

OPEN SPACE BOARD OF TRUSTEES
Wednesday, July 27, 2016
Council Chambers, 1777 Broadway

MEETING AGENDA
(Please note that times are approximate.)

- 6:00 I.** Special update: Junior Ranger Program
- 6:15 II.** **Approval of Minutes**
- 6:20 III.** ***Public Participation for Items Not Identified for Public Hearing**
- 6:30 IV.** *Consideration of a motion to recommend that City Council authorizes the transfer of certain paved parcels of Open Space land to the City of Boulder Public Works Department - Transportation pursuant to the disposal procedures of Article XII, Section 177, of the Boulder City Charter.
- 6:55 V.** **Matters from Staff**
- a. Briefing on Proposed Annexation of OSMP Lands
 - b. Prairie Dog Management Update
 - c. Mesa Trail crossing at Skunk Creek – trail reroute and ford-type crossing
 - d. Budget Update
- 8:10 VI.** **Matters from the Board**
- 8:20 VII.** **Adjournment**

* Public hearing

Open Space Board of Trustees
2016 Tentative Board Items Calendar
(prepared July 20, 2016)

July 27	August 10	September 14
<p>Action Items:</p> <ul style="list-style-type: none"> • Transfer of paved paths to Transportation (disposal) <p>Matters from Department:</p> <ul style="list-style-type: none"> • Junior Rangers Program • City Area III Annexation • Mesa Trail Crossing at Skunk Canyon Creek Design • Prairie Dog Management Update • Operating Budget 	<p>Action Items:</p> <ul style="list-style-type: none"> • NCWCD Pipeline Easement (disposal) • Operating Budget Recommendation • Property acquisition • Eastpark Donation (disposal) <p>Matters from Department:</p> <ul style="list-style-type: none"> • Education programs updates <ul style="list-style-type: none"> -Inclusion efforts update -Accessibility brochure release • BVCP briefing 	<p>Action Items:</p> <ul style="list-style-type: none"> • Boulder Valley Comprehensive Plan Review • Property acquisition <p>Matters from Department:</p> <ul style="list-style-type: none"> • Trail Projects Update • Raptor Monitoring Update • Community Ranger Program • IGA renewal briefing
October 12	November 9	December 14
<p>Action Items:</p> <ul style="list-style-type: none"> • IGA renewal <p>Matters from Department:</p> <ul style="list-style-type: none"> • City Council Subcommittee • Update on 2013 Flood Recovery • Conservancy concept update and concurrence to move to step 3 (create MOI) 	<p>Action Items:</p> <p>Matters from the Department:</p> <ul style="list-style-type: none"> • Voice and Sight Program Update • Update on Inventory for Master Plan 	<p>Action Items:</p> <ul style="list-style-type: none"> • Ag Plan <p>Matters from the Department:</p>

OPEN SPACE BOARD OF TRUSTEES

Minutes

Meeting Date June 8, 2016

BOARD MEMBERS PRESENT

Frances Hartogh Molly Davis Kevin Bracy Knight Tom Isaacson Curt Brown

STAFF MEMBERS PRESENT

Tracy Winfree Jim Reeder John Potter Mark Davison Cecil Fenio
Alycia Alexander Leah Case Brian Anacker Lynn Riedel Will Keeley
Ericka Pilcher Kacey French Dan Burke Kelly Wasserbach

GUESTS

Kathy Haddock, Senior Assistant City Attorney
Brett Kencairn, Senior Environmental Planner
Chris Meschuk, Planner II

CALL TO ORDER

The meeting was called to order at 6:02 p.m.

AGENDA ITEM 1 – Approval of the Minutes

Tom Isaacson asked to remove the word, “in” on page 2, third paragraph. He said on the same page in the fourth paragraph, add the word “site” after “Superfund”. In the fifth paragraph, change the word “it” to “is.” In the same paragraph, second to last line, remove the word “for” before “capital.” Frances Hartogh said on page 2, in the second paragraph, it should read, “. . . icy or muddy conditions. . .”

Molly Davis moved that the Open Space Board of Trustees approve the minutes from May 9, 2016 as amended. Curt Brown seconded. This motion passed four to zero; Kevin Bracy Knight abstained as he was absent at the last meeting.

AGENDA ITEM 2 – Public Participation for Items not on the Agenda

Elizabeth Black, Boulder, spoke about climate change and possible carbon sequestration techniques for Boulder County. She suggested several ways that Open Space and Mountain Parks (OSMP) could sequester carbon on Open Space.

AGENDA ITEM 3 – Matters from Staff

Brett Kencairn, Senior Environmental Planner, presented on the Boulder’s Climate Commitment and OSMP.

Kevin asked if staff has looked at how many people drive to trailheads, and how to reduce that number. Brett said staff is currently gathering data for this. Tracy said the Chautauqua Access Management Plan is looking at this as well. Tom asked about use patterns based on trail location and accessibility. Brett said travel surveys will be taking place as part of their data gathering. Brian Anacker said staff is doing surveys on visitation as well which will address use patterns. He noted that use patterns will also be looked at relative to climate change. Frances asked if agricultural use and/or leases could be modified to incorporate some of these findings. Brett said staff is still working on gathering this data.

Kathy Haddock, Senior Assistant City Attorney, presented on the City Blue Line.

Tom asked if this will affect Open Space. Kathy said no; changing this line will not change ownership or otherwise. Tom asked if the properties will permanently be without water service even if the ownership changes hands. Kathy said that is correct; the one exception would be for fire service. Molly asked if there

is an impact on Conservation Easements (CE). Chris Meschuk said there may be certain areas that the line will be moved down to appropriately incorporate a CE. Dan said staff will be participating in a workshop where they will do a parcel by parcel analysis to make sure nothing is overlooked. Kevin asked what would need to happen if Open Space decided to put in flush toilets within this boundary. Chris said Blue Line applies only to water and not to sewer; however, to do this in the future this would likely take another vote. Tom asked if there is any way to get water to land that is within the Blue Line. Kathy said not with a city water tap or permanent irrigation, but there would be other options such as driving a truck in and spraying from the truck. Frances asked when this would be put on the ballot. Kathy said in November.

Brian Anacker, Science Officer, presented on the 2016 Funded Research Program.

Kevin asked if there is a public data sharing policy. Brian said the city has an open data policy; however, they still need to work out how long after research takes place before it will be available to the public. Kevin suggested funding longer term studies as it may draw more interest. Curt asked to see the 50 questions. Brian noted that these in addition to other information, are on the OSMP website. Curt suggested tacking on additional money for writing and submitting.

Jim Reeder, Trails and Facilities Division Manager, gave an update on several trail projects.

Frances asked what passive removal of prairie dogs means. Jim said they would be encouraged to move away from the trail and onto another area on the site, likely by closing their burrow holes. Molly asked if Tenderfoot is closed because work on Chapman is taking place. Kelly said yes; it is a safety precaution.

Kacey French, Planner I, gave an update on the Agricultural Plan.

Curt asked if this plan should be put on hold until the Master Plan is complete. Tracy said it will be fine to do them simultaneously since local foods is an initiative from City Council. Kevin suggested a separate board/commission who could help advise staff on agriculture. Molly suggested expanding the section that includes impacts from the public on the lessees. She added that having a mechanism for lessees to contact staff with concerns would be good. Frances asked how goals and measures of success are determined for each plan component. Kacey said staff will create goals and figure out how to get there with management strategies and determines how to measure success. Some will come from existing plan documents.

AGENDA ITEM 4 – Matters from the Board

Frances thanked all who participated in the North Trail Study Area (TSA) Plan process.

Molly gave an update on the Fourmile Canyon Greenways Improvement Project. This is on the city website.

AGENDA ITEM 5 – Review of and recommendation regarding the 2017 Open Space and Mountain Parks Department Capital Improvement Program Budget and a portion of the Lottery Fund Capital Improvement Program Budget.

Abbie Poniatowski, Central Services Division Manager, presented this item.

Public Comment

None.

Return to the Board

Tom asked about the amount allocated for the campus relocation. Abbie said the amount is an anticipated cost; there is an internal staff team looking through details of what will be needed. Kevin asked what the limitations of the current campus are. Abbie said the department is limited by land use agreements, permits and utilities. Molly asked if the amount listed for the North Trail Study Area (TSA) is a place holder. Abbie said yes; eventually there will be details of where and what will happen next year. Molly

asked if the Fourmile Creek project has any overlap with Greenways. Jim said there is no overlap; best way to restore functionality of trail is to put in the bridge which Open Space will fund. Molly asked about the .27 Full Term Equivalent (FTE) amount. Abbie said a portion of property agents time is allocated for services they provide to other departments.

Motion

Molly Davis moved the Open Space Board of Trustees approve, and recommend that Planning Board approve, an appropriation of \$9,530,000 in 2017 from the Open Space Fund CIP as outlined in the June 8 memorandum and related attachments; and recommend that \$766,450 be appropriated from the city's Lottery Fund CIP in 2017 as outlined in that memorandum and related attachments. Curt Brown seconded. This motion passed unanimously.

ADJOURNMENT – The meeting adjourned at 8:58 p.m.

These draft minutes were prepared by Leah Case.

DRAFT



**CITY OF BOULDER
OPEN SPACE BOARD OF TRUSTEES AGENDA ITEM**

MEETING DATE: July 27, 2016

AGENDA TITLE Consideration of a motion to recommend that City Council authorizes the transfer of certain paved parcels of Open Space land to the City of Boulder Public Works Department - Transportation pursuant to the disposal procedures of Article XII, Section 177, of the Boulder City Charter.

