

**City of Boulder
Ballot Issues**



**League of Women Voters®
of Boulder County**

The League of Women Voters is not responsible for the accuracy or fairness of the arguments of either side.

**BALLOT ISSUE 2L
CITY OF BOULDER UTILITY
OCCUPATION TAX INCREASE
AND EXTENSION**

SHALL CITY OF BOULDER TAXES BE INCREASED \$4,000,000 ANNUALLY (IN THE FIRST YEAR) THROUGH AN INCREASE OF UP TO THAT AMOUNT IN THE CURRENT UTILITY OCCUPATION TAX IN THE YEAR 2018; AND \$3,000,000 IN THE YEAR 2019; AND SHALL THE PORTION OF THE CITY'S UTILITY OCCUPATION TAX APPROVED BY VOTERS ON NOVEMBER 1, 2011, WHICH IN 2017 WAS IN THE AMOUNT OF \$2,015,710, BE EXTENDED FROM ITS CURRENT EXPIRATION DATE OF DECEMBER 31, 2017 THROUGH DECEMBER 31, 2022; AND SHALL THE EXTENSION AND THE ANNUAL INCREASE IN THE TAX BE USED TO FUND COSTS ASSOCIATED WITH A MUNICIPAL ELECTRIC UTILITY THAT WILL SUPPORT BOULDER'S CLEAN ENERGY GOALS AND THE COMMUNITY'S COMMITMENT TO THE PARIS CLIMATE AGREEMENT, IMPROVE SYSTEM RELIABILITY, AND CREATE ENERGY-RELATED BUSINESS OPPORTUNITIES, PROVIDED THAT IF THE CITY OF BOULDER DECIDES NOT TO PROCEED

WITH A MUNICIPAL ELECTRIC UTILITY, THE TAX SHALL EXPIRE AFTER COSTS ASSOCIATED WITH THE MUNICIPAL UTILITY EFFORT ARE PAID; AND SHALL THE INCREASED AND EXTENDED PORTION OF THE TAX BE SUBJECT TO THE SAME TERMS AND CONDITIONS AS THE ORIGINAL TAX AND ALL EARNINGS THEREON (REGARDLESS OF AMOUNT) CONSTITUTE A VOTER APPROVED REVENUE CHANGE, AND AN EXCEPTION TO THE REVENUE AND SPENDING LIMITS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

Major Provisions

A YES vote means the existing Utility Occupation Tax would be extended for five years, through 2022. In addition, the tax would be increased for the years 2018 and 2019. The revenue would be used to partially fund expenses in pursuing municipalization, including engineering and legal work.

A YES vote to continue this tax does not mean that municipalization will occur. Likewise, a no vote on this tax does not mean that the city will end the quest for municipalization. The city could use other sources of revenue, including the General Fund, which they have used in the past, to continue the effort to bring Boulder electricity, from 100% renewable energy sources.

Background

In 2011, Boulder voters approved a tax on electricity utility bills to pay for expenses associated with municipalization. This tax will sunset in December 2017. The intent of municipalization is to provide Boulder with electricity from 100% renewable energy sources. Since 2011, discoveries and Colorado Public Utilities Commission (PUC) rulings have made it clear the cost and complexity of municipalization was underestimated. The city's current estimate of the costs of the engineering and legal work for municipalization exceeds the revenue expected from the proposed continuation and tax increase.

Those IN FAVOR say

1. Boulder has received clear direction on how to proceed from the Public Utilities Commission, and now knows the steps it needs to take to start up its own utility like 29 other Colorado cities run. The 2L funding will enable final engineering for the creation of the Boulder utility with a very minor impact to taxpayers.
2. Cities like Longmont and Chattanooga have leveraged their existing public electric utilities to bring low-cost public broadband to their residents. Both financial and infrastructure resources from a public electric utility can enable a public broadband utility in short order.
3. The choice regarding separation from Xcel is a generational decision on par with previous landmark Boulder initiatives such as setting growth boundaries, creating our Open Space system, establishing the Pearl Street Mall, and limiting building heights.
4. With a muni, Boulder residents and businesses would have much more freedom to pioneer creative solutions to clean energy delivery within the City. Existing limits to the deployment of customer-sited solar and storage could be removed, and local businesses could sell excess energy from their solar system to their neighbors.

