

completed a limited reference check on Board applicant, Nicholas McCoy with favorable results. At the November 16, 2013 meeting, the Board reviewed the interviewers' recommendation, voted, and confirmed recommendation of his appointment. The Board is requesting City Council approve this appointment.

3. **DEVELOPMENT SERVICES** (presenter: Noreen Smyth)
MILLENNIUM SW 7TH SUBDIVISION VACATION OF ACCESS EASEMENTS
A Motion to Approve and Order Published on Second Reading Ordinance #5835, Vacating Four Access Easements Located in Outlot 1 of the Millennium Southwest Seventh Subdivision, City Of Loveland, Larimer County, Colorado was approved.
This item is a legislative action to consider adoption of an ordinance on second reading vacating four access easements. The access easements are within a 20- acre property located northwest of the intersection of Corvus Drive and Sculptor Drive. The owner of the property is Vertex at Stone Creek, LLC. This ordinance was unanimously approved on first reading by City Council at the December 3, 2013 regular meeting.

4. **POLICE** (presenter: Luke Hecker)
TRAFFIC CODE AMENDMENT
A Motion to Approve and Order Published on Second Reading Ordinance #5836, Amending Section 10.04.020 to Amend the City's Model Traffic Code Concerning Recent State Law Changes Relating to Gross Weight of Vehicles and Compulsory Motor Vehicle Insurance was approved.
This is a legislative action. This ordinance on second reading amends the City's adopted 2003 Model Traffic Code to reflect recent changes in the state law allowing drivers who are contacted by law enforcement for a traffic violation, to present proof of insurance. The proof of insurance may be in paper or electronic format, such as a cell phone or tablet, and creates a new provision which makes it unlawful for a driver to present false evidence of motor vehicle insurance. There is also a change to the gross vehicle weight (GVW) provision, primarily in the rewording of the formulas used for determining when a vehicle is in violation of the GVW limits. The Police Department would like to adopt this ordinance to be consistent with state law. This ordinance was approved unanimously on first reading by Council at the regular meeting on December 3, 2013. This action does not include review of the administrative fee for no proof of insurance (NPOI), which will return to Council at a later date.

5. **CITY ATTORNEY** (presenter: John Duval)
CODE AMENDMENT FOR MEDICAL MARIJUANA AND PRIMARY CAREGIVERS
A Motion to Approve and Order Published on Second Reading Ordinance #5837, Amending Loveland Municipal Code Section 7.60.030 to Remove Obsolete Language in Section 7.60.030 and to Clarify That All Patients and Primary Caregivers in the City Cultivating, Selling or Storing Medical Marijuana Must Comply With All Applicable State and Local Laws, Rules and Regulations was approved.
This is a legislative action to adopt an ordinance on second reading relating to medical marijuana to remove obsolete language in Section 7.60.030 and to clarify that the storage of medical marijuana, as well as its cultivation and sale, may only be done within the City by lawfully registered patients and primary caregivers that do so in full conformity with the Colorado Medical Marijuana Code, C.R.S. § 25-1.5-106, the City's ordinances and all other applicable rules and regulations promulgated under state law. The ordinance was unanimously approved on first reading by Council at the December 3, 2013 regular meeting.

6. **CITY MANAGER** (presenter: Bill Cahill)
SCHEDULE OF 2014 MEETING DATES FOR CITY COUNCIL AND BOARDS & COMMISSIONS MEETINGS
A Motion to Approve Resolution #R-104-2013 Adopting the Schedule of the 2014 Meeting Dates for the Loveland City Council and the City's Boards and Commissions was approved.
This is an administrative action pursuant to City Code Section 2.14.020B to set the 2014 Meeting Dates, Times, and Locations for the City Council and for the City's Boards and Commissions.
7. **PARKS & RECREATION** (presenter: Janet Meisel-Burns)
UTILITY EASEMENT FOR THE THOMPSON SCHOOL DISTRICT R2-J
A Motion to Adopt Resolution #R-105-2013 Approving a Grant of Utility Easement from the City of Loveland to the Thompson School District R2-J for the Benefit of Loveland High School was approved.
This is an administrative action. The resolution authorizes the City Manager to sign an agreement granting a permanent easement for the installation of utilities and for the long term maintenance of said utilities to the R2J School District across property legally described in Exhibits A and B. The easement is for an existing irrigation main line and for the installation of new parking lot lights on the west side of Loveland High School.
8. **HUMAN RESOURCES** (presenter: Bettie Greenberg)
WORKERS' COMPENSATION COVERAGE CONTRACT AWARD TO PINNACOL ASSURANCE
A Motion to Renew the City's Workers' Compensation Coverage to Pinnacol Assurance, Authorize the City Manager to Enter into a Contract with Pinnacol, and Establish a Purchase Order in the Amount of \$1,166,630 was approved.
This is an administrative action to authorize the City Manager to enter into contract with Pinnacol Assurance for 2014 Workers' Compensation coverage, which includes premium costs and claims payable from prior years. This contract is within the budget already approved for 2014.
9. **HUMAN RESOURCES** (presenter: Julia Holland)
EMPLOYEE MEDICAL STOP LOSS COVERAGE CONTRACT AWARD TO SUN LIFE
A Motion to Award the Contract for City Employee Medical Stop Loss Coverage to Sun Life of Canada in an Amount not to Exceed \$809,000 and to Authorize the City Manager to Execute the Contract on Behalf of the City was approved.
This is an administrative action to authorize the City Manager to enter into a contract for up to \$809,000 for 2014 with Sun Life of Canada for the City of Loveland employee healthcare stop loss insurance. The contract stipulates that Sun Life of Canada will provide stop loss insurance for health claims over \$150,000, while Cigna retains processing claims under \$150,000. This contract is within the Benefits Budget already approved for 2014.
10. **FINANCE** (presenter: Brent Worthington)
TREE TRIMMING & REMOVAL CONTRACT AWARD TO ASPLUNDH TREE EXPERTS COMPANY
A Motion to Award the 2014 Contract for Tree Trimming and Removal Services to Asplundh Tree Experts Company in an Amount Not to Exceed \$560,000 and to Authorize the City Manager to Execute the Contract was approved.