PRESENTER/S

Tracy Winfree, Director, Open Space and Mountain Parks
Abbie Poniatowski, Central Services Manager
Dan Burke, Real Estate Supervisor
Bethany Collins, Property Agent

EXECUTIVE SUMMARY

On Dec. 2, 2014, City Council authorized the disposal of 11 noncontiguous parcels of Open Space and Mountain Parks Department (OSMP) land that were improved with paved multi-use paths to the City of Boulder Public Works Department - Transportation in order to expand the city's electric bicycle (E-bike) program. Since that time, it has been determined that there were errors made in the parcels identified for disposal. In addition to these 11 noncontiguous parcels, there are additional paved paths located on OSMP properties that have historically been developed, managed and maintained by the Public Works Department - Transportation and therefore should also be transferred. There is also a need for the transfer of any ownership interests in the paths to include shoulder buffers for proper management and maintenance of the paths. Staff from both departments agree it is sensible to acknowledge Transportation's responsibilities, as well as the corrected and expanded list of properties including their buffers, via a transfer of the ownership interest in the paved paths located on OSMP land depicted on Attachment A and more specifically described in Attachment B. Detailed maps specific to each parcel can also be found at <https://bouldercolorado.gov/links/fetch/31048>.

OSMP and Transportation staffs believe that there are significant mutual advantages to the transfer of the identified parcels. For Transportation, there will be clarity in the development, management and maintenance rights and responsibilities of the paved paths and formalized expansion of the E-bike program with improved connectivity. For

OSMP, transfer of these properties will support an important shared community value, active multi-modal transportation - and relieve OSMP of any confusion related to the responsibility for maintenance and management of the paved path infrastructure. Advantages to both OSMP and Public Works departments support a proposed disposal at no cost to Public Works.

As noted in previous actions and guidance from the Board and City Council, staff recommends that the Open Space Board of Trustees (OSBT) treat these transfers as disposals. This will insulate the city from any claim that the disposal procedures had not been followed to effectuate the change.

STAFF RECOMMENDATION

Staff recommends that the Open Space Board of Trustees recommend City Council to authorize the transfer of the parcels described in Attachment B to the City of Boulder Public Works Department - Transportation pursuant to the disposal procedures of Article XII, Section 177, of the Boulder City Charter.

COMMUNITY SUSTAINABILITY ASSESSMENTS AND IMPACTS

- Environmental: OSMP is a significant community-supported program that is recognized worldwide as a leader in preservation of Open Space lands contributing to the environmental sustainability goal of the City Council. These small, paved parcels have little to no environmental value and this interdepartmental transfer would have no impact on the environmental value, overall, of the OSMP system.
- Economic: OSMP contributes to the economic vitality goal of the city as it provides the context for the diverse and vibrant economic system that sustains services for residents. The land system and the quality of life it represents attract visitors and help businesses to recruit and retain quality employees. The transfer of these parcels would clarify departmental responsibilities, making maintenance and management more efficient and less costly.
- Social: Because the Open Space land system is equally accessible to all members of the community, it helps support council's community sustainability goal because all residents "who live in Boulder can feel a part of and thrive in" this aspect of their community. The addition of these parcels to the City of Boulder transportation system would also make them available for the E-bikes program and other approved alternative modes of transportation.

OTHER IMPACTS

- Fiscal – This transfer will have only a modest economic benefit to the Open Space Department in that Open Space staff will no longer be required to troubleshoot maintenance requests related to these parcels. Transportation has been managing and maintaining the paved infrastructure since they were constructed.
- Staff time – Sufficient funding for staff time is available to process this transfer.

PUBLIC COMMENT AND PROCESS

This item is being heard at this public meeting, as noticed in the *Daily Camera* on July 24, 2016. A Notice of Disposal of Open Space Lands was published in the *Daily Camera* on July 15 and 16, 2016 pursuant to Section 177 of the City Charter.

ANALYSIS

On Nov. 18, 2014, City Council authorized the use of E-bikes on all Transportation and Greenways paved paths. On Dec. 2, 2014, City Council authorized the disposal of 11 noncontiguous parcels of OSMP land that were improved with paved multi-use paths that were for the most part connected to existing portions of those transportation and greenways paths.

As the memorandum of understanding was being drafted to formalize that transfer, it was determined that there were errors made in the parcels included for disposal and that development, management and maintenance responsibilities over all segments of paved paths located on OSMP properties have also been that of the Public Works Department - Transportation. There is also a need for the transfer of any ownership interests in the paved paths to include shoulder buffers for proper management and maintenance of the paths. Staff from both departments agree it is sensible to acknowledge Transportation's responsibilities, as well as the corrected and expanded list of parcels, including their buffers, via a transfer of the ownership interest in the paved paths located on OSMP land depicted on Attachments A and more specifically described on Attachment B. Detailed maps specific to each parcel can also be found at <https://bouldercolorado.gov/links/fetch/31048>.

These paved parcels have limited environmental value, were constructed on OSMP lands by other departments, and have always been managed and maintained by Transportation. Paved paths are inconsistent with virtually all other features of OSMP properties and not typically included in environmental or visitor use planning.

The development of active modes of transportation is an important and shared community value. The potential for increased use of nonpolluting modes of transportation could reduce carbon impacts on critical OSMP lands and habitats. The transfer of these parcels will provide better contiguity and a wider range of opportunity for the use of these paved corridors for E-bikes and other approved alternative modes of transportation.

No formal council action has been taken to address the disposal of Open Space land as defined by the City Charter to another city department. Staff is in support of transferring the Open Space parcels as identified on Attachment A and described in Attachment B according to Section 177 of the City Charter. Because the City Council is expected to approve a charter amendment requiring compliance with Section 177 of the City Charter for transfers between departments, also recommended by the Board, staff recommends that OSBT treat these transfers as disposals. This will insulate the city from any claim that the disposal procedures had not been followed to effectuate the change.

Disposal to the Public Works Department would be for no cost. Staff believes there is a value to OSMP in the development of nonpolluting active modes of transportation and that OSMP will be relieved of the costs associated with the maintenance and management of these widely dispersed, short segments of paved path.

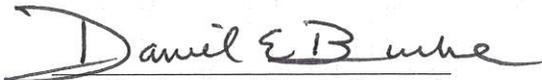
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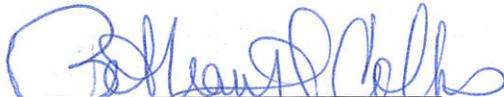
Tracy Winfree, Director



Abbie Poniatowski, Central Services Manager



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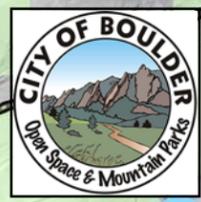
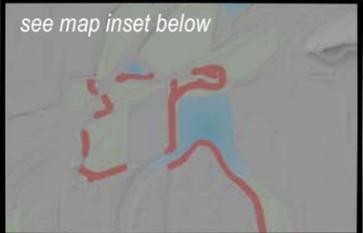
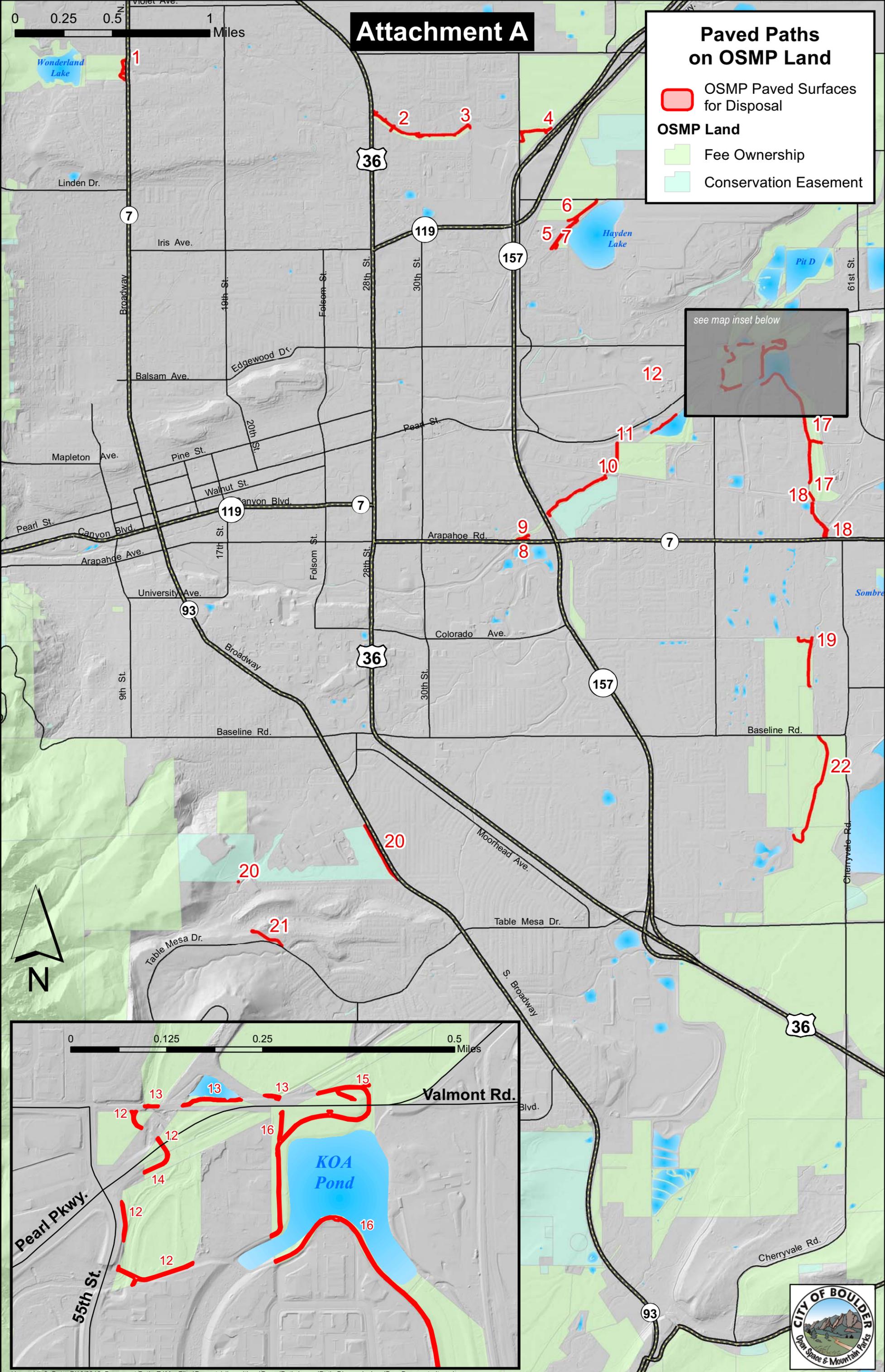
ATTACHMENTS:

- A. Paved Paths on OSMP Land (overview map)**
- B. Description of Land to be Transferred**

Attachment A

Paved Paths on OSMP Land

-  OSMP Paved Surfaces for Disposal
- OSMP Land**
 -  Fee Ownership
 -  Conservation Easement



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Attachment B
Description of Land to be Transferred

1. **Anna Dunn.** All paved paths, including an eighteen inch (18”) buffer on each side, within the Anna Dunn property of the Wonderland Lake Open Space. Also known as Boulder County Parcel Nos. 146113400018 and 146113400001. See attached map.
2. **Palo Park West.** All paved paths, including an eighteen inch (18”) buffer on each side, within the Palo Park Trail West property. Also known as Boulder County Parcel No. 146317302044. See attached map.
3. **Palo Park East.** All paved paths, including an eighteen inch (18”) buffer on each side, within the Palo Park Trail East property. Also known as Boulder County Parcel No. 146317402030. See attached map.
4. **Belgrove.** All paved paths, including an eighteen inch (18”) buffer on each side, within the Belgrove property. Also known as Boulder County Parcel No. 146316000043. See attached map.
5. **N.B.I.** All rights to the 30-foot pedestrian, equestrian, and bicycle easement granted in the Easement Agreement recorded February 26, 1982 at Reception No. 484873 over the N.B.I. Property. Also known as Boulder County Parcel No. 146321000048. See attached map
6. **Reynolds North (Fee and Donation).** All paved paths, including an eighteen inch (18”) buffer on each side, within the Reynolds Fee and Donation properties. Also known as Boulder County Parcel No. 146321000047. See attached map
7. **Reynolds South (Donation) aka Kings Crossing.** All paved paths, including an eighteen inch (18”) buffer on each side, within the Reynolds Donation property. Also known as Boulder County Parcel No. 146321000049. See attached map.
8. **Sandy Arnold.** All paved paths, including an eighteen inch (18”) buffer on each side, within the Sandy Arnold property. Also known as Boulder County Parcel No. 146328000024. See attached map.
9. **East Park #2.** All paved paths, including an eighteen inch (18”) buffer on each side, within the East Park #2 property. Also known as Boulder County Parcel Nos. 146329404004 and 146328008003. See attached map.
10. **William Arnold.** All paved paths, including an eighteen inch (18”) buffer on each side, within the William Arnold property. Also known as Boulder County Parcel No. 146328000050. See attached map.

11. **Pearl St. Industrial Park.** All rights to the 15-foot bicycle and pedestrian easement granted in the Grant of Easement for Public Use recorded February 3, 1981 at Reception No. 432914 over the Pearl St. Industrial Park property. Also known as Boulder County Parcel Nos. 146328031002 and 146328031003. See attached map.
12. **Colorado Open Lands II.** All paved paths, including an eighteen inch (18") buffer on each side, within the Colorado Open Lands II property. Also known as Boulder County Parcel Nos. 146327000063 and 146328000038. See attached map.
13. **Colorado Open Lands III.** All paved paths, including an eighteen inch (18") buffer on each side, within the Colorado Open Lands III property. Also known as Boulder County Parcel No. 146322300006. See attached map.
14. **Union Pacific Railroad.** All paved paths, including an eighteen inch (18") buffer on each side, within the Union Pacific Railroad property. Also known as Boulder County Parcel Nos. 146322300015 and 146327000079. See attached map.
15. **Valmont Industrial Park.** All paved paths, including an eighteen inch (18") buffer on each side, within the Valmont Industrial Park property. Also known as Boulder County Parcel No. 146322300003. See attached map.
16. **Colorado Open Lands III - K.O.A Lake.** All paved paths, including an eighteen inch (18") buffer on each side, within the Colorado Open Lands III – K.O.A. Lake property. Also known as Boulder County Parcel Nos. 146327000078, 146327000073, and 143627000077. See attached map.
17. **Flatirons Industrial Park.** All paved paths, including an eighteen inch (18") buffer on each side, within the Flatirons Industrial Park property. Also known as Boulder County Parcel Nos. 146327000067 and 146327000072. See attached map.
18. **Copper Door.** All rights to the public bicycle and pedestrian easement granted in the Correction Grant of Easement recorded June 30, 1993 at Reception No. 01309207 over the Copper Door property. Also known as Boulder County Parcel No. 146327017003. See attached map
19. **Burke II.** All paved paths, including an eighteen inch (18") buffer on each side, within the Burke II property. Also known as Boulder County Parcel Nos. 146334300031, 146334300032, and 14634300035. See attached map.
20. **NIST.** Rights and obligations to the two parallel paved bicycle paths, including an eighteen inch (18") buffer on each side and the area in between, along Broadway and that portion of the paved access path from Hollyberry Lane, granted in the First Amended Irrevocable Easement recorded January 21, 2000 at Reception No. 2045155 and the First Amended Memorandum of

Agreement recorded March 11, 2003 at Reception No. 2410897 over the NIST property. Also known as Boulder County Parcel No. 157706000001. See attached map.

21. **NCAR Mesa Lab.** Rights and obligations to the paved pedestrian path also known as the Deer Valley Path granted in the Cooperation Agreement between the City of Boulder and the University Corporation for Atmospheric Research dated May 21, 2013 over the NCAR Mesa Lab property. Also known as Boulder County Parcel No. 157707100002. See attached map.
22. **Burke I and Gebhard.** All paved paths, including an eighteen inch (18") buffer on each side, within the Burke I and Gebhard properties. Also known as Boulder County Parcel No. 157703000024. See attached map.

MEMORANDUM

TO: Open Space Board of Trustees

FROM: Tracy Winfree, Director, Open Space and Mountain Parks
Kathy Haddock, Senior Assistant City Attorney

DATE: July 27, 2016

SUBJECT: Annexation of city-owned property

There are several city-owned parcels surrounding and within the city that have never been annexed. The properties were not annexed for a variety of reasons, primarily because they were pieces that were omitted from street construction or were public developments within or between other developments that were being annexed. The city's policy has been to annex enclaves and city facilities. In preparing for potential municipalization, the maps of the city boundaries have been scrutinized very thoroughly, and the separation plan requires that the properties be annexed for the city to provide electrical service. Therefore, these annexations have elevated in priority. Ordinances will be presented to council to annex city-owned properties and enclaves with a zoning designate as P-Public on Aug. 2, 2016.

The City Council is considering annexation of city-owned properties and enclaves to (a) comply with the comprehensive plan policy to "actively pursue annexation of county enclaves, Area II properties along the western boundary, and other fully developed Area II properties," (b) to bring into the city properties that have city facilities and for which city laws should apply, and (c) to reduce costs and construction necessary for the separation plan in the event of municipalization. The annexations proposed for August 2016, include open space parcels on the southwest boundary and on the west boundary where the Sunshine Hydro facility is located, and are Area III-RP.¹ A map depicting the properties to be annexed is attached. The parcels are colored by the department currently responsible for maintenance. The parcels managed by Open Space and Mountain Parks (OSMP) are in red, those managed by Transportation are in orange, and the blue parcels are managed by Parks and Public Works.

The annexation ordinances provide that all properties will be zoned P-Public as their initial zoning. The annexation does not involve any changed open space use to the property, or any open space-related changes to the Boulder Valley Comprehensive Plan. Under state law, no hearing is required to annex city-owned property or enclaves, but staff anticipates that council will have a public hearing on second reading on Aug. 16, 2016.

While there is no required Open Space Board of Trustees (OSBT) action, staff is bringing this information to the OSBT so that the board is not surprised by City Council's annexation

¹ "RP" refers to "Rural Preservation" or that part of Area III where the provision of urban services is *not* anticipated by the Boulder Valley Comprehensive Plan. This is in contrast to the Urban Reserve, a portion of Area III that could be included in the urban service area and eventually annexed into the city in accordance with the appropriate processes.

considerations. Also, while there is no intent to change the way OSMP land is managed, staff is working through the annexation to assure there are no unintended consequences.

Staff identified three ways in which OSMP lands and services could/would be affected by the proposed annexations that need to be addressed. They are emergency response, land use jurisdiction, and dog regulations:

Emergency Response (Fire, Rescue and Policing).

In OSMP lands annexed by the city, the Boulder Police Department and Boulder Fire and Rescue, and occasionally other state and federal agencies respond to emergency calls as appropriate, in addition to the services provided by OSMP Rangers. Outside the city, local professional and volunteer fire protection districts and the Boulder County Sheriff typically provide these services. OSMP staff has prepared a map showing the agencies that currently provide fire protection for the properties to be annexed. In addition to the Boulder Fire Department, three other fire protection districts serve the subject properties. The Boulder Police and Fire Departments are aware of the proposed annexations. Because these parcels have city facilities on them, currently the city’s police and fire respond to emergency calls on these parcels. OSMP ranger staff will be coordinating the appropriate changes in jurisdiction with the affected agencies when the annexations are approved by City Council.