Those OPPOSED say

1. The city has not wisely spent the \$11.8 million generated by this tax between 2012 and 2017 and has actually spent \$13.9 million on these lawsuits, with the \$2.1 million shortfall being taken from the city's General Fund.
2. The city staff has acknowledged that, even with a tripling of the tax in 2018, there will be insufficient money to pay the litigation bills and they intended to deplete the city's General Fund Reserve, the city's rainy day savings fund, by 20% next year.

3. The city staff really doesn't know how much municipalization will cost taxpayers. In 2011, city staff predicted the following:
 - Litigation costs would be no more than \$6 million; now forecasted to exceed \$30 million
 - Network separation costs would be less than \$15 million; now acknowledges the cost will exceed \$100 million
 - Condemnation award for the network assets would be about \$120 million; staff now hoping that the award will not exceed the voter-imposed cap of \$214 million.
4. When the tax was proposed in 2011, city staff predicted the municipal utility would be up and running by 2017. It now appears that it will take until 2023, or later. Meanwhile, Xcel Energy has filed a plan to retire coal plants and use new wind and solar facilities, increasing renewable energy to 55% statewide. In parallel, Denver and other Colorado cities (but not Boulder) are working with Xcel to meet their goals of 100% renewable electric energy by 2030.

**BALLOT ISSUE 2M
CITY OF BOULDER 0.3
CENTS CAPITAL
IMPROVEMENT
TAX EXTENSION**

WITHOUT RAISING THE EXISTING TAX RATE, SHALL THE EXISTING COMMUNITY CULTURE AND SAFETY SALES AND USE TAX OF 0.3 CENTS, SCHEDULED TO EXPIRE DECEMBER 31, 2017, BE EXTENDED TO DECEMBER 31, 2021, WITH THE REVENUE FROM SUCH TAX EXTENSION AND ALL EARNINGS THEREON BE USED TO FUND CITY CAPITAL IMPROVEMENT

PROJECTS SUCH AS: APPROXIMATELY \$12,500,000 TO RELOCATE FIRE STATION #3; APPROXIMATELY \$5,000,000 FOR LIBRARY - NORTH BOULDER BRANCH; APPROXIMATELY \$5,500,000 FOR CITYWIDE RADIO INFRASTRUCTURE REPLACEMENT; APPROXIMATELY \$3,500,000 FOR FOURMILE CANYON CREEK GREENWAYS IMPROVEMENTS - 19TH TO BROADWAY; APPROXIMATELY \$4,200,000 FOR SCOTT CARPENTER POOL REPLACEMENT; AND APPROXIMATELY \$400,000 FOR PUBLIC ART; NON-PROFIT ORGANIZATION CAPITAL IMPROVEMENT PROJECTS SUCH AS: APPROXIMATELY \$87,000 FOR GROWING GARDENS - POLLINATOR PAVILION; APPROXIMATELY \$822,500 FOR COMMUNITY CYCLES COMMUNITY CYCLING CENTER; APPROXIMATELY \$1,600,000 FOR MEALS ON WHEELS NEW FACILITY CONSTRUCTION; APPROXIMATELY \$1,750,000 FOR STUDIO ARTS BOULDER - COMMUNITY STUDIO ARTS EDUCATION CENTER; APPROXIMATELY \$1,400,000 FOR CENTER FOR RESOURCE CONSERVATION - ZERO WASTE COMMUNITY CENTER; APPROXIMATELY \$1,250,000 FOR KGNU - COMMUNITY MEDIA CENTER; AND APPROXIMATELY \$1,000,000 FOR BOULDER MUSEUM OF CONTEMPORARY ART - MUSEUM RENOVATION; ANY PAYMENTS FROM THIS TAX TO NON-PROFIT ORGANIZATIONS SHALL BE MADE IN COMPLIANCE WITH TERMS, CONDITIONS, TIMING AND FUND-RAISING MATCHING REQUIREMENTS APPROVED BY THE BOULDER CITY COUNCIL; AND ANY REMAINING FUNDS TO BE APPROPRIATED BY THE BOULDER CITY COUNCIL TO FUND CAPITAL IMPROVEMENT PROGRAM PROJECTS; AND IN CONNECTION THEREWITH, SHALL ANY EARNINGS FROM THE REVENUES FROM SUCH TAX EXTENSION CONSTITUTE A VOTER APPROVED REVENUE CHANGE AND AN EXCEPTION TO THE REVENUE AND SPENDING LIMITS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

