and Schneider Park Improvements.

Board Member Lyon motioned to approve the requested adjustments to the 2005 tax fund for the 2023 Budget, reduction of \$1 million in the SMART 160 Trail budget, and increase of \$1 million to the Pickleball and Schneider Park improvement project to \$1,900,000. Board Member Barney seconded the motion. All were in favor, motion passed unanimously.

The motion passed: 7 in favor; 0 opposed; 0 abstained; 1 absent

- 5.2.2. The Board discussed the mid-year adjustments listed for the 2015 Sales Tax projects, which included Community Forestry Management Plan, with bids exceeding the allocated \$75,000 by \$65,000; Mid-year adjustment for Chapman Ski Hill Improvements to include the replacement of the existing lifts, lighting, electrical engineering needed and earthwork, all into 1 project instead of 3; and the Multimodal Downtown's Next Step design increase of \$120,000. Staff said the ART Santa Rita Park to CR 210 asphalt replacement project will not start in 2023 and request a reduction of this project to cover mid-year adjustments. The Boards discussed future lift costs and parking issues at Chapman Hill.

Board Member Lyon motioned to increase the Community Forestry Management Plan by an additional \$65,000, for a total of \$140,000. Board Member Barney seconded the motion. All were in favor, motion passed unanimously.

The motion passed: 7 in favor; 0 opposed; 0 abstained; 1 absent

Board Member Barney motioned to increase Chapman Ski Hill project by \$729,695 for a total of 3,029,695, to now include replacement of lighting and big tow rope. Board Member Ballew seconded the motion. Board Members in favor were Lyon, Ballew, Barney, Zalneraitis, Welch, and Savastano. Board Member Wheller abstained. Motion passed.

The motion passed: 6 in favor; 0 opposed; 1 abstained; 1 absent

Board Member Wheeler motioned for a reduction of \$655,000 from the ART, Santa Rita Park to CR 210 asphalt replacement project. Board Member Lyon seconded the motion. All were in favor, motion passed unanimously.

The motion passed: 7 in favor; 0 opposed; 0 abstained; 1 absent

Board Member Barney motioned to increase the Downtown's Next Step project. Board Member Ballew seconded the motion. Board Members in favor were Lyon, Ballew, Barney, Welch, Wheller and Savastano. Board Member Zalneraitis abstained. Motion passed.

The motion passed: 6 in favor; 0 opposed; 1 abstained; 1 absent

- 5.2.3. The Board discussed the mid-year adjustments listed for the 2019 Street Sales Tax projects, which included: A decrease in the 8th Ave/College St. Intersection and Roads, pavement only, (\$460,000); An increase of Alley Reconstruction project by \$39,448; An increase of the N. College Reconstruction by \$18,430; and An increase in Roosa Avenue Storm Drain Emergency Replacement, \$10,000. New projects needing funding include Crack-sealing Material, \$50,000; 7th St. at D&SNGRR Crossing Upgrade, \$70,000; Design all unpaved Alleys, \$170,000; CDOT Paving at 14th St. W, \$30,000; and Traffic Signals Electric Repairs/Grounding, \$50,000. It was determined that there were plenty of funds in the 2019 Fund Balance to cover these mid-year 2023 adjustments.

Board Member Wheeler motioned to approve the 2019 Streets Sales Tax Capital projects mid-year adjustments. Board Member Zalneraitis seconded the motion. All were in favor, motion passed unanimously.

The motion passed: 7 in favor; 0 opposed; 0 abstained; 1 absent

5.2.4. The Board discussed the mid-year adjustments listed for the 2019 Street Sales Tax projects, which included: SRWRF Waterline Replacement, \$65,000; SCADA Cybersecurity Improvements, \$25,000; SRWRF Primary Clarifier Liner Replacement, \$120,000; and SRWRF Operator Workstation Remodel, \$35,000. It was determined that there was plenty of funds in the Sewer Enterprise Fund Balance to cover these mid-year 2023 adjustments.

Board Member Lyon motioned to approve the 2023 mid-year adjustments for the Sewer Enterprise Fund. Board Member Zalneraitis seconded the motion. All were in favor, motion passed unanimously.

The motion passed: 7 in favor; 0 opposed; 0 abstained; 1 absent

5.2.5. The Board discussed the mid-year adjustments listed for the Water Construction Fund Budget, which included: Wildcat Tank Improvements, \$93,200; and CMWTP Filter Effluent to Waste System, \$60,000

Board Member Zalneraitis motioned to approve the 2023 mid-year adjustments for the Water Construction Fund. Board Member Wheeler seconded the motion. All were in favor, motion passed unanimously.