Land Use Jurisdiction

Outside the city limits, Boulder County land use regulations apply to a variety of activities affecting OSMP management and service delivery. These include permitting of work in the floodplain, grading, and the facilities and structures OSMP constructs. The county’s regulations also describe the types of land use that are allowable in the applicable county zoning designations. Once annexed, the city’s land use code would be in effect and activities allowed on the annexed OSMP parcels would be subject to the “Public” (P) zoning designation. City staff is working to compare the activities that currently take place or have been approved for the parcels proposed for annexation with what is allowable under the city’s land use regulations and P zoning. Upon annexation, existing uses are grandfathered, but any new uses would have to comply with the city codes, unless council approved an exception.

Default Dog Regulations

In the city, the default regulation is a leash requirement. Outside city limits the regulation is typically leash or voice and sight control. Section 6-1-16 of the Boulder Revised Code lists the properties where it is an affirmative defense to a criminal charge if a dog is off-leash. Additions to this section can be made through an annexation ordinance or by a separate ordinance at any time.

For municipalization, by annexing these properties, staff estimates the costs of the separation plan to be proposed in the city’s supplemental application to the Public Utilities Commission will be reduced by over \$2 million. Also, annexation of these properties will eliminate some of construction through Open Space and through developed areas of the city that would otherwise be required to separate the two utilities. Even if municipalization does not occur,

all of the properties are parcels the city would eventually want to annex to implement the Comprehensive Plan.

Unrelated to municipalization and in addition to implementing policy, annexing of city-owned properties clarifies boundaries and responsibilities for maintenance and land use policies. Eliminating enclaves also prevents confusion in emergency response and enforcement of laws.

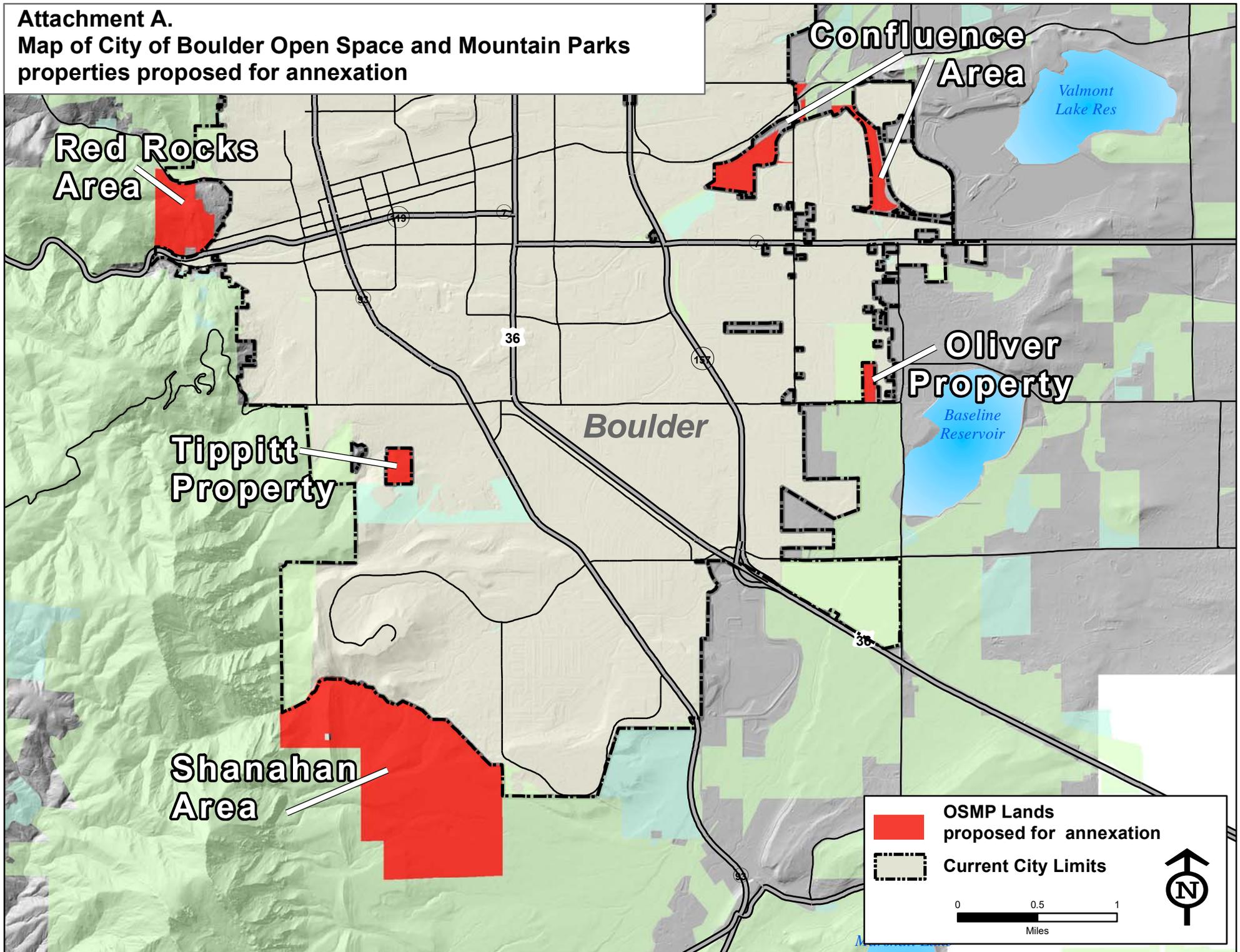
The annexation ordinances are set for first reading on Aug. 2 and second reading and public hearing on Aug. 16.

ATTACHMENT:

- A. Map of City of Boulder Open Space and Mountain Parks properties proposed for annexation

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Attachment A.
Map of City of Boulder Open Space and Mountain Parks
properties proposed for annexation



MEMORANDUM

TO: Open Space Board of Trustees

FROM: Tracy Winfree, Director, Open Space and Mountain Parks
John Potter, Resource and Stewardship Manager
Don D'Amico, Ecological Systems Supervisor
Heather Swanson, Senior Wildlife Ecologist

DATE: July 27, 2016

SUBJECT: Prairie Dog Management Update

Background

Prairie dog management on Open Space and Mountain Parks (OSMP) lands is addressed in the framework of the Grassland Ecosystem Management Plan which was accepted by the Open Space Board of Trustees (OSBT) and City Council in 2010. Prairie dogs and their associated species are one of eight grassland plan targets addressed within the plan. Prairie dogs are included as an important, native, keystone species that is a prominent component of a healthy and desirable mixedgrass prairie ecosystem. However, the need for prairie dog management also addresses the reality that prairie dogs are not consistent with some management priorities on OSMP properties including irrigated agricultural production and some rare plant and animal communities that do not thrive with prairie dog grazing. As a result, prairie dog management on OSMP includes both strategies for conservation and strategies to control where prairie dogs occur on OSMP to manage for conflicts with other Grassland Plan and City Charter priorities.

The Grassland Plan sets out criteria for management designation of prairie dog colonies into five categories: Grassland Preserve, Prairie Dog Conservation Area (PCA), Multiple Objective Area, Transition Area and Removal Area. Grassland Preserves, Prairie Dog Conservation Areas and Multiple Objective Areas serve as areas on OSMP where prairie dogs will be preserved. Transition and Removal areas are lands where prairie dogs conflict with other land management goals such as irrigated agriculture or rare plant communities. Because the City of Boulder and the Boulder community value minimizing use of lethal control on native wildlife, the primary tool for removing prairie dogs from transition and removal areas is relocation. The Grassland Plan establishes criteria for evaluating potential receiving sites on OSMP for use in relocation. These criteria address a number of factors including quality of the site to support prairie dogs, human health concerns, permitting requirements, and safeguarding overall grassland health. In addition to the Grassland Plan criteria, relocation requires a permit from the State of Colorado. Issuance of the permit also takes into account quality of the habitat for prairie dogs, disease control (plague), and surrounding landowner concerns.

Detailed information on the Grassland Management Plan and prairie dog management is found in Attachment A.

2015 Occupancy Update

Prairie dog mapping is completed in the fall each year, when movement of animals is limited, and populations are most stable. As a result, the most up-to-date mapping of prairie dog colonies on OSMP is from fall, 2015 (Sept.-Nov.). Mapping in 2016 will commence in September. In fall 2015, 3,046 acres of prairie dog colonies were active on 108 colonies on OSMP properties. Within these acres, 1,746 occurred in grassland preserves, 273 within prairie dog conservation areas, 341 within multiple objective areas, 451 in transition areas, and 235 within removal areas.

2016 Relocation Plans

There are currently approximately 697 acres of OSMP land occupied within transition and removal areas. In 2016, OSMP is applying for a permit to use 16.5 acres in the Southern Grassland Preserve for receiving prairie dogs. In addition, a number of larger colonies will be evaluated for potential permitting as receiving sites in 2017. Within these 16.5 acres, OSMP and the city plan on moving prairie dogs from the following locations:

1. **Foothills Community Park**- approximately seven prairie dogs have recolonized the site which was relocated in 2014. To minimize the need for lethal control on the site, we intend to relocate all animals that can be captured. Animals that are not relocated from this site and remain after relocation efforts will be lethally controlled in keeping with the site plan for the colony and the urban wildlife protection ordinance.
2. **Rolling Rock**- approximately two acres. This site experienced plague a few years ago and is at very low occupancy levels. However, the colony is expanding and is expected to soon reach its previous extent of approximately 5 acres with much higher densities of prairie dogs. This colony is in a removal area due to irrigated agricultural conflicts, inconsistency with preservation of tallgrass prairie in the area (within Tallgrass Prairie State Natural Area), and maintenance of regulatory mitigation wetlands that occur on the site.
3. **Straty Cline**- approximately two acres. This site is a removal area that is currently relatively small, making relocation more easily feasible. This colony is a transition area due to conflicts with irrigated agricultural production.
4. **Axelsson**- 3.5+ acres (has grown since last mapping). This site is growing quickly and may soon reach its previous size of 36 acres. This colony is in a transition area due to current conflicts with irrigated agriculture. In addition, this colony is likely to be identified as a best opportunity area for diversified organic vegetable farming, an activity inconsistent with prairie dog occupation.
5. **Abbott**- approximately five acres. This colony is growing and is in a transition area due to conflicts with irrigated agriculture.