Major Provisions

Ballot Issue 2M would continue the 0.3 cents sales tax for capital improvements first approved in November 2014, for 4 years, from 2018 through 2021. New projects (14) are listed in the ballot language. Major projects include: relocating out of the flood plain a fire station now at Arapahoe and 30th Street; a north Boulder library; and replacement of Scott Carpenter pool. The Project Package totals \$39 million.

Background

In 2014, voters approved a 0.3 cent sales tax to fund a variety of capital improvements especially in the Civic Center, University Hill, Chautauqua, the Dairy Arts Center, and the Museum of Boulder. Ballot Issue 2M would continue the sales tax to fund a new list of projects throughout the city. The new projects were vetted in a public process and non-profits receiving assistance must raise matching funds.

Those IN FAVOR say

1. Proposal 2M will help shore up needed safety services, enhance cultural amenities and broaden the reach of community facilities.
2. 2M does not increase taxes, but extends through 2021, an existing tax for community, culture and safety.

Those OPPOSED say

No organized opposition was identified by the time of printing.

BALLOT ISSUE 2N **CITY OF BOULDER DEBT** **AUTHORITY FOR CAPITAL** **IMPROVEMENT TAX**

SHALL CITY OF BOULDER DEBT BE INCREASED UP TO \$26,000,000 WITH A REPAYMENT COST OF UP TO \$29,000,000 (SUCH AMOUNT BEING THE TOTAL PRINCIPAL AND INTEREST THAT COULD BE PAYABLE OVER THE MAXIMUM LIFE OF THE DEBT) TO BE PAID FROM THE EXTENSION OF THE COMMUNITY CULTURE AND SAFETY SALES AND USE TAX OF 0.3 CENTS, IF SEPARATELY APPROVED; SUCH DEBT TO BEAR INTEREST AT A NET EFFECTIVE RATE NOT TO EXCEED 4.002 PERCENT PER ANNUM AND HAVE A MATURITY DATE NOT LATER THAN FOUR YEARS FROM THE DATE ANY SUCH DEBT IS ISSUED, SUCH DEBT TO BE SOLD AT SUCH TIME AND IN SUCH MANNER AND TO CONTAIN SUCH TERMS, NOT INCONSISTENT HERewith, AS THE CITY COUNCIL MAY DETERMINE, WITH THE PROCEEDS OF SUCH DEBT AND EARNINGS THEREON BEING USED TO FUND THE FOLLOWING CITY CAPITAL IMPROVEMENT PROGRAM PROJECTS OTHERWISE PAYABLE FROM SAID SALES AND USE TAX; RELOCATION OF FIRE STATION #3; LIBRARY - NORTH BOULDER BRANCH; CITYWIDE RADIO INFRASTRUCTURE REPLACEMENT; FOURMILE CANYON CREEK GREENWAYS IMPROVEMENTS - 19TH TO BROADWAY; SCOTT CARPENTER POOL REPLACEMENT; AND PUBLIC ART; WITH ANY REMAINING PROCEEDS OF SUCH DEBT AND ALL EARNINGS THEREON BE USED TO FUND CITY CAPITAL IMPROVEMENT PROJECTS THAT ARE DESCRIBED IN ORDINANCE 8197 WITH ANY REMAINING FUNDS TO BE APPROPRIATED BY THE BOULDER CITY COUNCIL TO FUND CAPITAL IMPROVEMENT PROGRAM PROJECTS; AND IN CONNECTION THEREWITH, SHALL ANY EARNINGS FROM THE INVESTMENT OF THE PROCEEDS OF SUCH DEBTS AND THE REVENUES FROM SUCH TAX EXTENSION CONSTITUTE A VOTER APPROVED REVENUE CHANGE

AND AN EXCEPTION TO THE REVENUE AND SPENDING LIMITS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

Major Provisions

Ballot Issue 2N would allow the City of Boulder debt to be increased by \$26 million so that the City could issue bonds that would be paid with the revenue from the 0.3 cents Community, Culture and Safety Tax.

