

Chapter 11

Community Services

The City of Salida is committed to maintaining a sufficient level of quality services, comprising both basic municipal services and certain quality of life amenities. Generally, services are provided due to regulatory requirements set by the state or federal government or because the citizens have identified them as a priority. Some are provided by the city because there is no effective way to provide those services through the private sector. Fiscal constraints are a concrete reality behind all policy decisions regarding community services

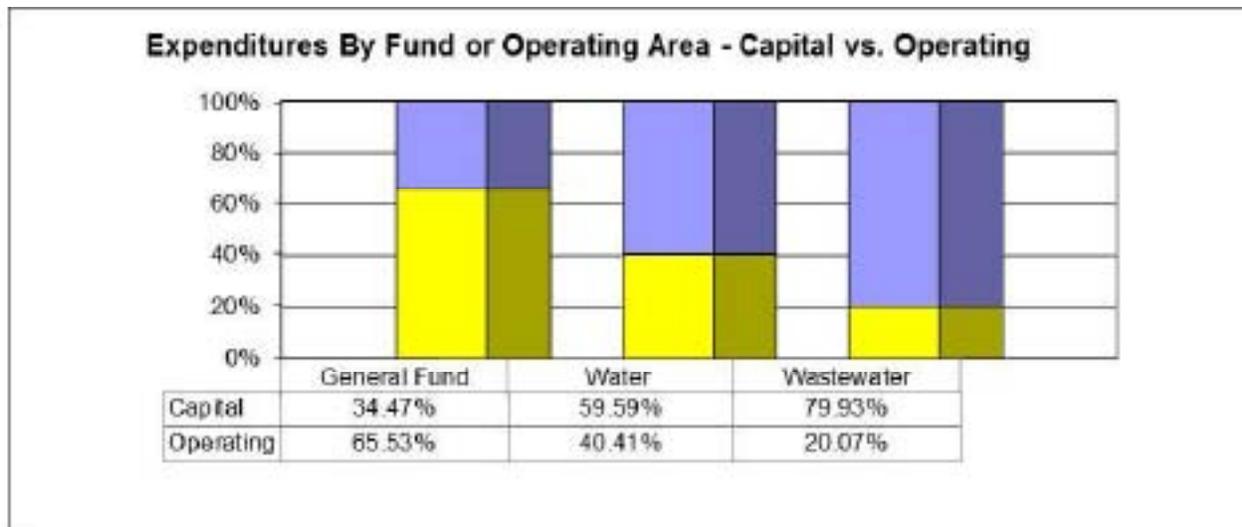
The city practices fiscal responsibility, taking into consideration upfront capital and operating costs as well as long-term maintenance, energy efficiency, and other operational costs associated with the services provided to citizens and visitors. Numerous city-wide and departmental policies articulate goals related to operations efficiencies.

New development in the private sector should not be a burden on the existing citizens either through construction of the initial infrastructure or through ongoing maintenance.

Budget

In the fall of each year, the City Council reviews a proposed budget that they must approve before the start of the coming year. The finance department prepares the budget based on the priorities identified by the City Council with input from department heads, advisory commissions and any citizens who participate in the budget work sessions and public hearings.

Revenues are derived from a variety of sources with sales tax being the largest single source of general government funds. Separate budgets are prepared for the general fund, water and wastewater enterprise fund, conservation trust fund and the SteamPlant Event Center fund. Within each of the funds are both operating and capital budgets. The following overview of each fund and examples of the allocation of money for expenditures and sources of revenue was drawn largely from the City’s budget. It projects revenue growth along with new and increased costs that are being absorbed across a number of operat-



ing areas. Cost containment efforts and staff’s success in obtaining outside grant funding to supplement ongoing sources of revenue were significant factors in achieving balanced 2013 budget. A need exists for longer term plans for how to continue to provide the essential city services to support the community in light of economic uncertainties and cost inflation.

Overall, Salida’s current financial condition is healthy due to the growth in sales tax revenue combined with rate increases and closely managed operating and capital expenditures. The economic slowdown in 2008 to 2010 caused the City to further “tighten its belt” in many areas of spending across all departments. Rigid discipline over spending is expected to continue in all departments to ensure dollars are spent wisely and with long-term benefits in mind.

The City’s ability to meet future capital and operating needs has benefitted from a significantly reduced level of debt in the general fund starting in 2012. However, the water and wastewater enterprise fund is faced with increasing debt service obligations and uncertain level of development activity to generate revenue for capital needs.