The priority for relocating these colonies is based largely on their small size, ongoing conflicts, and the opportunity to relocate them when relatively few animals need to be moved. Foothills Park is a priority to minimize the use of lethal control on city properties. It is unlikely that all of these priorities will be accommodated on the small receiving site expected to be available in 2016. However, the city will work to maximize the benefit of relocation within the framework of state permitting capacity for the receiving site.

Private Property (Armory) request

The Armory site in North Boulder is expected to be developed starting this fall (based on information provided by the developer). The property owner has submitted a lethal control permit to the city for an area of occupied prairie dog colony on the site. In addition, the city has been approached with a request to receive the prairie dogs from the Armory site on OSMP land. Staff has determined that receiving these prairie dogs would further limit our ability to address OSMP needs for prairie dog relocation. Information from the Armory landowner has indicated 50-60 prairie dogs exist on the site, and 5-10 acres would be needed for the relocation (exact acreage required would depend on relocation permit parameters). If 5-10 acres of the receiving site were to be dedicated to receiving the Armory prairie dogs, those acres would not be available to receive prairie dogs from Open Space and Mountain Parks lands, thus limiting implementation of our prairie dog management plans further. Currently, limited receiving sites allow us only to address approximately 8-9 acres (only 1.3 percent of existing need) of prairie dog removal areas from Open Space and Mountain Parks in 2016 (there are 697 occupied acres on OSMP that are designated for removal). If the Armory prairie dogs were accommodated at the receiving site, likely only 1 or fewer of the above priority sites could be moved. The remaining sites would likely grow and be less feasible, more expensive and require a larger receiving site in future years, and continue to conflict with other land management goals on the sites including agriculture, vegetable farming, rare plant communities and regulatory mitigation wetlands. In addition, if prairie dogs from Foothills Community Park are not accommodated, the entire population in that area would be lethally removed this fall. This lethal control would be consistent with the post relocation site plan for the area and in concordance with the urban wildlife protection ordinance. City Council will hold a public hearing on this matter at its August 16 meeting under Matters from the City Manager. Staff from OSMP and Planning are working on the memo and will be present to answer questions from the council.

Ute Prairie Dog Conservation Area (PCA) modifications

The Grassland Management Plan identified 9 colonies on Open Space as Prairie Dog Conservation areas. These colonies comprise 583 acres.

The Ute PCA is located on 75th Street surrounding the OSMP Annex and Ute buildings. The colony experienced a significant reduction in population, likely due to sylvatic plague, starting in 2014. Over the last several years, a number of issues have come to our attention related to maintenance and management of facilities in this area:

1. When boundaries were drawn for the PCA in the Grassland Ecosystem Management Plan, the existing development footprint of the buildings, roadway, parking lot, etc. were not clipped out of the prairie dog colony, inaccurately including these areas as prairie dog habitat.
2. Best practices for management of septic system leach fields include keeping prairie dogs out of leach fields
3. There is an identified need to expand parking at the Annex and Ute facility in an area of poor habitat suitability for prairie dogs to better accommodate parking needs for these facilities.

Staff is working on updating the boundaries of the Ute PCA to reflect these changes. No modifications will be made to currently occupied prairie dog areas. As the colony expands in the future, or if prairie dogs were to be relocated to this PCA, prairie dogs would be excluded from these areas using physical barriers where necessary (leach fields).

Overall, the acreage of designated prairie dog habitat within the PCA would be reduced by 5.1 acres, an approximately 7 percent reduction in the 69.9 acres currently included in the Ute PCA, and a reduction of 0.9 percent in overall PCA acreage across the OSMP system. At this time, necessary modifications to other PCAs have not been identified. A systemwide analysis of septic system leach fields is being completed and may elicit future changes to other prairie dog colonies on the OSMP system.

Attached is map of the updated boundary for the Ute PCA (Attachment B) and overall prairie dog colony map, including PCAs across the OSMP system (Attachment C).

ATTACHMENTS:

- A. How prairie dogs are addressed in the Grassland Plan**
- B. Updated Ute PCA Boundary**
- C. OSMP Prairie Dog Colony Management Designations**

Attachment A: How prairie dogs are addressed in the Grassland Plan

City of Boulder
Open Space and Mountain Parks
Grassland Plan

Open Space and Mountain Parks
Grassland Ecosystem Management Plan



Conservation of Black-tailed Prairie Dogs

The Grassland Plan focuses action on eight (8) components of OSMP grasslands including one referred to as “Black-tailed Prairie Dogs and Associates”. The identification of this prairie dog-based target reflects the ecological importance of prairie dogs in creating and sustaining distinctive ecological conditions on OSMP grasslands. In order to be successfully implemented, OSMP must take action to conserve prairie dogs, their associates, *and* the seven other conservation targets. These targets include agricultural operations and native grasslands uninhabited by prairie dogs.

The Grassland Plan provides a framework to conserve prairie dogs and their associates with the other conservation targets by:

1. Establishing viability standards and conservation objectives for all eight targets
2. Defining land management designations and applying them to every prairie dog colony mapped on OSMP lands
3. Developing criteria to guide relocation of prairie dogs to, from, and within the OSMP land system

Viability Standards and Conservation Objectives

The Grassland Plan describes acceptable ranges for “key attributes” of all eight conservation targets. Key attributes are important characteristics of the targets like:

- Presence and abundance of rare, sensitive or particularly important plants or animals
- Amount of exposed bare ground
- Ground cover by noxious weeds
- Diversity of grassland birds
- Size of habitat blocks

Successful conservation in the Grassland Planning Area occurs when OSMP simultaneously achieves the desired conditions for *all* attributes of *all* the targets. This means that conservation and management actions need to consider the effects on all targets. Conserving prairie dogs in the context of degraded grasslands would not be considered success. Nor would maintaining the key attributes of the mixed grass prairie without ensuring that prairie dogs and their associates are also being conserved. The viability standards for the grassland plan, including the black-tailed prairie dog and associates target, are described in Chapter II of the Grassland Plan and described in detail in Appendix D.

Management Designation

Open Space and Mountain Parks staff defined the following management designations for any prairie dog colonies that have been mapped since 1996- whether or not they are currently occupied. These management designations provide a spectrum of protection for prairie dogs and the other Grassland Plan conservation targets. The five management designations are attached.

- **Prairie dog Conservation Areas** serve primarily to conserve prairie dogs and provide receiving sites for colonies in removal and transition areas. Based on updates following

- the 2015 mapping season, 583 acres are designated as Prairie Dog Conservation Areas.
- **Grassland Preserves** comprise approximately 8,000 acres of the Grassland Planning Area. OSMP has established a range of acceptable prairie dog occupancy between 10 and 26 percent. This means that the Grassland Preserves will provide conservation of between 800 and 2,100 acres of active prairie dog colonies. These areas provide the best opportunities for natural movement of prairie dogs and support sensitive associated species such as Ferruginous Hawk, Golden Eagle and Burrowing Owl. Grassland Preserves also offer the opportunity for accepting relocated prairie dogs if conditions meet the viability standards and relocation criteria.
 - **Multiple Objective Areas** provide locations where prairie dogs will be allowed to persist. No relocation is allowed in MOAs. Following the 2015 mapping effort, 755 acres of mapped colonies are included in the Multiple Objective Area designation.
 - **Transition and Removal Areas** represent properties where conservation or restoration of other grassland targets is the primary focus. Relocation away from these areas will be undertaken when receiving sites (PCA or GP) are available and it is feasible. In removal areas, lethal control could be used if other methods of removal are not possible 1,463 acres included in mapping through 2015 have been designated as Transition (1053) or Removal (410) areas.

The following table summarizes some of the key management actions associated with each of the designations.

Management Designation	Accept Relocated Prairie Dogs	Removal	Removal to Protect Irrigation	Actively Restore Vegetation
Prairie Dog Conservation Area	x	-	x	
Grassland Preserve	x†	x *	x	x
Multiple Objective Areas	-	-	x	x
Transition Areas	-	X	x	x
Removal Areas	-	X	x	x

†If vegetation meets standards set in relocation criteria (see section below)

*If occupation and vegetative conditions exceed the levels defined in the viability standards

Staff developed criteria to place each prairie dog colony mapped on OSMP into one of the designations. The designation criteria consider the recorded presence of sensitive plant or animal species, habitat suitability, conflicts with agriculture, or other city services, and restoration efforts. The designation criteria are below.

Management designations were developed for the approximately 6237 acres occupied by prairie dog colonies since 1996. Lands not occupied by prairie dogs during 1996-2015 or included in the Grassland Preserves did not receive prairie dog management designations. A criteria-based approach provides OSMP with the ability to repeat the same method when determining appropriate management for “new” colonies that result from dispersal, or new acquisitions. Total acres of designated prairie dog colonies are given in the table below

Prairie Dog Conservation Area	583*
Grassland Preserve.....	8,000 (3436* of prairie dog colonies have been mapped within Grassland Preserves)
Multiple Objective Area.....	755*
Transition Area.....	1053*
Removal Area	410*

* These numbers reflect the Maximum Extent of occupied Black-tailed Prairie Dogs as of the end of the 2015 mapping effort. This is a conglomeration of all occupation over the past 19 years (1996-2015). This is not a representation of what is actively occupied.

Recent die-offs due to sylvatic plague have substantially reduced the acres occupied by prairie dogs in some parts of the OSMP system. As a result, the number of occupied acres in these management designations may now be lower than the numbers given in the table above. Experience from managing through previous plague cycles suggests that higher levels of occupation will be reestablished in the future.