This is an administrative action to approve a contract with Asplundh Tree Experts Company for \$560,000 for tree trimming in Parks, Golf Courses, Right-of-Ways, facility grounds, and around City-owned electrical lines Budget dollars are available in Public Works (\$100,000), Parks & Recreation & Golf (\$60,000), and Water & Power (\$400,000).

11. **FINANCE** (presenter: Brent Worthington)
2014 ASPHALT PRODUCTS CONTRACT AWARD TO COULSON EXCAVATING COMPANY, INC.

A Motion to Award the 2014 Primary Contract for Asphalt Products to Coulson Excavating Company, Inc. in an Amount not to Exceed \$700,000 and to Authorize the City Manager to Execute the Contract for Asphalt Products and Other Pit Materials for Street Rehabilitation, Patching, and Parking Lot Rehabilitation Projects was approved.

This is an administrative action to approve a contract with Coulson Excavating Company, Inc. for \$700,000 for the purchase of various asphalt products and other pit materials for street and parking lot patching and construction, for a period covering December 3, 2013 thru December 2, 2014. The majority of the contract will be spent on asphalt products with very little of the contract being used for other aggregate materials bid. Budget dollars are available in various departments' line items in 2014. There is no minimum purchase; only product needed for projects will be purchased.

12. **PUBLIC WORKS** (presenter: Keith Reester)
FUEL & FUEL DELIVERY CONTRACT AWARD TO GRAY OIL COMPANY

A Motion to Award a Contract with Gray Oil Company for \$1,900,000 (One million, nine hundred thousand dollars) for Diesel and Unleaded Fuel Purchases for Various City Locations Including the Fleet Management Fueling Center, Golf Courses, Water & Wastewater Treatment Plants, and Airport for a Period Covering January 1, 2014 to December 31, 2014, Authorize the City Manager to Sign the Contract, and Authorize the Public Works Director to Lock Prices if it is in the Best Interest of the City was approved.

This is an administrative action to approve a contract with Gray Oil Company for \$1,900,000 (One million, nine hundred thousand dollars) for diesel and unleaded fuel purchases for various City locations. The City contracts annually for fuel purchases using a cooperative bid with the City & County of Denver. Budget dollars are available in various departments with the bulk, \$1,400,000, in the Vehicle Maintenance Fleet Operations Fund.

END OF CONSENT AGENDA

CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA

CITY COUNCIL

- a. **Citizens' Report** *Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this time.*

Sharon Arnhorn, Loveland resident, read a letter, signed by four Councilors, supporting the Governor's position on oil and gas fracturing.

Sharon Carlisle, Loveland resident, spoke regarding the letter.

Judy Freeman, Loveland resident, requested Council place the moratorium of oil and gas fracturing before voters in a special election.

- b. **Business from Council** *This is an opportunity for Council Members to report on recent activities or introduce new business for discussion at this time or on a future City Council*

agenda.