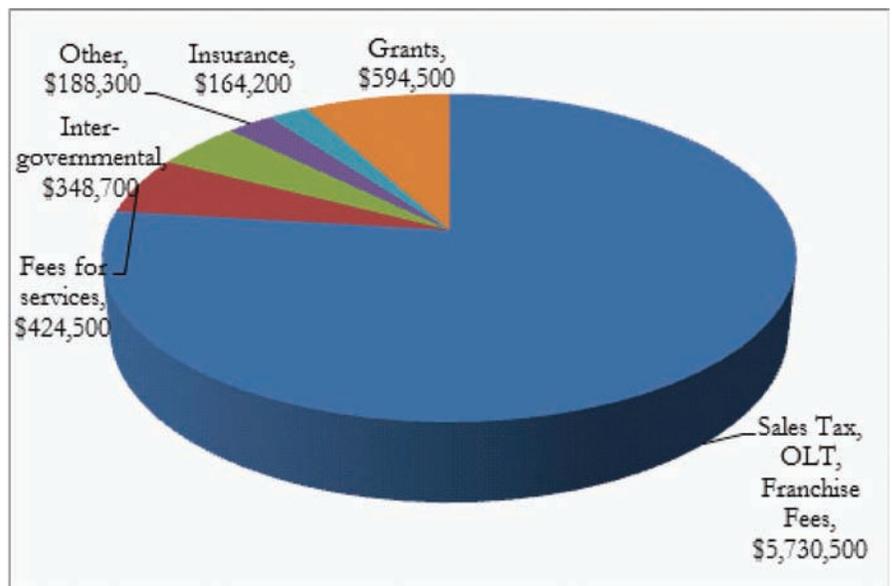
A substantial portion of the budget will be invested in public improvements and capital purchases in 2013 for general government and enterprise activities.

Operating Expenditures

Funding for operating expenditures is derived primarily from sales tax in the general fund and from fees for services in the enterprise funds. The most significant resource to the City and majority of operating costs are employees. For 2013, personnel expenses comprise 66% of the operating budget and 33% of the total city budget. In addition to daily operational duties, many City employees spend a considerable amount of time planning and managing capital projects. However, the City does not capitalize any staff time associated with work on capital projects. Supplies, purchased services, utilities and insurance costs account for the remainder of the city’s operating costs. The core services the city provides outline the necessary expenditures the city must make to meet numerous federal and state regulatory requirements and to maintain the quality of life residents currently enjoy.

General Fund

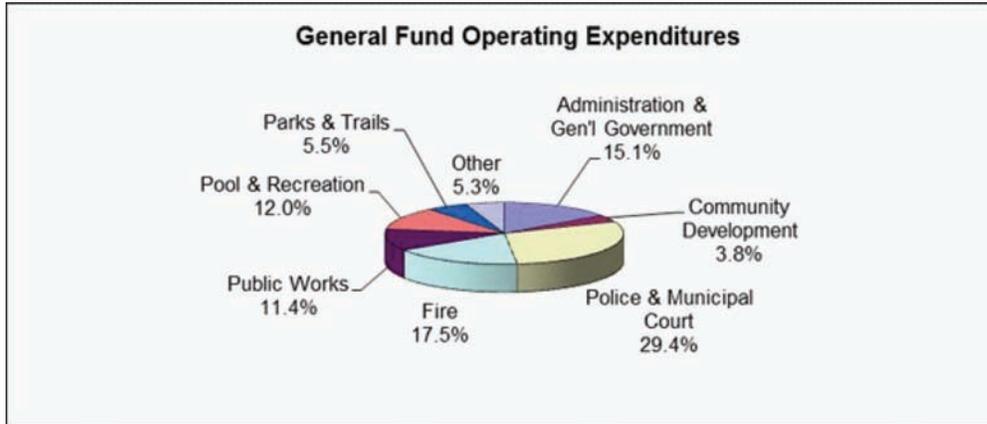
In accordance with voter restrictions, 56% of the city’s 2% sales tax can be used for operating costs. The designation of 2A revenue (an additional 1% sales tax) is for the construction, operation, maintenance and repair of roads and other public infrastructure. A portion of those costs are classified as operating expenditures for accounting purposes. Based on 2013 priorities, 35% was allocated to the operating budget to be used for street repairs, striping, sweeping, plowing, and other public works operating activities.



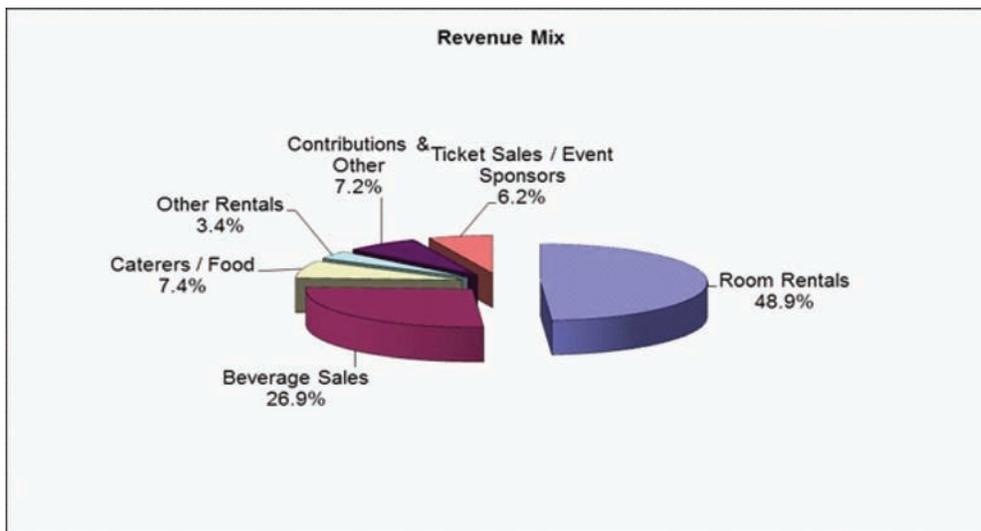
Total 2013 general fund rev-

Revenue is projected at nearly \$7.5 million, consisting of the revenue sources shown on the pie chart.