Background

The 2014 Capital Improvements Sales Tax paid for projects on a pay-as-you-go basis. Projects were authorized as tax revenue became available. This year, the Council has proposed bonding for the new projects so projects can be built when ready, and before inflation increases costs.

If 2M were to be approved and 2N not approved, the projects would proceed at the rate revenue is accumulated.

Those IN FAVOR say

1. 2N will help the community save money by completing capital improvement projects faster. With construction costs rapidly increasing, the 2N bonding authority will help provide flexibility to achieve cost savings by starting projects sooner.
2. The project package was selected by a citizen committee with Boulder City Council, in an open project with rigorous requirements, including a matching funds criteria for the non-profits selected.

Those OPPOSED say

No organized opposition was identified by the time of printing.

Ballot Question 20
City of Boulder Charter Requirement for Vote Before Electric Construction Debt

Shall Section 178 of the Charter be amended pursuant to Ordinance 8193 to require a vote at a general or special election prior to the enterprise incurring debt for construction to separate the existing utility system for the City to provide electricity to customers of the City by a separate system?

Major Provisions (20)

The Boulder City Charter would be amended to require a vote at a general or special election before the City could incur debt specifically for construction that would create a separate distribution system to provide electricity to City customers. The amendment would not require a vote for the City to incur debt for other aspects of municipalization efforts.

A vote for this measure would establish the requirement for another ballot measure before the City could incur debt for the construction of a separate system to provide electricity to its customers. A vote against this measure would not insert another ballot measure into the steps towards municipalization of the City's electric utility.

Background

Pursuit of municipalization studies and recent Colorado PUC rulings have resulted in requirements that the City pay the costs of separating the systems which will provide electricity to City customers and the systems which provide electricity to Xcel customers. The City also is required to pay engineering costs and litigation costs of the separation.

Those IN FAVOR say

1. The measure empowers Boulder voters to decide whether to move ahead with funding of a Boulder public electric utility once all costs are known and the legal hurdles have been overcome.
2. Guarantees that the next exploratory step is focused on providing the information which Boulder residents and businesses need to make an informed decision about their energy future.
3. Allows Boulder residents and businesses to see and evaluate whether Xcel actually makes progress towards a higher penetration of renewables in a rapid fashion.

Those OPPOSED say

No organized opposition was identified by the time of printing.

Ballot Question 2P
City of Boulder Charter Provision Allowing Executive Sessions

Shall Section 9 of the Charter be amended pursuant to Ordinance 8202 to: (1) amend the requirements for notices of executive sessions regarding legal advice and negotiation strategy regarding municipalization to align processes more closely with state law; (2) prohibit any discussions about negotiating a franchise or other settlement discussions that would terminate Boulder's effort to operate an independent municipal electric utility; and (3) extend the authority to hold executive sessions until December 31, 2023?

Major Provisions

This measure would extend the authority to hold executive sessions concerning legal advice and negotiation strategy, for municipalization, from 2018 through 2023. It limits discussions during these sessions, to efforts to operate an independent utility and prohibits discussion of any settlement options, which could terminate such an effort. It would also amend the requirements for notices of these sessions to align more closely with state law.

Background

In 2014 voters gave City Council authority to conduct executive sessions in private, to discuss legal strategy regarding municipalization, through 2017. Decisions cannot be made during executive sessions; they must be made in public meetings. Efforts to continue pursuit of municipalization are expected to involve further legal strategy.

