WEEKLY INFORMATION PACKET
MEMORANDUM

To: Mayor Ruzzin and Members of Council

From: Frank Bruno, City Manager
Peter Pollock, Planning Director
Larry Donner, Fire Chief
Mike Patton, Open Space and Mountain Parks Director
Ned Williams, Public Works Director for Utilities

Date: July 7, 2005

RE: Information Item – Response to City Council questions about the Valmont Butte proposals

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EXECUTIVE SUMMARY:

In September 2000, the city of Boulder's Open Space & Mountain Parks (OSMP), Fire and Public Works departments purchased the Valmont Butte property for preservation of the Butte by OSMP, a county fire training facility and a biosolids recycling center.

After concerns were expressed about the protection of cultural resources on or near the site (an historic mining mill, the Valmont Cemetery and Indian resources), wildlife values, and the potential for conflicts between fire training and use of the cemetery, City Manager Frank Bruno committed to do an evaluation of whether this is the right site for these proposed uses. Planning Director Peter Pollock led a multi-department team to prepare materials for the Community and Environmental Assessment Process, or CEAP, so that city Boards and City Council can make a sound decision as to whether the proposals will proceed.

On May 31, 2005, a study session was held to provide City Council a thorough briefing on the Valmont Butte proposals, the status of staff efforts to address public issues and concerns, and the next steps in the process leading up to a Council decision. City staff and the CEAP document presented possible community and environmental impacts and mitigation strategies, and evaluated possible program and site alternatives.

During the study session, City Council asked several questions that required further staff evaluation and research. This Weekly Information Packet memorandum responds in detail to the questions raised by City Council.

Council Questions with Staff Responses

Fire Training Center (FTC)

1. Given shortfalls in revenues from the temporary three-year, county-sponsored sales tax,

how much of the FTC can be built?

A prioritized phasing plan (see chart below) has been developed to allow for construction of the most critical components within the available budget. All of the components of the proposed FTC are important to provide fire fighters the most rounded training for the diverse emergencies they are called upon to respond to each day. The burn building, tower and some classroom space are needed to meet minimum standards for fire fighter training. Depending on funds available at the time of construction, more classroom and administrative space as well as the training ground support building could be built.

Should the Biosolids Recycling Center not be built on the Valmont Butte site, the entire cost of the infrastructure development for the site would become the sole responsibility of the Fire Training Center. This would increase FTC expenditures to over $443,500, further limiting the fire training components that could be built.

	Priority	CEAP Figure 10 Site Layout ID	Original Proposal Cost Estimate	Cost Estimate With Biosolids Project		Cost Estimate Without Biosolids Project	
Site Development Costs			**$ 697,500**	**$ 697,500**		**$ 1,141,000**	
FTC Facilities							
Burn Building	1	D	$ 570,000	$ 570,000		$ 570,000	
Administration Building	2	A	$ 2,600,000	$ 1,772,500	Reduced Size	$ 1,489,000	Reduced Size
Tower	3	E	$ 400,000	$ 400,000		$ 400,000	
Pump Test Pit	4	H	$ 30,000	$ 30,000			Postpone
Pavilion	5	C	$ 130,000	$ 130,000			Postpone
Propane Gas Prop	6	I	$ 135,000		Postpone		Postpone
Extrication Pads	7	F	$ 10,000		Postpone		Postpone
Driving Pad	8	G	$ 765,000		Postpone		Postpone
Facilities FF&E			$ 100,000	$ 100,000		$ 100,000	
Sub Total			**$ 4,740,000**	**$ 3,002,500**		**$ 2,559,000**	
Total FTC Costs			**$ 5,437,500**	**$ 3,700,000**		**$ 3,700,000**	

2. What other options are there to secure additional funding? Could Boulder County participate further, e.g., sale of current FTC site?

Options for additional funding to construct the entire Fire Training Center project are:

- *City of Boulder allocates additional capital funding.*
    - *No funding is currently available due to city revenue reductions.*
    - *Possible future funding option if city revenues improve.*
- *Surrounding fire departments contribute to a capital construction fund.*
    - *No funding from neighboring fire departments is currently available due to revenue shortfalls in those departments.*
    - *Possible future funding option if surrounding city revenues improve.*
- *Seek grants*
    - *Many public grants require matching funds that we currently do not have.*
    - *Most currently available public grants do not provide for fixed facilities such as a training center.*
- *Boulder County allocates additional capital funding by sale of current FTC site or other ways.*
    - *Boulder County owns the land where the existing Fire Training Center is located on Lee Hill Road. That land is leased to the Boulder County Fire Training Center Board, a non-profit group of county fire chiefs who direct Fire Training Center daily operations. There are 13.5 years left on the lease. It is the intention of Boulder County to sell the Lee Hill Road property upon the relocation of the Boulder Fire Training Center. The city's real estate division has estimated that this land might sell for about $1.0 million per acre.*

      In 2001, Boulder County voters approved a temporary three-year sales tax to fund the construction of three regional fire training centers in Boulder County -- a main facility in Boulder, a smaller center in Longmont and a third even smaller facility in Nederland. Each of the three cities was to provide land ready for development. Actual fire protection and the related training of fire fighters are the responsibility of the cities and fire protection districts in the county.