Charges for municipal services are expected to be over \$400,000 in 2013 and will offset a significant portion of the pool expenditures as well as some of the city's administrative, community development, emergency response and public works costs.



General Fund operating expenditures for 2013 are shown in the pie chart below. Figures are shown as gross amounts. (In other words, any revenues derived from services provided by these departments are not subtracted for presentation of a net expenditure amount.)



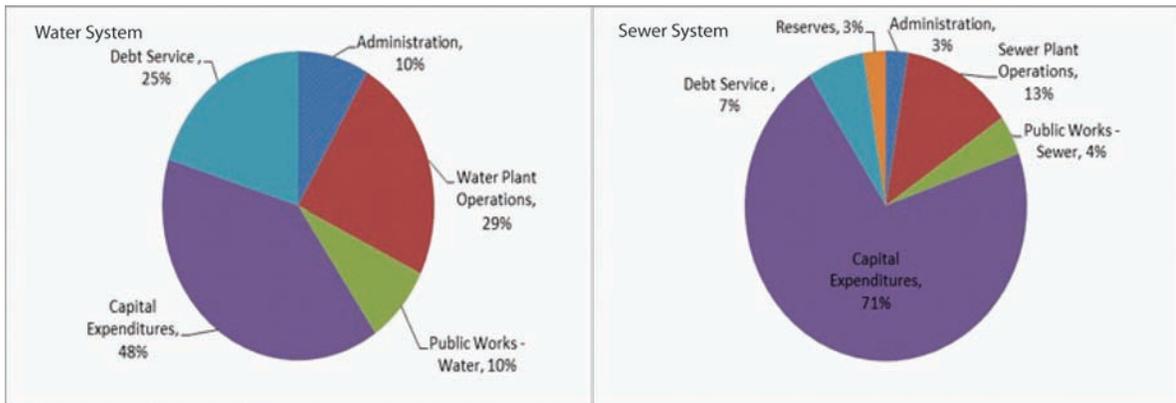
SteamPlant Fund

Operations of the SteamPlant Event Center were assumed by the city effective January 1, 2008. Initial business plans projected that the SteamPlant would be financially self-sustaining operation within five years and the city is treating it as an enterprise fund for accounting purposes although it is currently disqualified under TABOR.

In its fifth full year of operations, the SteamPlant is expected to generate \$194,000 in operating revenue. This represents a \$29,000, or 17%, increase over the current expectations for 2012. Operating revenue is supplemented by Friends of the SteamPlant and other direct donations.

Compared to the 2012 projection, personnel costs are expected to increase 3% due to higher wages and benefits. Although inflation will increase the costs of several supplies and services, a very slight overall decrease is expected across other operating costs. The direct costs for events and operating costs are expected to be 10% less compared to the 2012 projection. The net loss to be subsidized by the general fund is expected to be approximately \$75,000. No capital expenditures are planned for 2013.

In 2012 the City Council established a Creative District, which received certification by the State of Colorado, according to the guidelines of House Bill 11-1031. The City was awarded grant funding and technical assistance from the Colorado Office of Economic Development to develop branding, marketing and funding strategies. The state's expectation is that each district will achieve measurable local impacts in terms of the retention and attraction of creative enterprises and jobs, improved retail, dining and gallery sales and continued downtown revitalization. With the Creative District distinction, the City will work toward its vision of a self-sustaining historic downtown core that is supported by and energizes creative entrepreneurs, independent retail and residential development; that promotes adaptive reuse of historic buildings; and provides a focal point for celebrating and strengthening the community's creative identity. The groundwork for this vision will be completed during 2013 using these grant funds. The SteamPlant will serve as a cultural hub for the Creative District.



Water and Wastewater Enterprise Fund

The Water and Wastewater Enterprise Fund accounts for the provision of basic utility services to Salida residents. The utility fund is financed and operated in a manner similar to a private business enterprise where operating and capital costs are financed or recovered primarily through user charges. Although accounting for the utility fund has been separate from the general fund for some time, in 1996 the city passed an ordinance giving legal status to the Enterprise Fund. Enterprise funds are treated separately under the TABOR Amendment and do not impact general fund revenues and expenditures. The legal status allows the fund to issue bonds without voter approval, while capping the revenues it accepts from monies not generated by the utility at 10%.



New water tank at the airport

As a summary of the combined total budget for the two operating areas within the water and wastewater enterprise fund, the following charts show the use of the total 2013 revenue.