The motion passed: 7 in favor; 0 opposed; 0 abstained; 1 absent

5.3. Cross-Functional Team Update on Focus Group was **tabled** until the continuation of the Study Session.

6. NEW BUSINESS

6.1. Discussion for 2024 Capital Projects at August 10, 2023 FAB Meeting to Develop a Recommendation for the September 5, 2023 City Council Study Session, was **tabled**.

6.2. Economic Impact Study Available From Any of the Previous Boards – Questions, was **tabled**.

6.3. Strategic Plans From Prior Boards – Questions, was **tabled**.

6.4. Budgets Recommended by the Dissolving Boards from 2022 for the 2023 Year, Inclusive of Any Related Documents That Give Background Information – Questions, was **tabled**.

- 6.5. Future agenda Topics to include per Board request: Board-Council communication strategies; discussion on mid-town safety project (3rd Avenue, 15th St., and Florida Road); conversation on various tours of City facilities; an overview of Management Plans; the Camino del Rio Underpass project; status report on the Water Master Plan (including the pipeline from Lake Nighthorse with an update on conversations with the Tribes); discuss the Economic Impact Study; Community Development updates on infrastructure of future development.

7. ADJOURNMENT

- 7.1. Board Chairman Anthony Savastano adjourned the meeting at 7:38 p.m. The next Financial Advisory Board regular meeting is scheduled for Thursday, August 10, 2023, at the City Council Chambers, 949 E. 2nd Avenue.

APPROVED:

/s/ Anthony Savastano

Anthony Savastano
Board Chairman

ATTESTED:

/s/ Joanne Gantt

Joanne Gantt
Marketing & Communications Specialist



Proposed City of Durango Project for Review & Recommendations

Review Item: Chapman Hill Flooring - 2023 Amendment

FAB Voting:			
Board Member	Recommend	Oppose	Abstain
Anthony Savastano (Chair)			
Jasper Welch (Vice Chair)			
Doug Lyon			
Roger Zalneraitis			
John Ballew			
Tom Barney			
Emily Millar			
Jessica Wheeler			

Overview / Background Information

Chapman Hill Flooring is concrete with a softer rubberized flooring placed on top to allow people to walk on it with skates. In 2020, when the initial flooring was replaced the glue failed or was installed incorrectly. The flooring is bubbling and unsafe. The claim is with the City legal department for damages.

Ballot Language: Funds to be used for “the costs of the construction, operations or maintenance of recreations facilities, parks, trails, pedestrian and bicycle improvements, maintenance facilities used by the Parks and Recreation department, and the Urban Forest; with all expenditures based on the recommendations of a citizens advisory board to the city council...”

Purpose

Staff is recommending a re-appropriation in 2023 to the 2015 dedicated sales tax for POST to make an emergency fix of the flooring so that it is usable when the rink opens for the ice season.



Financial Analysis

Description		2023	2024
Revenues			
	Taxes and Fees	5,959,356	5,148,523
	Multi-Modal Grant Funding	4,310,521	4,948,644
	Multi-Modal Potential Funding		
	FLAP Grant		
Total Revenues		10,269,877	10,097,167
Expenditures			
Recreation Projects			
167	Recreation Facility Improvements		560,000
233	Community Forestry Plan	50,000	50,000
251	Durango Mesa Park		4,304,006
228	Lake Nighthorse Improvements		1,211,116
269	Community Forestry Plan Update	135,000	
270	Community Garden at Riverview	25,000	
273	Plaza Area at Powerhouse	25,000	
267	Chapman Ski Hill	3,130,000	
271	Lake Nighthorse FLAP		130,000
272	ART, Santa Rita Park to Albertsons Trail		1,500,000
257	ART Rank Park to Demon Bridge		637,938
14	ART, Demon Bridge to 29th St. Trail		2,400,000
266	ART, Santa Rita Park to CR 210 Trail	655,000	500,000
	Chapman Hill Floor Replacement	250,000	
		4,020,000	11,293,060
Multi-Modal Projects			
223	Downtown across Camino del Rio to ART	61,150	221,080
224	College and 8th Safety Project		1,126,123
224	College and 8th Safety Grant Expense		1,154,877
249	MidTown Safety and Connectivity Project	120,126	70,000
255	32nd St. Traffic Calming and Connectivity Design	23,491	64,971
256	ADA Transition Plan Design and Construction - Phase 1	141,724	383,276
256	ADA Transition Plan Grant Expense (Phase 1)	2,000,000	
256	ADA Transition Plan Design and Construction - Phase 2	500,000	
256	ADA Transition Plan Design and Construction - Phase 2 Grant Expense		2,500,000
262	Downtown's Next Step Design Phase 1	491,581	50,000
New	WestPark Ave / Fassbinder		300,000
276	Roosa Avenue Connect Design + Construction	50,576	1,250,780
276	Roosa Avenue Connect Design + Construction Grant Expense		948,644
274	Junction Street Complete Street Design	100,000	300,000
274	Junction Street Complete Street Construction		
		3,488,648	8,369,751
	Interfund Transfer	554,214	
	Multimodal Maintenance Fund Transfer to Public Works		200,000
	Lake Nighthorse Subsidy		200,000
	Recreation Center Subsidy		350,000
Total Expenditures		8,062,862	20,412,811
Change in Fund Balance		2,207,015	-10,315,644
Beginning Fund Balance		8,251,425	10,458,440
Ending Fund Balance		10,458,440	142,796
POSTR		4,020,000	11,293,060
MM		3,488,648	8,369,751