      The temporary three-year sales tax provided $3.7 million for the Boulder Fire Training Center. The city of Boulder has directly provided $1.0 million for the purchase of land at Valmont Butte and anticipates $3.7 million for the FTC. By comparison, Longmont received $1.3 million from the county temporary sales tax and matched that same amount in city funds and property for the Longmont FTC. Nederland will receive about $413,000 from the county sales tax, and their local contribution may also match the amount received from the county. Since the other participating cities are providing a greater share of their portion than the city of Boulder, Boulder County will not offer more support to the city.

Biosolids Recycling Center (BRC)

1. What is the justification for switching to a process for producing Class A biosolids?

The primary reason for switching to a Class A biosolids process is to provide a long-term environmentally sustainable solution to a critical city operation. The Class A process would provide more extensive treatment to ensure a greater variety of end uses for the finished product and allow the city to exercise ongoing municipal control over its ability to treat and dispose of biosolids. Biosolids regulations permit the application of Class A compost for home and garden use. Class B biosolids application is limited to agricultural land in counties where such use is permitted.

Four Colorado agricultural counties (Washington, Lincoln, Kiowa and Cheyenne) have currently banned the practice of Class B agricultural land application.

The city of Boulder currently trucks its biosolids 120 miles (round trip) to east Adams County for land application.

2. What other communities are involved with biosolids composting?

On Colorado's Front Range, several communities currently use a Class A biosolids process for all or part of their biosolids management program. Nearby examples include:

- *The city of Louisville currently uses a combination of Class A air drying and Class A composting. Louisville gives away their compost product to the local community for free, and charges $10 for a cubic yard to nonresidents.*
- *Denver Metro currently uses a combination of Class A composting and Class B land application. Most of Denver's Class B biosolids is applied to nearly 50,000 acres of land owned by the city of Denver.*
- *The city of Greeley is in the process of transitioning its Class B land application program to Class A thermal drying. This move is in response to public opposition to Greeley's land application program as neighboring sites are being developed into ranchettes.*

3. What is the total impact to individual rate payers of three successive 20 percent wastewater rate increases?

The three-year 20 percent wastewater utility rate increase, resulting in a 73 percent increase, was proposed to begin in 2005. The initial year rate increase was approved by City Council and went into effect on Jan. 1, 2005. Because revenue bond interest rates remain low, the three consecutive annual rate increases may vary.

***In 2004**: average residential wastewater bill = $11.83/month or $141.96/year*
***In 2005**: average residential wastewater bill = $14.23/month or $170.76/year*
***In 2006**: average residential wastewater bill = $17.08/month or $204.91/year*
***In 2007**: average residential wastewater bill = $19.59/month or $235.08/year*

More detailed information on the impact of rate increases on various commercial and industrial customer wastewater bills will be provided for the Aug. 16, 2005 City Council meeting.

4. How will the funds from the wastewater rate increase be used overall in the wastewater program, e.g., for the liquid stream versus the solid stream?

City Council has already approved the liquid stream improvements project, and 62 percent of the wastewater increase will be used for that project. The remaining 38 percent will used for the Biosolids Recycling Center (solid stream).

5. Why not use the current Wastewater Treatment Plant site? Wouldn't it be more cost-effective?

The city receives a revised Colorado Department of Public Health and Environment (CDPHE) effluent discharge permit every five years requiring the plant to meet more stringent regulations. In some situations, the new CDPHE permit regulations require additional WWTP facilities. Available acreage at the WWTP is being preserved for future liquid stream improvement projects that may be required at some point after 2020.

The WWTP currently treats 17 million gallons of wastewater per day. Correspondingly, the solids processing facilities treat approximately 60,000 gallons per day. A significant percentage of the cost of wastewater treatment is associated with handling the volume of water. Therefore, it is far less expensive to locate the solids processing facilities off-site and move 60,000 gallons of liquid biosolids than to construct a second liquid stream facility at an off-site location.

Constructing the Biosolids Recycling Center at the WWTP would require expanding the flood berm which surrounds the WWTP. Aside from the difficulties in achieving FEMA and Boulder County approval to modify the flood berm, this alternative would involve locating the solids processing facilities very close to 75th Street and near the Gunbarrel and Heatherwood neighborhoods. The proposed layout for a composting facility located at the WWTP would use most of the 13 acres located between the WWTP and 75th Street, leaving very little land buffer.