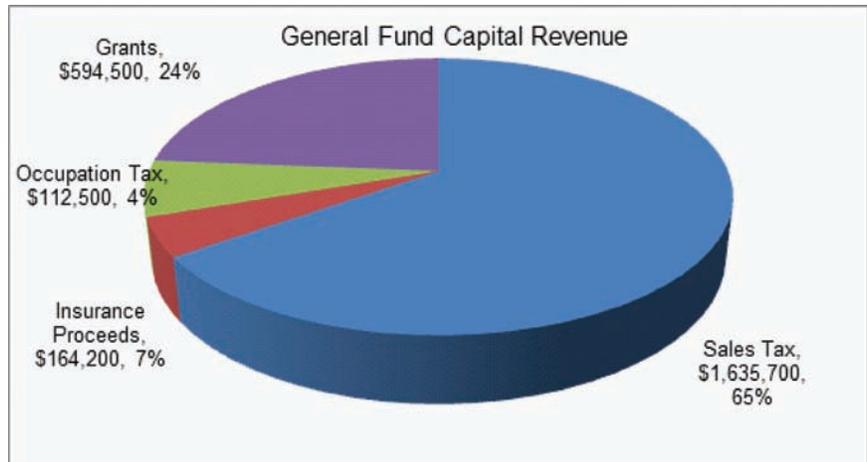
Previously, the utilities code provided for annual increases in rates for water and wastewater services. Since rates have been removed from the code in the re-write completed during 2011-2012, council has approved rates and other fees by resolution as part of the annual budget process. In recent years, the utilities code provided for 3% to 5% annual increases for water and sewer service to cover inflation in the costs associated with providing service. In 2011, the City determined operating revenues must be increased to cover the shortfall in development fees historically used for capital needs and debt service. Costs for the wastewater plant upgrade had already been anticipated in the 2008 sewer rate study and no incremental rate increase was necessary. However, the 2011 water rate study resulted in a significant increase in water service rates effective in July 2011. The 2013 budget includes rate increases of 3% for sewer and 2% for water services.

Conservation Trust Fund

The Conservation Trust Fund is funded from lottery proceeds, based on population. City Council has directed staff to allocate only a portion of the 2013 revenue for recreation areas and to increase reserves with the remainder for future larger projects.

Capital Projects

Funding for capital expenditures is derived primarily from sales tax and grants in the general fund, from system development fees, grants and bonds in the water and sewer enterprise fund, and from lottery proceeds in the Conservation Trust Fund. It is always important for the city to prioritize the funds for necessary capital projects that have the greatest net benefit to the city and its residents. Contributions generally provide capital funding for the SteamPlant Event Center.



Following the passage of ballot issues 2A and 2B at the end of 2008, the city has focused on delivering capital projects utilizing these new funds. The proceeds of an incremental 1.0% sales tax (2A) is used for funding construction, operation, maintenance, and repair of roads and other public infrastructure of the city. The proceeds of the occupational lodging tax (2B) is used for capital improvements and operations expenses for parks and recreation and arts facilities in the city, including, without limitation, the Aquatic Center and the SteamPlant.

The 2013 general fund capital budget revenue totals \$5.6 million and is primarily derived from a portion of sales taxes and grant funds for specific projects, expected to be \$1.6 million and \$3.4 million, respectively. The occupation tax on lodging is expected to generate over \$100,000 for capital projects.

General Fund Revenue

Over one-third of the total general fund revenue is restricted for capital purchases and projects. The \$2.5 million expected for capital revenue is significant for the community and is a larger portion of the total budget than most municipalities.

Of the total capital spending, 94% is for current capital purchases and 6% will be used to pay a financing obligation. In the five years prior to 2012, the percentage of the capital budget used to pay debt averaged 38% and was as high as 50% in 2011. The only financing obligation remaining in the general fund is the lease purchase for the acquisition and renovation of the Touber Building. As a result of the low level of financing obligations, citizens are now seeing a direct and current benefit from the investment of capital dollars.

In March 2012, the City refinanced the two schedules included in the lease purchase obligation for the Touber Building. Interest rates were reduced from 5.51% and 5.35% to 3.4%, and the payment schedule was changed from semi-annual to monthly. The total annual payment obligation remains the same; however, the reduced interest rate and more frequent payments shorten the remaining term by three years. These changes will save the City \$514,000 in interest expense over the remaining term of the obligation.

SteamPlant Enterprise Fund

Partner transfers from fundraising efforts are generally intended for capital investments and are reflected as capital revenue; however, these funds may not be specifically restricted for capital. No capital spending was planned for 2013.

Water & Wastewater Enterprise Fund Revenue

Capital revenue totaling \$175,000 and \$2.9 million is expected from the water and wastewater operations, respectively.

Revenue generated from water and sewer system development and demand fees of \$277,000 is not sufficient to pay for necessary upgrades or the debt service on past capital projects. Quarterly service fees are currently being used to supplement revenue specifically identified for capital needs. System development fees will increase by 2% as of the first of January. The volume of new taps is predicted to stay approximately level with projections for 2012, which is more than double the number in 2011.