Relocation Criteria

OSMP developed relocation criteria to ensure that conditions in areas accepting relocated prairie dogs will be able to sustain prairie dog populations, and associated species. Separate relocation criteria were developed for Prairie Dog Conservation Areas and Grassland Preserves.

Prairie Dog Conservation Areas

Relocation criteria for Prairie Dog Conservation Areas are simple and address the most basic level of suitability as a receiving site. These criteria are:

1. Existing burrow structure or evidence of previous occupation
2. Relocation will follow regulations set out in City of Boulder’s Wildlife Protection Ordinance and associated city policies
3. All appropriate state, federal permits obtained and conditions of permits followed

Grassland Preserves

Criteria developed for Grassland Preserves are more extensive and detailed. These criteria are intended to ensure that relocation into grassland preserves is done in a way that is likely to allow vegetation and habitats to recover when necessary from the effects of long-term prairie dog occupation. This will increase the quality of habitat where prairie dogs will be released and increase conservation of other grassland plan targets being conserved in the Grassland Preserves. These criteria are:

1. Existing burrow structure or evidence of previous occupation
2. Relocation will follow regulations set out in City of Boulder’s Wildlife Protection Ordinance and associated city policies
3. All appropriate state, federal permits obtained and conditions of permits followed
4. Grassland preserve is below 10% threshold occupancy- as identified in Grassland Ecosystem Management Plan Black-tailed Prairie Dog and Associates viability standards
5. Vegetation and habitat within receiving site meets the following minimum standards based upon data from at least three transects within each habitat type on the receiving site:
 - a. Average bare ground no more than 22% cover
 - b. Average native species richness at least 18 species (with exception of non-native grassland patches)
 - c. Average relative cover of native perennial graminoid species at least 60%
 - d. Average sensitive/conservative species richness at least 4 species (with exception of non-native grassland patches)

6. Majority of receiving site has been identified as exhibiting Good or Very Good Habitat Suitability in OSMP's prairie dog Habitat Suitability Model. Relocation should begin in areas with highest suitability.

Description of Prairie Dog Management Designations

Grassland Preserves (GP)

Grassland Preserves are areas where prairie dogs and their associated species are part of large and ecologically diverse grassland habitat blocks. These areas are considered the best opportunity to conserve prairie dogs and their associated species. In most cases, prairie dogs will be allowed to persist without removal in Grassland Preserves. However, removal will be allowed for the purposes of maintaining existing irrigation facilities such as headgates, ditches, lateral ditches, reservoirs and irrigated fields. In addition, to ensure protection of habitat within Grassland Preserves, the need for limited removal from a Grassland Preserve will be assessed if prairie dogs occupy more than 26% of the Grassland Preserve (i.e. viability drops below "Good") and indicators of vegetation composition fall below thresholds identified in relocation criteria. Inactive, previously occupied colonies in Grassland Preserves could serve as relocation receiving sites (where there is an existing burrow infrastructure) and if the area meets relocation criteria. However, prairie dogs will not be relocated into irrigated fields nested within Grassland Preserves. Following a die-off or other disappearance of prairie dogs from an area, prairie dogs could be excluded to allow for habitat restoration or to protect existing habitat restoration projects.

While Grassland Preserves contain significant extents of habitat suitable for prairie dogs, they also contain less suitable habitat.

Prairie Dog Conservation Areas (PCAs)

PCAs are areas where the conservation of the prairie dog is the primary management objective and are managed opportunistically for associated species. These areas would serve as receiving sites for relocation with the minimum requirements described in the relocation criteria. No removal of prairie dogs would occur in PCAs except for the purpose of maintaining an existing irrigation facility such as a headgate, ditch, lateral ditch, reservoir, or irrigated field. Prairie dogs will not be relocated into irrigated fields within PCAs.

Multiple Objective Areas (MOA)

In Multiple Objective Areas, preservation of prairie dogs and their associated community is one of several management objectives. Prairie dogs will be allowed to persist without removal except for the purpose of maintaining existing irrigation facilities such as headgates, ditches, lateral ditches, reservoirs, or irrigated fields. MOAs will not be used as receiving sites for relocated prairie dogs. Exclusion of prairie dogs attempting to re-colonize could occur to allow habitat recovery.

Transition Areas

Transition areas are grassland areas where the preservation of conservation targets other than the prairie dog and associated community takes precedence. Prairie dogs may inhabit transition areas, but will be relocated away from the property when feasible (i.e. relocation receiving site available). Following relocation, die-off, or other natural events such as dispersal, that lead to a reduction of the population and result in uninhabited areas, re-colonization could be prevented or discouraged using barriers, re-seeding, grading, burrow destruction, passive relocation, or other methods available to the department. After efforts are made to trap and relocate all remaining prairie dogs, removal through lethal control will be allowed in accordance with applicable regulations, and policies, and if numbers do not exceed 20 individuals. Removal would be allowed at any time for maintenance of existing irrigation facilities such as a headgate, ditch, lateral ditch, reservoir or irrigated field. Continued irrigation will also be allowed in irrigated fields regardless of prairie dog occupancy.

Removal Areas

In removal areas, prairie dogs are incompatible with OSMP management objectives. The designation of a property as a Removal Area provides the option to remove prairie dogs from the property in accordance with applicable regulations and policies. Following removal, efforts would occur to prevent re-colonization including restoration or irrigation of the property, destruction of burrow system, exclusion structures, etc. Continued irrigation will be allowed in irrigated fields regardless of prairie dog occupancy.

Prairie Dog Colony Designation Criteria

Criteria for Designation as a Grassland Preserve:

1. Current or recent history of multiple prairie dog colonies (complex of colonies) within grassland block
2. Extensive areas of habitat ranked “Good Habitat Suitability” or “Very Good Habitat Suitability”
3. Large block of grassland habitat
4. Minimal irrigated agricultural use on property that conflicts with prairie dog occupancy
5. Minimal surrounding land use conflicts
6. Minimal conflict with other Grassland Plan targets
7. Distant from urban area (relatively speaking)
8. Not bisected by roads
9. Proximity to other lands managed for grassland conservation, or for prairie dogs and associated species

Criteria for Designation in Other Management Categories:

1. Sensitive associated species known to occur or suspected to occur in the colony (Sensitive associated species are ferruginous hawk, rough-legged hawk, northern harrier, golden eagle, American badger and burrowing owl.)
2. Good or Very Good Habitat Suitability based on Ecological Habitat Suitability Model
3. No conflict with OSMP irrigated agricultural uses or other city department land uses
4. No significant recent restoration history or investment (completed within past 10 years or “in-progress” as defined by restoration criteria)
5. Directly adjacent to Grassland Preserve Area
6. No significant or rare plant communities intolerant of prairie dogs

- **Multiple Objective Area (MOA)**

- 5 or more criteria met, or criteria #3, #4, and #6 met, or presence of badger or nesting burrowing owls (regardless of number of criteria met)

- **Transition Area**

- 3-4 criteria met and criteria #3 or #4 or #6 not met

- **Removal Area**

- 0-2 criteria met

- **Prairie Dog Conservation Area:**

- Meets criteria #3, #4, #6, and landscape context, plant communities and other site characteristics make it appropriate.

The following exceptions apply to the designation criteria:

- If criterion #1 applies, colony cannot be designated a Removal Area.
- If presence of burrowing owl or badger is confirmed, colony must be designated as a

Grassland Preserve or Multiple Objective Area*.

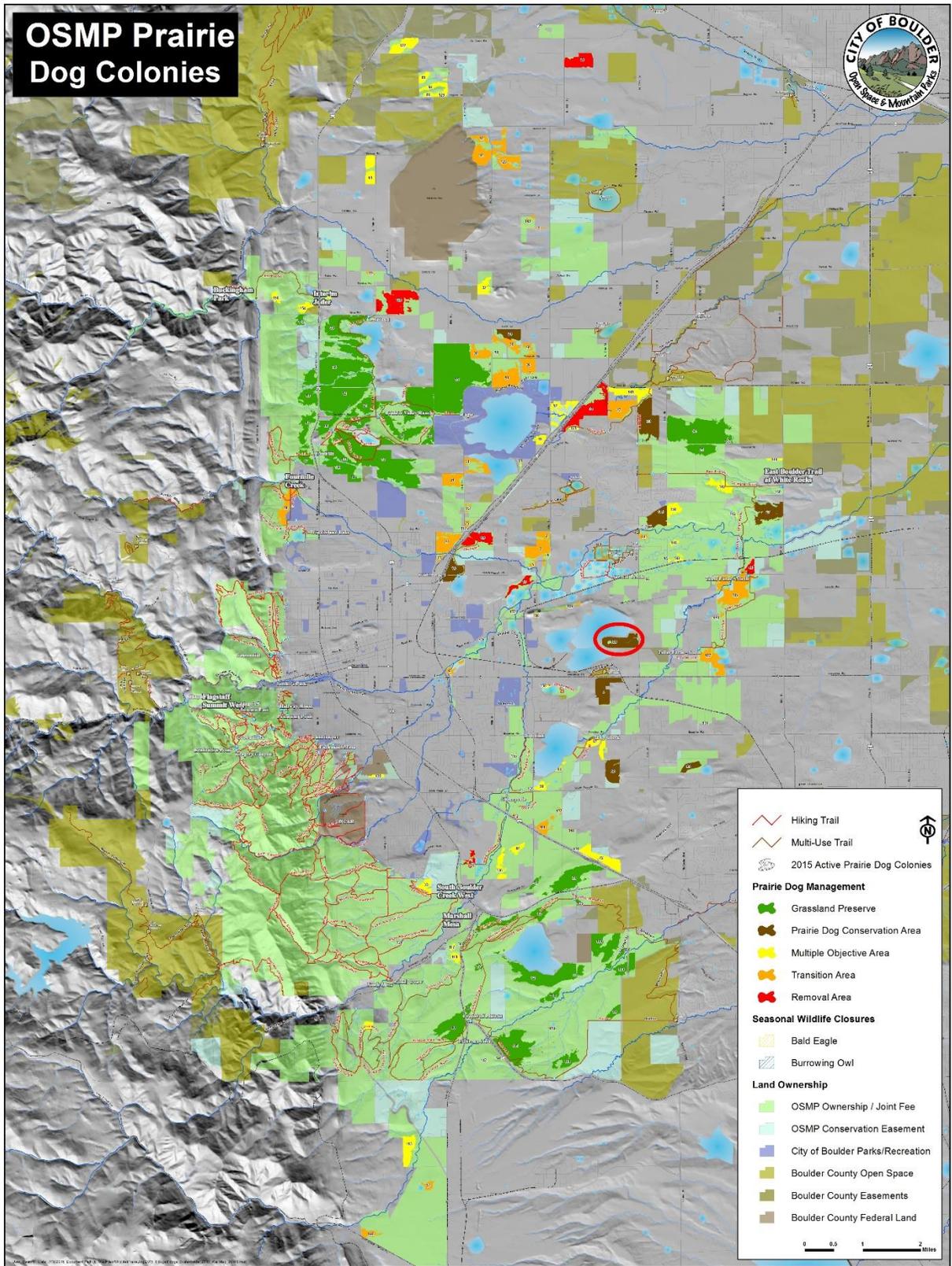
- If colony is irrigated agricultural land and is not embedded in a grassland preserve, it must be designated as either a transition area or removal area.