The odor modeling evaluation completed as part of the preliminary design showed that the Valmont Butte site's natural topography was more favorable than the WWTP for odor dispersion. Odor control facilities located at the WWTP would be more expensive because of recent 1041 (Boulder County) permit regulations which do not permit a rise in baseline odors. The 1041 permit, required by Boulder County as part of the liquid stream improvements, prohibits an increase in baseline odor, noise and total nitrogen discharged to Boulder Creek. Moreover, the permit requires additional visual buffer requirements. Additional visual buffer requirements for a proposed compost facility at the WWTP would be very difficult to achieve given its proximity to 75th Street.

6. Would the city be liable for pipeline accidents?

The city would be responsible for accidents associated with either the biosolids piping or trucking alternatives, and there is risk associated with either option. The city would actively work to manage its risk in the piping alternative through enhanced pipeline design and construction techniques that would protect against accidents, pipeline re-alignment possibilities to avoid sensitive land and insurance. In the trucking alternative, the city would manage its risk through truck-driver education and training, truck maintenance requirements, avoidance of peak traffic conditions and insurance.

7. Why wouldn't it be appropriate to purchase land for biosolids application outside Boulder County?

Purchasing land for biosolids land application outside Boulder County is an option. Several Front Range communities including Denver Metro, Littleton/Englewood and Ft. Collins have purchased land in neighboring counties for biosolids land application. Denver Metro currently owns 50,000 acres located approximately 55 miles east of Denver. Littleton/Englewood currently owns 6,000 acres in Adams and Arapahoe counties located approximately 80 miles east of their WWTP. Ft. Collins currently owns 26,000 acres located approximately 25 miles northeast of Ft. Collins.

Both Proposed Projects

1. Would the Biddle property work (owned by Open Space & Mountain Parks, located 1/2 mile northwest from the corner 75th Street and Valmont Road)?

Public Works Response: *The Biddle property is an adequate size and is located near the WWTP. However, there is minimal land buffer or visual screening provided on the property to screen from existing or potential residential/ business development or from the 75th Street corridor. Use of the site may also require selling the FTC and BRC portion of the Valmont Butte site in order to help offset additional costs related to acquisition of a different site.*

Fire Department Response: *Initial review of the Biddle property for FTC use appears that it would be adequate. There are several distinct differences between Biddle and Valmont. Because of its size and location, the Valmont property is well buffered physically from neighbors and mostly not visible from adjacent properties. The Biddle property has neighbors immediately adjacent and is highly visible from all directions. Biddle is also directly adjacent to two heavily used wildlife habitat and recreational areas at Walden and Sawhilll Ponds.*

Open Space and Mountain Parks Response: *On June 22, 2005, the OSMP Board of Trustee discussed but did not make specific motions on continued management of its 27 acres at Valmont Butte site, the lack of appropriateness of any other part of the Valmont Butte site for open space purposes and the suggestion of the Biddle property as an alternative site for one or more of the proposals.*

Regarding the Biddle property, board members noted that this would require formal "disposition" by the board under the City Charter, that the history of the ownership did not alter the fact that property was acquired for open space purposes and is excellent open space land, and that the purpose of the Open Space tax is to "acquire and retain the land forever." (Detailed minutes will be available after their approval by the OSBT at its next board meeting.)

The Biddle property is "open space land" as defined in the City Charter and cannot be used for other purposes in the absence of a "disposal" that must be approved by the City Council only after approval by at least three members of the Open Space Board of Trustees (as described in Charter Section 177). This section also allows the citizens to refer proposed dispositions with a petition containing at least 5 percent of registered electors.

Next Steps:

The CEAP report and comments of the City Council, staff and community members have been forwarded to the Water Resources Advisory Board for the Biosolids Recycling Center and the Planning Board for the Fire Training Center. The Environmental Advisory Board, Landmarks Preservation Advisory Board and Open Space Board of Trustees have also reviewed the CEAP.

Normally, the boards' actions would be final unless called up by City Council. Due to the public interest in the Valmont Butte proposal, the decision has been scheduled for Council consideration on Aug. 16, 2005. At that time, the Council will be presented with four policy options for consideration:

1. Pursuing the Fire Training Center and Biosolids Recycling Center as proposed at the Valmont Butte site. Based on information available to staff at this time, this is the staff-recommended option. Depending on input from the public and advisory boards review process, staff may change this recommendation.

2. Pursuing the Fire Training Center and Biosolids Recycling Center at the Valmont Butte site but with a different site layout or set of mitigation measures.

3. Pursuing an alternative approach to fire training or biosolids treatment. These options are explored in Section 3.0, Program Alternatives.

4. Pursuing an alternative site for either fire training or biosolids composting. These options are explored in Section 4.0, Site Alternatives.

Council members may direct any comments or questions to Peter Pollock at 303-441-3291 or pollockp@ci.bulder.co.us