- With the added, unexpected expenditure in 2023 the fund balance stays positive in both 2023 and 2024.



Impact Analysis

- The flooring is currently unusable for skates to walk across.
- Parks and Rec has contractors in place to do an emergency fix so that the rink can be usable again by its scheduled opening date.
- The issue is being evaluated by the City's legal department to seek damages either from the original contractor who installed or the glue company.

Strategic Plan & Goal Alignment Analysis:

- Parks and Recreation Supports the Enhanced livability and sense of place strategic plan initiative.

Strengths / Weaknesses / Mitigating factors

Strengths:

+ 2015 Fund balance has enough in reserve to cover the emergency expense and retain a positive fund balance.

+ Parks and Recreation Staff have contractors lined up to complete the work before the ice rink is scheduled to open this fall/winter.



FAB Comments and Amendments for Recommendation:

Line-Item Amendments:

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General Comments:

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Proposed City of Durango Project for Review & Recommendations

Review Item: Projects and Budget for 2005 Dedicated Sales Tax – 2024 Capital Projects

FAB Voting:			
Board Member	Recommend	Oppose	Abstain
Anthony Savastano (Chair)			
Jasper Welch (Vice Chair)			
Doug Lyon			
Roger Zalneraitis			
John Ballew			
Tom Barney			
Emily Millar			
Jessica Wheeler			

Overview / Background Information

As part of the annual budget process, staff make recommendations for capital improvement projects midway through the current year. These projects are budgeted to commence the following year. The city does not approve funding for multi-year projects. All projects require annual funding approval.

This proposal is for the 2005 Dedicated Sales Tax for Parks, Open Space and Trails. This year, there are projects with timing consideration that are being adjusted between the 2nd half of 2023 and 2024.

Ballot Language: Funds to be used for “fifty percent used to finance the preservation, acquisition, and maintenance of natural lands, including but not limited to land to preserve water quality in rivers and streams, wildlife habitat, land for hiking and biking, and the creation and maintenance of parks and trails and fifty percent used to finance capital improvements including, but not limited, a new library, road, sidewalk and associated improvements to enhance driver pedestrian and bicycle safety...”

Purpose

Staff is proposing a budget amendment to the 2005 Parks and Open Space and Trails ¼ Cent Dedicated Sales Tax.



Finance Analysis

	Description	2023	2024
Revenues			
	Taxes and Fees	2,680,262	2,469,252
	Grant Funding	193,236	-
	CTF (25-1000-63449 + 25-1000-66119)	625,000	-
	Total Revenues	3,498,498	2,469,252
Expenditures			
12	Natural Lands Preservation/Open Space Acquisition	-	1,495,000
133	Open Space Maintenance/Fire Mitigation	-	243,436
171	Park, Trail & Rec Improvements	-	615,497
237	Durango Trails	40,000	40,000
146	SMART 160 Trail	-	3,223,267
	Open Space Inventory and Needs Assessment	100,000	
253	Outdoor Pickleball Courts	1,900,000	
13	Schneider Park Restrooms		525,000
	Buckley Park Restrooms		
294	Greenmount Cemetery Irrigation		2,000,000
	29th St. River Access	-	-
	33rd St. River Access	-	
POST MTC	Mason Center		
POST New	Neighborhood Park at Three Springs - pickleball/ dog park		
	Santa Rita Park River Access		
	POST Maintenance		
	DMP Development / Other Projects		
Other			
	Interfund Transfers		
	POST Maintenance Transfer	370,102	-
	Total Expenditures	2,410,102	8,142,200
	Change in Fund Balance	1,088,396	-5,672,948
	Beginning Fund Balance	5,076,393	6,164,789
	Ending Fund Balance	6,164,789	491,841

- The fund will have a growing balance in 2023 anticipating many large expense projects in 2024. The fund will maintain a positive balance in both 2023 and projected 2024.