Public Works performing maintenance of city water lines

Capital revenue of \$175,000 and \$102,000 from the water and sewer operations, respectively, assumes the issuance of 12 new taps in Salida plus two additional sewer taps in Poncha Springs in 2013

Debt financing was recently required to complete the Wastewater Treatment Facility (WWTF) upgrade and capital projects for water storage and transmission.

For the water system, the majority of 2013 capital revenue plus the reserves accumulated in 2012 is budgeted to rehabilitate the water treatment plant. As identified in the 2011 water system capital improvement plan, new filter media, under drains and troughs are needed at the city's water treatment plant, which at over 50 years old, is one of the oldest such facilities in Western Colorado. Other capital spending includes

new pumps, chlorine equipment, a SCADA system, telemetry, water line and fire hydrant upgrades and a scheduled vehicle replacement.

The \$17.6 million upgrade of the wastewater treatment facility is being financed through a combination of debt, grants and reserves. The 2013 budget includes the use of over \$2.7 million in remaining grant funds to complete the upgrade along with \$225,000 for other capital spending. The first semi-annual debt service payment for the upgrade of \$272,000 is also included in the 2013 budget.

Construction on the upgrade began in September 2011. Financing over a 40-year term is secured through a \$12.1 million loan from the USDA, with interim financing provided by BBVA Compass. The USDA has committed a \$2.6 million grant for the final construction funds. In addition, the Department of Local Affairs (DOLA) awarded the City a \$1.3 million grant for the project, 90% of which was spent in 2009 for equipment purchases. The grant agreement requires completion of the project prior to collecting the final 10% of the award, which has deferred the remaining revenue until 2013.



Wastewater Treatment Plant built in 1956 renovated in 1985

Conservation Trust Fund

No capital spending is planned for 2013. Less than a quarter of the projected revenue is budgeted for operating expenditures within the City's recreation areas, increasing reserves with the remainder for larger projects in future years.

Paying for Growth

There is a strong sentiment in the community that "growth should pay its own way". Commercial development is generally more cost effective overall for Colorado municipalities because these types of development can generate sales tax revenue and provide jobs in the community. Residential growth, however, is often seen as a drain on the local economy because it creates additional demand on services without associated revenue.

There are several ways to address concerns about the cost of new growth. In 2008, the City adopted a parks, trails and open space requirement for residential subdivisions and a fee in lieu of school lands which is provided to the R-32-J school district. Some recent annexations have also provided a covenant on transfers of real estate that will provide intermittent revenue for the city. Additional methods of cost recovery include impact fees for specific infrastructure or services impacted by the new development.

The key to being able to address the fiscal impacts of growth is to know what impacts are anticipated. For larger subdivisions, the city should require the applicants to provide adequate analysis of the projected impacts and requirements on the development should be placed accordingly.

Grants

The City of Salida has been very successful in obtaining grant funding in recent years. Most major capital improvement projects have been possible through some grant assistance. Some examples of projects receiving grant funding include the Touber Building reuse and rehabilitation, airport water tank, Highway 50 improvements, hot water line remediation, white water



Salida Hot Springs Pool

park improvements, Arkansas Hills open space acquisition, Downtown Creative District, water system plan, Safe Routes to School, new wastewater plant and many others.

Grant funding is an effective way to leverage taxpayer dollars to improve, replace or acquire facilities. However, grant funds are rarely available for ongoing operating expenses. When applying for grant funds the city must clearly understand the obligations they are entering into and ensure that the funds are available to maintain new or improved facilities.

Application Fees

Fees are charged by the city for a variety of services, permits and applications. Some of these fees are set by the State of Colorado such as liquor license and VIN inspection fees, while others are based upon the staff time needed to provide the service. Fees are set by resolution of the City Council. In most cases, the Council seeks to minimize the fees charged to citizens while still covering the costs for providing the service. Expenses that are project specific, such as land use applications, should be born solely by the applicant and should not be the burden of the larger community.

Best Practices and Cost Reduction

Maintenance

The City of Salida has many ongoing maintenance obligations from street repair to water and wastewater infrastructure, vehicles and equipment, parks and facilities. As the city considers new capital improvements the costs for energy and ongoing maintenance should always be considered as well. The city has fallen behind in maintenance of some items including streets and utilities infrastructure has struggled in recent years to maintain a regular schedule of maintenance and repair. The Council must consider the current maintenance obligations and budget requirements prior to taking on additional maintenance burdens.

Objective Analysis

When considering new capital improvements staff and the City Council endeavor to create an analysis of what is being requested so that they have a complete picture of both the initial construction costs as well as ongoing operating expenses. There are many beneficial projects that the city could pursue, but it must be done in a way that is fiscally responsible to the taxpayers in the community in an attempt to not increase overall operating expenses.

The city should also consider that they must remain responsive in the services that they are committed to providing and should always provide routine maintenance of vehicles, facilities and infrastructure. In addition, the city should maintain an overall long-term capital plan including plans for street rebuilds, vehicle replacement and equipment replacement. This will assist during budget planning to know if there are major expenditures on the horizon.

Efficiency

Practices in all activities of municipal government should be evaluated periodically to determine if there are more efficient ways to provide the services to which the city is committed, while not diminishing the level of service. Con-

tinuing education for employees and appropriate training will help to ensure that staff is aware of changes in their field which the city can consider implementing.