Those IN FAVOR say

1. Executive sessions on the complicated topic of municipalization allow Council Members the benefit of hearing each other's questions of City staff, and the staff responses on legal issues. Having such sessions in public gives away legal strategy to those who might oppose in court, the City's efforts to form a public electric utility.
2. Executive sessions are far more efficient use of staff and Council time than alternatives modes of communication (confidential memos, meetings of 1 or 2 Council Members with staff).
3. Since Council cannot make decisions in executive session, only be given advice on legal strategies, there is no risk that a snap decision could be made out of the public view.

Those OPPOSED say

1. Many residents oppose all executive sessions on the principle that full transparency is best for all Council discussions.
2. There will be no need for this authority if the City is no longer pursuing the development of a local electric utility. Thus, any voter who opposes municipalization will find this extension of authority unnecessary and a NO vote would be consistent with opposition to municipalization.
3. 2P extends the authority for executive sessions but also prohibits the Council from "any discussion about negotiating a franchise or other settlement discussions that would terminate Boulder's effort to operate an independent municipal electric utility;..." If municipalization were to continue, this extension of authority would take flexibility away from the Council and make any attempts at a settlement more difficult to achieve. Because 2P is structured to support only one outcome, municipalization, it is less useful than the original grant of executive session authority.

Ballot Question 2Q
City of Boulder Charter Clean Up

Shall Sections 8, 22, 29, 37, 38B, 39, 41, 43, 48, 63, 68, 72 and 73 of the Charter be amended as specifically set forth in Ordinance 8195 including to: (1) remove obsolete provisions; (2)

eliminate timelines for election related matters that conflict with state laws; (3) clarify when council vacancy elections are required; (4) clarify that initiative and referendum relate only to legislative matters; and (5) authorize signature verification and protests of petitions?

Major Provisions

The ballot question is largely a housekeeping exercise, however, it contains changes to the timelines for citizens to use the initiative process to place items on a city ballot by eliminating specific deadlines for review and leaving them to the discretion of the city manager within the state law. The ballot question also includes removal of obsolete provisions and specifies timing of council vacancy elections. Some examples of provisions follow. Added language is in capital letters.

Section 29 – Withdrawal from nomination: “Any person having been duly and regularly nominated . . . , may, prior to the sixty-sixth day preceding the election . . . , withdraw . . . IF A WITHDRAWAL OCCURS ON THE SIXTY-FIFTH DAY OR ANY DAY THERE-AFTER PRECEDING THE ELECTION, THE VOTES CAST FOR THAT PERSON SHALL NOT BE COUNTED.

Section 37 – Power to initiate: As written, neither the title nor the language made it clear that the initiative power included Charter amendments and was limited to legislative acts and did not include administrative issues. The amendments make both issues clearer.

Section 38B – Submission of initiative form for comment - the time frame in the Charter for review and comment by the city manager would be changed from 15 days to A TIME DETERMINED BY THE CITY MANAGER, OR IF NONE IS DETERMINED, THE TIME PROVIDED IN THE APPLICABLE STATE LAW,

Section 39 – Filing of petition: The time frame in the charter for the city clerk to examine the petition’s signatures would be changed from ten days to THE TIME DETERMINED BY THE CITY MANAGER, OR IF NONE, THE TIME IN STATE LAW. Also, language is added concerning the verification of signatures and that PROTESTS OF PETITIONS MAY BE MADE AS PROVIDED BY COLORADO LAW AND RULES ADOPTED BY THE CITY MANAGER.

Section 48 – Title of ballots: the changes provide for the city council to determine the title of ballots rather than the petition committee in order to clarify conflicts with state law and conflicts among ballot titles.

Section 63 – The city manager—qualifications and appointment: Removes language requiring city managers to post a bond for faithful performance of the job.

Section 68 – General powers and duties: this removes the paragraph that specifies who would take the position of finance officer when the Charter was approved by the voters in 1917.

Section 72 - General power and duties: eliminates the requirement for the city manager to appoint a probation officer.

Background

The Charter is reviewed regularly to clarify or update provisions and language. Changes to the Charter require voter approval.

No organized support or opposition to question 2Q has been identified.

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