Impact Analysis

- Bids for the Pickleball Courts and Schneider Park improvements came in higher than expected at \$1,900,000. The extra expense is being mitigated by moving the funding timeline forward to prevent any further cost increases.
 - Most of the cost increases are due to grading, drainage, general park improvements to Schneider Park, and installation of lighting adjacent to the Animas River Trail along with the installation of the Pickleball courts.
- The SMART 160 Trail project is being delayed with easement discussions for portion of trail across private property and are being moved to 2024 based on the easement negotiation and consideration for balancing the fund and retaining a positive fund balance.

Strategic Plan & Goal Alignment Analysis:

- Parks support the Enhanced Livability and Sense of Place Strategic Plan goal.
 - By making these amendments we will be able to better distribute funds in accordance with timing needs of the different projects.
- Durango has sought dedicated pickleball courts for several years with several locations considered. We now have a contractor on schedule to get them installed.
- Schneider Park Restrooms will be installed after the general improvements made with the implementation of the Pickleball courts.
- SMART 160 has been delayed due to easement negotiations with a private landowner and construction of a road on private land.
- Land Acquisition is ongoing, but contract negotiations are not likely to need funding until 2024.

Strengths / Weaknesses / Mitigating factors

- + We will maintain a growing fund balance in preparation for large projects in 2024.
- + Pickleball courts will begin construction in 2023.
- + Schneider Park will have general improvements made and addition of Animas River Trail lighting through Schneider Park.
- + We will work within timing constraints of 3rd parties to the City of Durango.



FAB Comments and Recommendations for Approval:

Line-Item Amendments:

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General Comments:

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Proposed City of Durango Project for Review & Recommendations

Review Item: Projects and Budget for 2015 Dedicated Sales Tax – 2024 CIP Projects

FAB Voting:			
Board Member	Recommend	Oppose	Abstain
Anthony Savastano (Chair)			
Jasper Welch (Vice Chair)			
Doug Lyon			
Roger Zalneraitis			
John Ballew			
Tom Barney			
Ec Millar			
Jessica Wheeler			

Overview / Background Information

As part of the annual budget process, staff makes recommendations for amendments midway through the year. This proposal is for the 2015 Dedicated Sales Tax for Multimodal and Parks and Recreation projects. This year, there are projects with timing consideration that are being adjusted between the second half of 2023 and 2024.

Ballot Language: Funds to be used for “the costs of the construction, operations or maintenance of recreations facilities, parks trails, pedestrian and bicycle improvements, maintenance facilities used by the Parks and Recreation Department, and the Urban Forest; with all expenditures based on the recommendations of a citizens advisory board to the city council....”

Purpose

Staff is proposing a budget for 2024 Capital Improvement Projects for the 2015 Parks and Multimodal dedicated Sales Tax.