Conventional fuels such as gasoline, diesel, coal and wood are being reconsidered in light of worldwide concerns of non-renewable energy consumption, pollution and climate change. Utilizing fuel from clean, sustainable energy sources is becoming a necessity along with reducing dependency on fuels. Recent years have seen a high level of fluctuation in fuel commodity prices as well as emerging sources of energy. The city should continue to monitor options for alternative sources of energy while implementing steps to reduce fuel consumption. Any new facilities should consider implementation of energy cost saving measures and on-site energy generation.

Infrastructure & Utilities

Public infrastructure and utilities are an essential service to the community. The city Public Works Department provides infrastructure for water and wastewater transmission, and maintains streets, parks and public facilities. The Water Department runs the water treatment plant, maintains the ditches in the raw water system and oversees the water from the Galleries and Pasquale Springs. Wastewater treatment is handled by the Wastewater Department at the treatment plant on CR 102.

Water Treatment

Salida's service area encompasses a total area of approximately 2.2 square miles. In 2013, Salida supplied 422 million gallons ("MG") or 1,315 acre-feet ("AF") of potable water to customers within Residential, Multi-Family, Commercial/Industrial, and Municipal Park categories. In order to supply these customers, the City treated approximately 514.4 MG or 1,579 AF of water to overcome various system losses and leaks. Last year 18 percent of all water produced was lost.

The City delivers water from three different sources in a water delivery system consisting of a water treatment plant (“WTP”), three pump stations and three treated water storage tanks. Water delivery is made to a low zone and high zone. The three water sources are listed below:

- Surface water from the South Arkansas River – 1.3 Million Gallons per Day (“MGD”)
- Groundwater from Galleries – 1.4 MGD
- Pasquale Springs – 1.0 MGD

The WTP, constructed in 1959, treats the surface water while the groundwater from the Galleries and Pasquale Springs is chlorinated and pumped directly into the distribution system.

A one million gallon water storage tank was constructed at the airport in 2008 – 2009 along with associated transmission lines. In 2010-2011 the city installed a new roof and liner for the gallery water tank along with completing some concrete repairs to the existing concrete structure. The pump room and chlorination building also received a new roof in the process. The possible influence of groundwater on the galleries collection system is currently being evaluated and will determine priorities for capital projects in 2013 and beyond.

The city also completed a Raw Water Master Plan in March of 2009. The plan was done for a twenty-five year planning horizon and anticipated a potential population of 10,000 residents by 2033. The plan outlined water needs during the planning horizon and anticipated that the city would treat 888 million gallons a year in 2025. The usage in 2007 was estimated to be 428 million gallons. Additionally, the study looked at the city’s ability to supply the quantity of water needed for the estimated future population. The study found that under extreme drought conditions, the demand could exceed the supply. It was suggested that the city look at storage options so that excess water credits yielded by the city’s water rights portfolio during summer months could be stored in a “bucket” and used when the city needed it at a later date.

Wastewater Treatment

The total capacity of the existing Salida Wastewater Treatment Plant (“WWTP”) was recently upgraded from 1.2 MGD to 2.7 MGD. Built in 1956 and renovated in 1985, the upgrades to be completed in mid-2013 will have the components necessary to meet modern ammonia standards and to supply sufficient capacities for the communities served - Salida and Poncha Springs.

A Preliminary Engineering Report on the sewer plant was completed at the end of 2008. Construction on this \$17.6 million upgrade project, which began in September 2011, is expected to reach completion in the second quarter of 2013. Components of the existing plant are being re-used; however, a major upgrade in treatment technology was needed. The City was faced with resolving wastewater treatment violations to avoid severe financial penalties and adverse environmental effects. The plant had been operating at a lower capacity than was permitted due to inefficiencies and did not meet ammonia limits imposed by the Colorado Department of Public Health and Environment. Built in 1956 and renovated in 1985, the plant did not have the components necessary to meet ammonia standards and to supply sufficient capacities for the communities served, Salida and Poncha Springs. An integrated fixed-film activated sludge (IFAS) process was implemented with the upgrade.

In April 2010, the City of Salida came to a settlement with the Town of Poncha Springs resolving long-standing disputes over wastewater treatment and billing. The city has now assumed responsibility for maintenance of the wastewater delivery systems in Poncha Springs and those users are now direct customers of the city.

Water / Wastewater Delivery Systems

Salida maintains an extensive network of water and wastewater delivery lines. The system includes pipes, manholes, fire hydrants, valves and meters. These are all maintained by the Salida Public Works Department.

There are a variety of materials and line sizes in both the water and wastewater delivery systems. Efforts are underway to create a digital map of both systems in order to better keep track of infrastructure locations and capacity in various areas of the community. This effort, being undertaken by the city's engineers Schmueser Gordon Meyer, Inc., is an integral component of understanding the current system, maintaining that system and accommodating future growth within the system.