*Burrowing owls tend to return each spring to the same areas to nest. However, there can be as much as a five year gap between nesting attempts. OSMP will annually evaluate prairie dog colonies designated under this condition to determine if they should be maintained as a MOA or Grassland Preserve. The determination will be based upon a variety of criteria including but not limited to the number of years since last use, reproductive success of last nesting attempt, level of human and dog activity.

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Attachment C. OSMP Prairie Dog Colony Management Designations



MEMORANDUM

TO: Open Space Board of Trustees

FROM: Tracy Winfree, Director
Abbie Poniatowski, Central Services Manager
Lauren Kilcoyne, Financial Services Supervisor

DATE: July 27, 2016

SUBJECT: Review the 2017 proposed budget for the Open Space and Mountain Parks Department

The recommended 2017 operating budget reflects the Open Space and Mountain Parks' (OSMP) "refine and realign" theme to meet department priorities including the shift to increased system stewardship and the continued implementation of the 2015 organizational assessment. Another item likely to be addressed across the city's budget, including OSMP, is compliance with requirements from the Affordable Care Act (ACA). Both OSMP and Human Resource assessments reflect that OSMP needs to better define and classify positions in order to follow the letter and spirit of the ACA. Other budget adjustments include a shift in how departments reflect Federal Emergency Management Agency (FEMA) reimbursement and FEMA de-obligation reserves in fund financials, and updated cost allocation projections.

The Open Space Fund Financial for 2016-2022 (Attachment A) reflects OSMP's focus to be fiscally responsible, sustainable, and transparent. The attached fund financial includes recommended expenditures for 2017 and thereafter that are aligned with the City's Central Budget Office guidelines and has been presented, along with departmental budget requests, to the City's Executive Budget Team (EBT).

The recommended 2017 operating budget, including personnel and non-personnel expenditures, interdepartmental charges, cost allocation, and debt service is \$21,832,349. The operating budget is allocated to the department's core services (Attachment B). As a reminder, the 2017 Capital Improvement Program (CIP) budget for the Open Space Fund and Lottery Fund allocation was unanimously recommended at the Open Space Board of Trustees (OSBT) meeting on June 8, 2016.

PUBLIC FEEDBACK

The 2017 Operating Budget is scheduled for public hearing at the Aug. 10, 2016 OSBT meeting. City Council operating budget study sessions are scheduled on Sept. 13 and 27. First and second readings of the 2017 City operating budget and ordinances will be held on Oct. 4 and 18 respectively.

BACKGROUND

Funding Overview and Financial Planning Considerations

As part of the annual budget process, the City’s Budget Office provided preliminary tax projections for next year’s (2017) budget development. The City of Boulder’s 2016 sales and use revenue collections were lower than projected and have been adjusted for financial planning purposes in the out years accordingly. Staff anticipated the trends and prepared a draft operating budget that is relatively conservative. A summary of the department’s revenues and expenses is included below:

2017 BUDGET OVERVIEW

<u>SOURCES OF FUNDS</u>	<u>Proposed 2017 Budget</u>	<u>%</u>
Net Sales Tax Revenue:	\$31,100,648	83.71%
Anticipated FEMA Flood Reimbursement:	\$2,250,000	6.06%
Investment Income:	\$202,747	0.55%
Lease & Misc. Income:	\$1,395,885	3.75%
Voice & Sight Tag Program Revenue:	\$227,000	0.61%
Subtotal OS Fund Sources of Funds:	\$35,176,280	94.68%
General Fund Appropriation for OSMP:	\$1,209,590	3.26%
Lottery Fund CIP Appropriation for OSMP:	\$766,450	2.06%
Subtotal Non-OS Fund Sources of Funds:	\$1,976,040	5.32%
Total Sources of OSMP Funds:	\$37,152,320	100.00%
<u>USES OF FUNDS</u>		
General Operating Expenditures		
Office of the Director:	\$1,719,799	5.35%
Central Services:	\$2,831,804	8.81%
Community Connections and Partnerships:	\$3,745,718	11.66%
Resources and Stewardship:	\$3,388,654	10.55%
Trails and Facilities:	\$2,779,203	8.65%
Subtotal Service Area Budgets:	\$14,465,178	45.02%
Cost Allocation Transfer to General Fund:	\$1,903,344	5.92%
Debt Payment Expenditures:	\$5,463,827	17.01%
Subtotal Cost Allocation and Debt Expenditures:	\$7,367,171	22.93%

Subtotal Operating Expenditures:	<u>\$21,832,349</u>	67.95%
Open Space Fund CIP:	\$9,530,000	29.66%
Lottery Fund CIP:	<u>\$766,450</u>	2.39%
Subtotal CIP Expenditures:	<u>\$10,296,450</u>	32.05%
Total OSMP Uses of Funds (1)	<u>\$32,128,799</u>	100.00%

The department continues to be in a state of transition and has been undertaking assessment and analysis to forecast future funding needs. Focus areas being studied include: space and facilities for operations and management; system assets (ecological resources, habitat, trails, buildings, water infrastructure); and resources for visitor services. As the organization transitions and results and recommendations of the assessments are discovered, there continues to be opportunity to make adjustments to budgets in the out years while the OSMP fund remains fiscally sound.

As noted earlier, the ACA (and the Fair Labor Standards Act (FLSA) to a lesser extent) is influencing citywide budgeting for 2017 and beyond. While the intricacies and requirements of the law are complicated to describe in the context of this memo, OSMP and other departments have been working closely with Human Resources (HR) to assure ACA compliance. Furthermore, the city would like to follow not just the letter of the law, but its intentions as well. HR and departments have been evaluating and identifying employees meeting certain thresholds to trigger offering health insurance coverage. Also, HR has been updating employee definitions and classifications to better capture benefit eligibility. The results will change how employees and costs of employment are reflected in the fund financial. While the actual “head count” for employees in the department does not change, the way they are reflected in the budget will change. The net budget increase to the OSMP fund related to the ACA is the incremental difference of more accurately and appropriately defining employee categories and covering the cost of benefits. Furthermore, HR is working across departments to assure, at Council’s direction, that a “living wage” is being included in personnel expense projections.

As a reminder, the department is funded from three sources, the Open Space Fund which includes the issuance of long-term bonds and notes payable for acquisition, the General Fund and the Lottery Fund:

Open Space Fund - The Open Space Fund accounts for the acquisition and maintenance of land, with financing provided by sales taxes and the issuance of long-term bonds and notes payable. Approximately 92 percent of Open Space Fund revenue derives from dedicated sales and use tax collections. There are three sales tax increments that support the Open Space Fund:

- 0.40 percent sales tax which has no sunset;

- 0.33 percent sales tax which will be reduced to 0.22 percent on January 1, 2019 and exist in perpetuity;
- and 0.15 percent sales tax which will be repurposed for Transportation uses as of January 1, 2020, and repurposed again for general city purposes as of January 1, 2030, and which expires December 31, 2039.
- In 2014, OSMP issued a \$10 million General Obligation Bond to support real estate acquisition through the Open Space Fund, with 85 percent of funds to be expended by December 2017.

General Fund – The General Fund is established to account for the revenues and expenditures necessary to carry out basic governmental activities of the city such as public safety, human services, legal services, administrative services, and others which are not required to be accounted for in another fund. General Funds allocated to departments are spent in accordance with the departments’ charters and missions. Open Space and Mountain Parks General Fund transfer also includes funding to support the work of 0.27 full time equivalent (FTE) on citywide real estate projects and initiatives.

Lottery Fund - Open Space and Mountain Parks also expends Lottery Funds on CIP projects. The Lottery Fund derives its revenue from the Colorado Conservation Trust Fund. Lottery Funds can be used for acquisition, development and maintenance of new conservation sites and capital improvements and maintenance of public sites.

Contingency Reserve

Approximately 92 percent of the Open Space Fund revenue is generated by sales tax and the program is limited in its ability to raise additional revenue from other tax levies or fees. Given the funding sources, a substantial contingency reserve is maintained. This contingency totals approximately \$5.5 million in 2017. Additional reserves include: Taxpayer Bill of Rights (TABOR) requirements for accrued benefits, potential property and casualty liability, and FEMA de-obligation.