Financial Analysis

Description		2023	2024
Revenues			
	Taxes and Fees	5,959,356	5,148,523
	Multi-Modal Grant Funding	4,103,251	2,500,000
	Multi-Modal Potential Funding		
	FLAP Grant		
Total Revenues		10,062,607	7,648,523
Expenditures			
Recreation Projects			
167	Recreation Facility Improvements		560,000
233	Community Forestry Plan	135,000	50,000
251	Durango Mesa Park		4,304,006
228	Lake Nighthorse Improvements		1,211,116
269	Community Forestry Plan Update	135,000	
270	Community Garden at Riverview	25,000	
273	Plaza Area at Powerhouse	25,000	
267	Chapman Ski Hill		3,130,000
271	Lake Nighthorse FLAP		130,000
272	ART, Santa Rita Park to Albertsons Trail		1,500,000
257	ART Rank Park to Demon Bridge		637,938
14	ART, Demon Bridge to 29th St. Trail		2,400,000
266	ART, Santa Rita Park to CR 210 Trail	655,000	500,000
		975,000	14,423,060
Multi-Modal Projects			
223	Downtown across Camino del Rio to ART	61,150	221,080
224	College and 8th Safety Project		1,126,123
224	College and 8th Safety Grant Expense		1,154,877
249	MidTown Safety and Connectivity Project	120,126	70,000
255	32nd St. Traffic Calming and Connectivity Design	23,491	64,971
256	ADA Transition Plan Design and Construction - Phase 1	141,724	383,276
256	ADA Transition Plan Grant Expense (Phase 1)	2,000,000	
	ADA Transition Plan Design and Construction - Phase 2	500,000	
262	Downtown's Next Step Design Phase 1	491,581	50,000
254	30th Street Connect Project		
New	WestPark Ave / Fassbinder		300,000
276	Roosa Avenue Connect Design + Construction	50,576	1,250,780
274	Junction Street Complete Street Design	100,000	300,000
		3,488,648	4,921,107
	Interfund Transfer	554,214	
	Multimodal Maintenance Fund Transfer to Public Works		200,000
	Lake Nighthorse Subsidy		200,000
	Recreation Center Subsidy		350,000
Total Expenditures		5,017,862	20,094,167
Change in Fund Balance		5,044,745	-12,445,644
Beginning Fund Balance		8,129,325	13,174,070
Ending Fund Balance		13,174,070	728,426
POSTR		975,000	14,423,060
MM		3,488,648	4,921,107

- The fund will have a growing balance in 2023 anticipating many large expense projects in 2024. The fund will maintain a positive balance in both 2023 and projected 2024.



Impact Analysis

- The Durango Mesa Park Demonstration Trails are currently being constructed and the Bike Park is in design phase, with construction scheduled for 2024. Design work for infrastructure is currently in progress and will continue into 2024.
- The replacement of the Chapman Ski Hill little tow rope, the big tow rope, and the lighting are being combined into one project for better ordering and cost efficiencies.
- The road improvements at Lake Nighthorse are being managed by the Federal Lands Highway Division. Design and engineering are in progress, with project bidding scheduled for 2025, and construction likely in 2026. The Lake Nighthorse Entry and Decontamination station is currently out to bid with construction anticipated to start this fall and completion in spring of 2024.
- The replacement of three existing sections of Animas River Trail is currently being designed with plan to bid for construction over the next couple of years.
- The College & 8th Safety Project did not receive construction bid responses in 2023. Staff is requesting that the funds be re-appropriated to 2024 so the request for proposals can be modified and re-bid for a summer 2024 construction.
- Phase 1 and Phase 2 of the ADA Transition Plan Design and Construction were combined into one project based on additional grant revenue that was awarded in 2023. The project will include full design and construction and will continue into 2024.
- Design of the Camino Crossing Project was paused for negotiations between the City and DFPD concerning future site implications of the River City Hall campus. Now that there has been resolution, design will resume, and funds are requested to be re-appropriated into 2024.
- The MidTown Safety and Connectivity Project is currently under design. Due to the complexity of the project and the necessary public engagement, design will continue into 2024.
- 32nd Street Traffic Calming Project has reached 95% design. The remaining funds are requested to be re-appropriated to 2024 to fund the bid package for construction.
- The Downtown's Next Step Project Phase 1 design is anticipated to continue into 2024. It is included in the midyear adjustment request to fund the up-front site analysis costs of the entire corridor. The entire design cost of all 3 phases is not anticipated to be impacted.

Strategic Plan & Goal Alignment Analysis:

- Parks department supports the Enhanced Livability and Sense of Place Strategic Plan goal.



- Transportation Department projects support the Effective Infrastructure Network Strategic Plan goal.

Strengths / Weaknesses / Mitigating factors

- + We are conglomerating several projects to realize cost efficiencies.
- + The three Animas River Trail improvement projects, which include replacement of two pedestrian bridges are being designed/engineered at one time to improve efficiencies, with plan to bid for construction as individual plans are completed and funds are available.
- + Many of the projects will impact safety and accessibility for Durango residents.
- + The fund balance remains positive based on conservative revenue projections.

FAB Comments and Amendments for Recommendation:

Line-Item Amendments:

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General Comments:

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Proposed City of Durango Project for Review & Recommendations

Review Item: Projects and Budget for 2019 Dedicated Sales Tax – 2024 CIP Projects

FAB Voting:			
Board Member	Recommend	Oppose	Abstain
Anthony Savastano (Chair)			
Jasper Welch (Vice Chair)			
Doug Lyon			
Roger Zalneraitis			
John Ballew			
Tom Barney			
Emily Millar			
Jessica Wheeler			

Overview / Background Information

As part of the annual budget process, staff make recommendations for capital improvement projects midway through the current year. These projects are budgeted to commence the following year. The city does not approve funding for multi-year projects. All projects require annual funding approval.