In the past, the city has periodically undertaken street rebuild projects which include replacement of aging or undersized water and wastewater mains. The cost of street rebuild projects is borne in part by the Water & Sewer Enterprise Fund because of the improvements to those infrastructure components. However, reserves in those funds are diminishing and revenue from customers is not replenishing the funds enough to maintain an aggressive schedule of infrastructure replacement. The city is currently reevaluating the need to proactively replace lines as part of complete street rebuild projects.

Streets

The Public Works Department maintains 36.45 miles of streets in Salida. Curb, gutter and sidewalks are prevalent in the areas closest to the historic downtown and in newer subdivisions.

Aging infrastructure, deferred maintenance and tight budgets have resulted in a situation where the city street system is in need of attention. The last several years have seen 17 miles of street overlays and chip seal applied to the streets. These, along with complete rebuilds and pothole repair are the most common methods of street maintenance used in Salida.

Municipal Buildings

The City of Salida owns and operates eight facilities including the SteamPlant Event Center, public works shop, Touber Building, Scout Hut, WTP, WWTP, Hot Springs Aquatic Center, and the fire station. For the most part, each department maintains the structure they occupy with supplemental assistance from the Public Works Department. In addition, the city owns, the Salida Community Center, Chamber of Commerce/Salida Museum, golf course clubhouse and facilities at the Harriet Alexander Field. These are occupied by non-profit entities through long-term lease arrangements with the city and maintenance generally falls to the lessee. There is also one structure on East Third Street that formerly housed the police department which is currently in dry storage but a lease to a local non-profit is pending.

A full-time position of Building and Grounds Supervisor will be added in public works and funded through a combi-



Maintenance and repair of a pump at the Wastewater Treatment Plant

nation of changes in 2013. Until the end of 2012, Salida paid one-half of the cost for a county employee dedicated to maintaining the Touber Building. With this new position on staff with the city, some repairs and maintenance work previously outsourced will be brought in house. Also, starting in the second quarter, Salida will provide building maintenance services to the Natural Resource Center for a contracted fee. These items, combined with other expected cost savings derived, are expected to fully offset the costs for the new position.

Stormwater

There is a storm drainage system in a limited area of Salida including along much of US Hwy 50 and north of 7th Street. The storm drains, along with surface drainage from streets generally discharge into the Arkansas River. New subdivisions, commercial and multi-family developments are required to provide onsite detention of stormwater for a 24 hour event of the 25-year storm. State and Federal regulation in this area will only continue to increase with concerns about water quality and pollution. The city should remain aware of current regulation and anticipate additional regulation in the future.

Community Support Projects

The City Council feels it is important to highlight areas where the city supports the community by providing financial or staff resources beyond the basic municipal services expected of residents. Different views exist with respect to the role of government beyond basic necessities. However, as Salida's 2008 Parks, Recreation, Trails and Open Space Master Plan states:

There is a growing trend in the United States for public leaders to recognize that parks, recreation, trails, open space and related "Quality of Life" amenities are not secondary services provided by governmental agencies, but that they are integral to creating communities where people want to live. These services should be seen as investments in the long-term vitality and economic sustainability of any vibrant and attractive community.

Through taxpayer dollars, municipal governments provide basic services essential to the safety and comfort of citizens. In addition, certain discretionary projects and initiatives are supported by the city. Both staff and Council receive many requests from members of the public and local organizations to fund various projects. Many of these would improve the quality of life for at least some citizens. It is not possible for the city to fund all such requests, and 2013 was no different due to having limited discretionary funds. However, a new process was implemented for the 2010 budget whereby community support requests were submitted in a consistent format and objectively evaluated.

When considering community support requests, it is important to objectively evaluate the requests using the approved "Projects Priority Criteria" document. Staff and Council should ask the right questions to understand the problem / need, whether or not the proposed solution addresses the objective in the most efficient manner and the impact of new ongoing maintenance expenses.

Principles / Policies / Action Items

Principle CS-I. Budget

The City will be fiscally responsible, taking into consideration long-term maintenance costs, operational costs and planning for changing economic trends.

Policy CS-I.1 – Growth or new development should pay its own way either directly or through long-term fiscal benefits to the community.

Action CS-I.1.a – Review the LUC to ensure that major new development is required to provide sound analysis of the fiscal impacts and benefits to the city.

Action CS-I.1.b – Consider anticipated infrastructure upgrades and consider implementation of impact fees as a mechanism to offset costs of upgrades related to new development.

Policy CS-I.2 – The City should continue to pursue grant funding to leverage taxpayer dollars and create new amenities while being cautious of taking on additional operating expense resulting from the projects.

Action CS-I.2.a – Departments should actively identify grant opportunities for anticipated projects well in advance of the need for funding.

Action CS-I.2.b – City Council and staff must prioritize projects annually in order to focus efforts to secure funding and proceed with implementation.

Policy CS-I.3 – Fees for services should reflect the commitment of staff time to perform the service, in addition to external capital and operating costs, while minimizing expense to the citizens.

Action CS-I.3.a – Consider creating one fee schedule for City applications and services.

Action CS-I.3.b – All departments should analyze fees in their area in connection with proposing their annual budget; the annual review of fees or automatic adjustment of fees should allow the City to avoid sudden large increases in fees or rates.