Cost Allocation

The cost allocation model is intended to reflect the department’s utilization of services from other city departments that are not paid for directly, including but not limited to City Attorney’s Office, Human Resources, Information Technology, and Finance. A new model for calculating citywide cost allocation was implemented in 2014 and updated for 2017. Cost allocation increased approximately 20 percent from 2016.

2016 Requests

OSMP continues to use its Budget Guiding Principles (Attachment C) to inform budget decisions and requests. As part of the annual budget process, staff projects work programs and requests additional funding for personnel and non-personnel expenses that is an increase above the current year (2016) base budget. OSMP requested the following increases from the city’s EBT and received confirmation this week that all requests were approved and will be part of the City Manager’s recommended operating budget. These recommended budget increases will be included as part of the 2017 base budget for City Council approval in October.

- Organizational Assessment and Reorganization
 - Convert Visitor Use Technician to standard ongoing (stewardship) (\$63,000 ongoing, though already included in past fund financial assumptions)
 - Federal Law/Affordable Care Act and Living Wage Compliance – Provide benefits to qualifying staff (\$269,000 ongoing, \$76,000 one-time)
- Departmental Priorities
 - Extend fixed-term flood recovery Trails Contract Manager by one year to complete flood recovery projects (\$91,000 one-time)
- System Stewardship
 - Increase annual ditch assessments (\$81,000 ongoing)

NEXT STEPS

Additional adjustments to the recommended budget are anticipated prior to the August OSBT meeting and City Council budget review this fall, as the Central Budget Office continues to finalize payroll projections, contingency estimates, and other cross-departmental expenses. Staff will make guided refinements, incorporate feedback from the July 27 OSBT meeting and results of the EBT budget decision-making and return on Aug. 10 with an updated 2017 recommended operating budget. The item is scheduled for public hearing and OSBT approval to recommend the proposed operating budget for City Council approval.

ATTACHMENTS

- A. Open Space Fund Financial 2016-2022
- B. OSMP Core Services
- C. OSMP Budget Guiding Principles

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6/2/2015

**CITY OF BOULDER
2014-2021 PROPOSED BUDGET
OPEN SPACE FUND**

OPEN SPACE AND MOUNTAIN PARKS

	2015 Actual	2016 Revised	2017 Recommended	2018 Projected	2019 Projected	2020 Projected	2021 Projected	2022 Projected
Beginning Fund Balance	\$ 30,210,879	\$ 36,200,183	\$ 13,016,900	\$ 18,040,421	\$ 22,740,395	\$ 23,296,853	\$ 18,325,762	\$ 13,562,467
Sources of Funds								
Net Sales Tax Revenue	\$ 29,512,343	\$ 30,203,888	\$ 31,100,648	\$ 31,900,914	\$ 28,631,678	\$ 23,647,504	\$ 24,256,313	\$ 24,880,906
Anticipated FEMA Flood Reimbursement	117,898	881,329	2,250,000	2,150,000	-	-	-	-
Investment Income	191,109	196,842	202,747	208,830	215,095	221,547	228,194	235,040
Lease and Miscellaneous Revenue	1,471,978	1,516,137	1,395,885	1,437,761	1,480,894	1,525,321	1,571,080	1,618,213
Voice & Sight Tag Program Revenue	164,602	227,000	227,000	227,000	227,000	227,000	227,000	227,000
Bond Proceeds - 2014	-	-	-	-	-	-	-	-
General Fund Transfer	1,120,721	1,166,175	1,209,590	1,245,832	1,284,720	-	-	-
Grants	111,587	166,350	-	-	-	-	-	-
Total Sources of Funds	\$ 32,690,237	\$ 34,357,721	\$ 36,385,870	\$ 37,170,337	\$ 31,839,387	\$ 25,621,372	\$ 26,282,587	\$ 26,961,159
Uses of Funds								
General Operating Expenditures								
Office of the Director	-	1,668,205	1,719,799	1,771,393	1,824,535	1,879,271	1,935,649	1,993,718
Central Services	2,623,172	3,005,311	2,831,804	2,916,758	2,838,024	2,923,165	3,010,860	3,101,186
Community Connections & Partnerships	3,094,326	3,409,562	3,745,718	3,858,090	3,973,832	4,093,047	4,215,839	4,342,314
Resources & Stewardship	4,224,702	3,442,941	3,388,654	3,490,314	3,523,300	3,628,999	3,737,869	3,850,005
Trails & Facilities	3,173,028	3,631,861	2,779,203	2,862,579	2,948,456	3,036,910	3,128,017	3,221,858
Pay Period 27	-	-	-	717,000	45,625	46,994	48,403	49,855
Carryover/ATB Operating	-	22,137,742	-	-	-	-	-	-
Increase to 2016 base - operating increases	-	1,067,500	-	-	-	-	-	-
Cost Allocation	1,446,908	1,577,657	1,903,344	1,998,511	2,098,437	2,203,359	2,313,527	2,429,203
CIP- Capital Enhancement	1,708,750	4,074,600	2,190,000	1,635,000	1,010,000	910,000	910,000	760,000
CIP- Capital Maintenance	1,309,247	1,271,000	640,000	750,000	900,000	1,000,000	1,025,000	1,125,000
CIP- Capital Planning Studies	-	-	300,000	100,000	150,000	200,000	300,000	400,000
CIP- Land Acquisition	3,039,307	5,700,000	6,400,000	6,400,000	6,000,000	4,700,000	4,450,000	4,200,000
CIP- New Facility/Infrastructure	-	500,000	-	-	-	-	-	-
Debt Service - BMPA	1,701,487	1,587,507	1,002,209	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Debt Service - Bonds & Notes	4,380,006	4,467,118	4,461,618	4,470,719	4,470,719	4,470,719	4,470,719	3,492,507
Total Uses of Funds	\$ 26,700,933	\$ 57,541,004	\$ 31,362,349	\$ 32,470,364	\$ 31,282,928	\$ 30,592,463	\$ 31,045,883	\$ 30,465,646
Ending Fund Balance Before Reserves	\$ 36,200,183	\$ 13,016,900	\$ 18,040,421	\$ 22,740,395	\$ 23,296,853	\$ 18,325,762	\$ 13,562,467	\$ 10,057,979

**CITY OF BOULDER
2014-2021 PROPOSED BUDGET
OPEN SPACE FUND**

6/2/2015

	2015 Actual	2016 Revised	2017 Recommended	2018 Projected	2019 Projected	2020 Projected	2021 Projected	2022 Projected
Reserves								
OSBT Contingency Reserve	\$ 2,500,000	\$ 4,467,118	\$ 5,458,087	\$ 5,896,341	\$ 5,805,732	\$ 5,945,616	\$ 6,090,221	\$ 5,995,162
Pay Period 27 Reserve	146,000	231,000	316,000	-	-	-	-	-
Sick/Vacation/Bonus Reserve	490,000	490,000	490,000	490,000	490,000	490,000	490,000	490,000
Property and Casualty Reserve	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
FEMA De-obligation Reserve	8,252	69,945	227,445	377,945	383,488	383,488	383,488	383,488
South Boulder Creek Flow Reserve	2,000,000	-	-	-	-	-	-	-
IBM Connector Trail	200,000	-	-	-	-	-	-	-
Vehicle Acquisition Reserve	300,000	-	-	-	-	-	-	-
Facility Maintenance Reserve	200,000	300,000	400,000	500,000	600,000	700,000	800,000	900,000
Total Reserves	\$ 6,244,252	\$ 5,958,063	\$ 7,291,532	\$ 7,664,286	\$ 7,679,220	\$ 7,919,104	\$ 8,163,709	\$ 8,168,650
Ending Fund Balance After Reserves	\$ 29,955,931	\$ 7,058,837	\$ 10,748,889	\$ 15,076,109	\$ 15,617,633	\$ 10,406,658	\$ 5,398,758	\$ 1,889,330
Revenue projections	103.25%	103.25%	103.18%	103.11%	103.11%	103.11%	103.11%	103.11%



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Open Space and Mountain Parks Budget Commitment and Guiding Principles

Open Space and Mountain Parks is committed to fiscal responsibility and sustainability.

- ☞ Judiciously spending and generating funds
- ☞ Creating, optimizing and maintaining a budget which manages debt and plans for near and long term futures.
- ☞ Maintaining financial transparency

These principles will guide the development and prioritization of the OSMP budget & work plan:

SAFETY FIRST

- ☞ OSMP will first address essential safety issues for visitors and staff

PLAY BY THE RULES

- ☞ Comply with all (internal, local, state and federal) laws, regulations, policies, etc.

TAKE CARE OF WHAT WE HAVE

- ☞ As top priority, restore and maintain valuable ecological systems, agricultural operations, trails and trailheads
- ☞ As additions are made to the system, address ongoing operation and maintenance needs
- ☞ Continue to innovate and advance efficiency in the restoration, protection, operation, investments in and maintenance of the OSMP system. Specifically efficiencies will be sought through:
 - Investments in regular maintenance (taking care of what we have to extend life cycle), and
 - Reductions in resource waste and use.

STICK TO THE PLAN

- ☞ Actions committed to in plans or agreements should be included in either short, mid or long term budgets and work plans so staff can answer the question: “*When do you plan to take this action on this project?*”
- ☞ Strategically enhance the visitor amenities, ecological systems, and agricultural operations, prioritizing projects that will best achieve resource and master plan objectives.

LEVERAGE OTHER FUNDING

- ☞ Leverage external funds, especially long-term funding, and capacity extending the ability of local dollars to implement our plans.
- ☞ Continue to involve community members as volunteers to advance the departmental mission, and management objectives.
- ☞ Work with partner agencies to accomplish shared goals
- ☞ Take no actions which would compromise the city’s bond rating or ability to leverage debt

ADAPT AND LEARN

- ☞ Advance research and monitoring to increase the likelihood of success and better integrate principles of sustainability and resilience.