This proposal is for the 2019 One Half Cent Sales Tax for Streets Capital Improvement Projects. This year, there are projects with timing considerations that are being adjusted between the second half of 2023, when contracts will be awarded, and 2024, when project construction commences.

This proposal is for projects funded by the 2019 Sales Tax that are managed through design by Engineering Staff and CIP Division during construction.

Ballot Language: Funds to be used for “funding the construction, operation and maintenance of streets, alleys, curbs, gutters, sidewalks, and related street improvements. Proposes expenditures of funds shall first be submitted to a citizen advisory board for a recommendation to city council.”

Purpose

Staff is proposing a budget for 2024 Capital Improvement Projects for the 2019 Streets One-Half Cent Sales Tax and are requesting a recommendation of such to City Council by the Financial Advisory Board.



Financial Analysis

Description		2023	2024
Revenues			
	Taxes and Fees	5,959,356	5,148,523
	County Contribution (Fund 42)	4,400,000	
	Total Revenues	10,359,356	5,148,523
Expenditures			
Planned Streets Projects			
260	CR250/251		
	Construction (50% of '23 and '24 budget will be refunded by County in Fund 42)(Construction 2023-2024)	9,309,152	
334	Durango Mesa 3 Spring Access Road		
	Design HDR Task 2		80,000
	Construction (assume 50% funding by Parks n Rec, 50% funding by Streets)		1,500,000
314	Reconstruct Red Mountain (W 2nd to W 28th)	477,250	
313	Reconstruct Junction St. (End to End) Note:On Hold	200,000	
316	Reconstruct 1st St. (4th Ave to 650 blk)	372,600	
307	North College Redesign and Reconstruct (Construction 2023-2024)	2,878,430	
318	8th Ave/College St - Pavement only after MM project - Delayed		460,000
333	Reconstruct 3rd Avenue		600,000
339	Downtown's Next Step AC Pavement install at 2 blocks	80,000	400,000
Streets: Pavement Preservation			
319	Assess /Test Master Plan Street Assets (PCI) Every 5 year	110,000	
304	Alleys Grade and Pave (no drainage structures)	264,500	200,000
308	OGFC Overlay at 5 locations	739,450	
337	2024 ANNUAL OGFC OVERLAY ~\$500k/yr		500,000
309	Seal Coat HA-5 - Various locations	283,000	
328	2024 ANNUAL HA-5 SEAL COAT - Various locations		300,000
310	Mill and replace at Escalante, Girard and Columbine(Girard,Columbine	483,850	
336	2024 Asphalt Mill and Replace		200,000
320	Purchase Asphalt Recycler	110,000	
321	Roosa Ave Emergency Repair 4' Culvert	120,000	
322	Crack Seal	50,000	
329	2024 ANNUAL CRACK SEAL at Various location		50,000
323	Joint project with RR at 7th St crossing (Added project since budget)	70,000	
325	CDOT Paving at 14th St E at Camino	60,000	
326	Chip Seal at 14th St W	30,000	
Future	Railbed Rehab and Crossing Lights at College and Narrow Gauge		
Sidewalks			
303	2023 ADA Ramps	414,000	
330	2024 ANNUAL ADA RAMPS - Various Locations		200,000
305	50-50 Split residential replacement	100,000	
335	2024 SPLIT PYMT SIDEWALK REPAIRS		50,000
Bridges			
338	2024 Bridge repairs and upgrades		50,000
Stormwater Conveyance Projects			
120	Forest Ave and El Paso (CC1)/Add Roosa and Avendia del Sol Underdrain (New)		10,000
331	2024 Alley Drainage Structure		300,000
340	Camino del Rio 13th St Crossing (Est 2 year construction)		10,000
	Design		25,000
	Construction		
	Total Expenditures	16,152,232	4,935,000
	Change in Fund Balance	-5,792,876	213,523
	Beginning Fund Balance	5,800,821	7,945
	Ending Fund Balance	7,945	221,468



- The fund will have large expenditures and encumbrances in 2023, due to construction contracting requirements to secure early 2024 construction and will continue to see projects in 2024 but will grow the fund balance in 2024 for higher reserves.
- Several of the projects are being budgeted in 2023 but will not have full expenditures of those funds in 2024. We are encumbering the funds per contract requirements for the projects so there will be funds available as certain milestones of projects are met.