Policy CS-I.4 – A consistent source of revenue for the City ensures that services are maintained or improved for residents and businesses.

Action CS-I.4.a – Develop plans and strategies to reduce the City's dependence on sales tax revenues by investigating other techniques for revenue development.

Policy CS-I.5 – In addition to providing basic municipal services, the City will continue to invest in amenities that make Salida a desirable place to live and visit.

Action CS-I.5.a – Leveraging 2B funds and working collaboratively with the local hospitality businesses, the city will create new and enhance existing amenities.

Action CS-I.5.b – The City will promote use of the SteamPlant as a cultural hub and center for the Creative District, attracting visitors and enriching the lives of members of our community.

Principle CS-II. Best Practices and Cost Reduction

The City should continue to maintain and ensure a sufficient level of quality services while seeking innovative techniques and pursuing cost saving measures.

Policy CS-II.1 – The City is obliged to maintain existing facilities in good working order.

Action CS-II.1.a – Create a facilities maintenance position within the public works department.

Action CS-II.1.b – Review lease agreements for tenant spaces to ensure that lessees are responsible for adequate maintenance of facilities they occupy.

Policy CS-II.2 – Objective analysis should be employed in considering new projects to ensure that operating expenses are not unduly increased in advance of increasing revenues.

Action CS-II.2.a – Create a prioritization matrix to be utilized by staff and the Council in evaluating new projects.

Policy CS-II.3 – Continue to explore ways to improve government efficiency toward saving tax dollars, while providing a sufficient level and quality of city services.

Action CS-II.3.a – Explore cooperative opportunities to consolidate or share services and/or equipment with the county and neighboring jurisdictions.

Action CS-II.3.b – Each department should periodically review the services they provide to ensure these are provided in the most efficient and cost effective manner possible.

Action CS-II.3.c - Study actions that the municipality could take that would encourage changes in behavior and technology that would reduce demands on City infrastructure such as water conservation, grey water diversion and composting toilets.

Principle CS-III. Infrastructure & Utilities

Public infrastructure and utilities are an essential service to the community and should be maintained to provide a high level of service and meet all local, state and federal regulatory requirements.

Policy CS-III.1 – An adequate supply of clean, safe water should be available to all water utility customers.

Action CS-III.1.a – Amend the City’s annexation policy to require future annexations to dedicate water rights to the City in an amount equal to or in excess of the anticipated demand or provide cash in lieu for the purchase of water resources.

Policy CS- III.2 – Wastewater treatment facilities should be adequate to meet current and anticipated needs of utility customers and comply with all regulatory requirements.

Action CS-III.2.a – Complete construction of the new 2.7 MGD WWTP by mid 2013.

Policy CS-III.3 – Water/Wastewater delivery systems should be maintained and improved for the benefit of utility customers and to reduce the cost of ongoing maintenance.

Action CS-III.3.a – Create digital maps of the water/wastewater distribution system including staff training on utilizing the maps.

Action CS-III.3.b – Create long-range plans for replacement of aging infrastructure within the system taking into account projections for areas of future development to anticipate the need to increase line sizes where necessary as replacement occurs.

Action CS-III.3.c – Evaluate the need for capital improvement dollars to replace existing water/waste water infrastructure and ensure that user fees can accommodate these anticipated expenses.

Action CS-III.3.d – Investigate impact fees for infrastructure upgrades related to new development.

Action CS-III.3.e – Update the City of Salida Standards and Specifications to address any changes in technology or construction techniques and ensure that infrastructure is installed properly.

Action CS-III.3.f – City should actively seek out and repair leaks and infiltration in its water and sewer infrastructure.

Action CS-III.3.g - Evaluate rates periodically to ensure that there is adequate funding for ongoing operations and maintenance.

Policy CS-III.4 – Streets should be constructed and maintained to provide safe and efficient transportation throughout the city.

Action CS-III.4.a – Update the City of Salida Standards and Specifications to address any changes in technology or construction techniques and ensure that street infrastructure is installed properly.

Action CS-III.4.b – Annually update the street improvement plan to reflect work that has been accomplished and changing conditions of the streets.

Action CS-III.4.c – Annually review the street improvement plan to anticipate immediate and future funding needs.

Action CS-III.4.d – Create a new full-time position and two seasonal positions in the public works department to assist in street maintenance.

Policy CS-III.5 – Stormwater drainage is provided to prevent property damage, allow for safety during storm events and not cause undue erosion of land or infrastructure.

Principle CS-IV. Community Support Projects

The City values the efforts of individuals and organizations that enhance the lives of Salida residents and visitors.

Policy CS-IV.1 – Provide support for non-profit organizations that provide services and programs for the Salida community without creating an ongoing expense to the City.

Action CS-IV.1.a – Annually, through the Community Support Program, provide discretionary funding to local non-profit organizations that benefit the Salida community.

Action CS-IV.1.b – Collaborate with the county, other towns, local non-profits, the school district, and major employers to cooperatively utilize existing facilities for cultural and recreational needs.