Impact Analysis

- CR 250/ 251 project is being contracted in 2023 but will have multiple years of expenditures. La Plata County is committing 50% of the construction cost to their portion of \$8.8 million, based upon actual bid costs, which is an increase over their \$3.5 million commitment in 2023 from a \$6.6 million estimated construction cost.
- Several of the projects continue to be reappropriated due to lack of bids on projects that were reliant on MultiModal project completion when some MultiModal projects did not receive bids.
- Streets/Engineering is working to create joint projects with MultiModal to attempt to appeal to more bidders by creating larger projects.
- The city is competing for contractors with nearby large CDOT projects. This is one of several factors contributing to the price increase of the projects that do receive bids.
- The North College redesign will improve traffic calming, drainage, utilities, and multimodal accessibility on the road.

Strategic Plan & Goal Alignment Analysis:

- The Streets Department supports the Effective Infrastructure Network strategic plan initiatives.

Strengths / Weaknesses / Mitigating factors

Strengths:

- + Projects will continue as funding and contractors are available.
- + We will encumber funds in 2023 to get projects under contract and scheduled for subsequent years.
- + Design phases of several projects are moving to construction phases.



+ Staff is adjusting procurement procedure and timing to better align with contractor schedules and bidding.

Weaknesses:

- Projects have had price increases from design estimates to actual bid prices.
Mitigated by encumbering funds and getting projects under contract which will slow price increases.
- In 2024, we have not had adequate design management staff to ensure that consultants meet design schedules.
Mitigated by 2024 FTE request for an FTE for “Streets Design Project Manager”

FAB Comments and Amendments for Recommendation:

Line-Item Amendments:

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General Comments:

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Proposed City of Durango Project for Review & Recommendations

Review Item: Projects and Budget for Sewer Construction Fund – 2024 CIP Projects

FAB Voting:			
Board Member	Recommend	Oppose	Abstain
Anthony Savastano (Chair)			
Jasper Welch (Vice Chair)			
Doug Lyon			
Roger Zalneraitis			
John Ballew			
Tom Barney			
Emily Millar			
Jessica Wheeler			

Overview / Background Information

As part of the annual budget process, staff make recommendations for capital improvement projects midway through the current year. These projects are budgeted to commence the following year. The city does not approve funding for multi-year projects. All projects require annual funding approval.

This proposal is for the Sewer Construction Fund Capital Improvement Projects. All Capital projects are paid for out of the Sewer Enterprise fund.

Purpose

Public Works Department Staff is proposing a budget for 2024 Capital Improvement Projects for the Sewer Construction Fund.



Financial Analysis

Description		2023	2024
Revenues			
	Sewer rev via interfund transfer	1,809,049	1,448,121
Total Revenues		1,809,049	1,448,121
Expenditures			
Sewer Projects			
2016	Sewer Project	300,000	400,000
2031	Lift Station Replacement	-	-
2052	Santa Rita Park Design	-	-
2056	Santa Rita Utilities Administration Building	200,000	-
2065	Water Information Management Systems (WIMS) Database	-	-
2066	N. College Sewer Line Rehab	497,170	-
2068	2022 Manhole Lining/Rehabilitation	-	-
2069	BODO 3 Liftstation Rehabilitation	110,000	-
2070	Upper Ramada Lift Station Replacement	244,203	235,597
2071	SCADA Cybersecurity Improvements	27,676	-
2072	Lift Station Generators & Vaults	-	-
2073	Santa Rita Entrance Road	70,000	250,000
2074	SRWRF: Primary Clarifier Liner Replacement	150,000	287,424
2076	SRWRF: Operator Workstation Remodel	125,000	-
2077	SRWRF: Waterline Replacement	85,000	-
2078	SRWRF: Primary Sludge Pump Replacement	-	144,800
2079	SRWRF: Septage Receiving Station	-	75,000
2080	Florida Road Sewer Replacement	-	55,300
	Lightner Creek Lift Station Replacement	-	-
	Westside Lift Station Replacement	-	-
	Bodo East Lift Station Replacement	-	-
	Lift Station Fiber	-	-
Total Expenditures		1,809,049	1,448,121

- All revenue to the Sewer construction fund is through an interfund transfer from the Sewer Enterprise fund. Any change in fund balance in the construction fund is absorbed in the enterprise fund.



Impact Analysis

- Sewer projects include acoustic testing, manhole relining, sewer replacement design, and sewer emergency replacement.
- Primary Clarifier Liner Replacement – the coating protects the concrete’s integrity, lengthening its lifespan in a hazardous environment.
- Sludge Pump Replacement - SRWRF has identified an opportunity for efficiency by replacing large sludge pumps that operate infrequently with smaller sludge pumps that operate more frequently. This will increase the biological breakdown in the anaerobic digesters, reducing or offsetting energy consumption through methane gas recovery.

Strategic Plan & Goal Alignment Analysis:

- The Sewer Department supports the Effective Infrastructure Network strategic plan initiatives.

Strengths / Weaknesses / Mitigating factors

Strengths:

- + Sewer capital projects are entirely funded by enterprise funds. The expense every year is offset by a transfer from the enterprise fund.
- + Sewer projects are necessary for effective infrastructure and wastewater management for the city.



FAB Comments and Amendments for Recommendation:

Line-Item Amendments:

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General Comments:

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Proposed City of Durango Project for Review & Recommendations

Review Item: Projects and Budget for Water Construction Fund – 2024 CIP Projects

FAB Voting:			
Board Member	Recommend	Oppose	Abstain
Anthony Savastano (Chair)			
Jasper Welch (Vice Chair)			
Doug Lyon			
Roger Zalneraitis			
John Ballew			
Tom Barney			
Emily Millar			
Jessica Wheeler			

Overview / Background Information

As part of the annual budget process, staff make recommendations for capital improvement projects midway through the current year. These projects are budgeted to commence the following year. The city does not approve funding for multi-year projects. All projects require annual funding approval.

This proposal is for the Water Construction Fund Capital Improvement Projects. All Capital projects are paid for out of the Water Enterprise fund.

Purpose

Public Works Department Staff is proposing a budget for 2024 Capital Improvement Projects for the Water Construction Fund.



Financial Analysis

Description		2023	2024
Revenues			
	Water rev via interfund transfer	6,025,264	9,548,957
	Total Revenues	6,025,264	9,548,957
Expenditures			
Water Projects			
1068	WTP Reclaim/Sludge Management	1,030,795	-
1069	CMWTP Filter Effluent to Waste System	150,000	-
1079	Meter Replacement Program	65,000	-
1104	Storage Tanks Control Panel Systems	372,000	-
1109	CMWTP 3MG Tank	250,000	5,750,000
1117	Administration Building Design/Construction	200,000	-
1118	Water Dock Upgrades	50,000	-
1130	Wild Cat Tank Improvements	75,000	225,000
1131	South Durango Control Vault Improvements	53,726	-
1134	N College Drive Waterline Replacement	1,260,000	-
1135	9th St (Main-Camino) Waterline Replacement	946,117	-
1138	CMWTP Solar Project	50,000	450,000
1139	Lake Nighthorse to CMWTP Raw Water Supply	750,000	-
1142	SCADA Cybersecurity Improvements	27,626	-
1144	Pre-Oxidation at Santa Rita PS	130,000	-
1146	Florida Pipeline Rehabilitation	50,000	150,000
1148	Florida Outfall Flow Control and Metering	175,000	-
1151	160W Waterline Replacement	130,000	2,000,000
1152	Water Design	150,000	150,000
1158	Downtown Next Steps	110,000	598,957
1159	Rockridge Pump Station Upgrades	-	225,000
	Total Expenditures	6,025,264	9,548,957

- All revenue to the Water construction fund is through an interfund transfer from the Water Enterprise fund. Any change in fund balance in the construction fund is absorbed in the enterprise fund.

Impact Analysis

- Project 1109 3MG Tank will be construction of a new 3MG Clear-well / water tank at the water treatment plant. This project is required to meet regulatory standards while operation and maintenance is completed on adjacent equipment.
- 160 W Waterline replacement will be a design and construction of waterlines west of 550/ 160 up to Tech Center Drive. This project is necessary to replace the interior coating of the Wildcat Water Storage Tank while maintaining fire flows to the Twin Buttes subdivision.
- Other Projects include general improvements to water infrastructure and triaged maintenance of existing assets.



Strategic Plan & Goal Alignment Analysis:

- The Public Works Department supports the Effective Infrastructure Network strategic plan initiatives.

Strengths / Weaknesses / Mitigating factors

Strengths:

+ Water capital projects are entirely funded by enterprise funds. The expense every year is offset by a transfer from the enterprise fund.

+ Water projects are necessary for effective infrastructure, water storage and distribution within the City of Durango.

FAB Comments and Amendments for Recommendation:

Line-Item Amendments:

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General Comments:

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