- Shaffer: North Front Range MPO elected new members; Announced I-25 Elected Meeting is January 2, 2014 at the Weld County Service Center on Highway 119.
- Farley: Attended the Visual Arts Commission Meeting and discussed Transformer Box restored to green; LDT meeting in Council Chambers at 8 a.m. with speaker, Susie Edmundsen
- Trenary: Thanked volunteers for the Tree Lighting Event; Attended the Pearl Harbor Memorial on December 7, 2013; Attended Data Traks Open House; Attended the Colorado Municipal League Legislative Webinar at the Foote Gallery for a Legislative Update; Attended the Historic Planning Commission Holiday Party at Tommy Guns now called Artisan Hall.
- Gutierrez: Announced the new book, "A Thousand Year Rain" produced by the Reporter-Herald regarding the September 2013 Flood. Reporter Herald has received several awards from Digital First Media for their coverage of the 2013 Flood' including Jessica Maher for reporting in October 2013.

Councilors Fogle, Clark, McKean and Taylor spoke regarding the letter discussed by the public and Sharon Anhorn.

c. **City Manager Report:**

d. **City Attorney Report:**

Announced the Hearing of Sarner vs. City of Loveland, December 18, 2013 at the Larimer County District Court.

PROCEDURAL INFORMATION

Anyone who wishes to address the Council on any item on this part of the agenda may do so when the Mayor calls for public comment. All public hearings are conducted in accordance with Council Policy. When Council is considering adoption of an ordinance on first reading, Loveland's Charter only requires that a majority of the Council quorum present vote in favor of the ordinance for it to be adopted on first reading. However, when an ordinance is being considered on second or final reading, at least five of the nine members of Council must vote in favor of the ordinance for it to become law.

REGULAR AGENDA

CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA

13. **CITY CLERK** (presenter: Terry Andrews)

APPROVAL OF MINUTES

City Clerk, Terry Andrews introduced this item to Council. This is an administrative action to approve the City Council Study Session Meeting minutes from the November 26, 2013 Study Session. Councilor Clark and Councilor Taylor were absent.

Councilor Shaffer moved to approve the City Council Study Session Meeting Minutes from the November 26, 2013 Study Session. Councilor Trenary seconded the motion which carried with all councilors present voting in favor thereof. Councilors Clark and Taylor abstained.

14. **DEVELOPMENT SERVICES** (presenter: Greg George)

OIL & GAS CODE AMENDMENTS

Development Services Director, Greg George, introduced this item to Council. This is a legislative action to consider adoption of an ordinance (Exhibit 1) on second reading

amending certain provisions in the oil and gas ordinance (City Code Chapters 18.77 and 18.78) adopted by City Council on March 19, 2013. Chapter 18.77 establishes regulations on new oil and gas facilities within Loveland city limits, while Chapter 18.78 establishes regulations on new development in the vicinity of existing oil and gas facilities. Language was added to the definition of "outdoor assembly area" (Section 18.77.025.II.) to clarify that yards on residential lots are not included in that definition. On December 3, 2014 City Council adopted the ordinance on first reading with a vote of 8-1. **Councilor Shaffer moved to approve and Order Published on Second Reading Ordinance #5838 Amending City Code Chapter 18.77 Concerning the Regulation of Oil and Gas Operations and Code Chapter 18.78 Concerning Overlay Zoning Districts for Development Setbacks from Existing Oil and Gas Facilities. Councilor McKean seconded the motion which carried with six councilors voting in favor and Councilors Shaffer, Trenary, and Mayor Gutierrez voting against.**

15. **CITY ATTORNEY** (presenter: John Duval)
CODE AMENDMENTS RELATING TO PERSONAL POSSESSION AND USE OF MARIJUANA

City Attorney, John Duval presented this item to Council. This is a legislative action to adopt an ordinance on second reading that would eliminate conflicts and discrepancies that exist now between Amendment 64 and City Code Chapters 7.40 and 9.41 relating to the regulation of the personal possession and use of marijuana and marijuana accessories. On first reading, a citizen made a recommendation that a clarification be made to the Ordinance to reflect that the determination of the weight for any amount of marijuana relating to a violation under Code Chapter 9.41, should not include the weight of any other ingredient combined with that marijuana as a food, drink or other similar product. Because this clarification is consistent with the requirements of Amendment 64, it has been made to the definition of "marijuana" in Code Section 9.41.010.F. This ordinance was approved on first reading by Council at the December 3, 2013 Regular meeting with a vote of 8-1.

Councilor Shaffer moved to Approve and Order Published on Second Reading Ordinance #5839 of the City Council of the City of Loveland Amending the Loveland Municipal Code to Eliminate Conflicts Between the Code and Amendment 64 Relating to the Regulation of the Personal Possession and Use of Marijuana and Marijuana Accessories. Councilor Trenary seconded the motion which carried with eight councilors voting in favor and Councilor Farley voting against.

16. **FIRE & RESCUE** (presenter: Devin Davis)
FIRE STATION NO. 2 BUILDING CONSTRUCTION AWARD TO GOLDEN TRIANGLE CONSTRUCTION

Facility Maintenance Superintendent, Devin Davis, introduced this item to Council. This is an administrative action approving a contract with Golden Triangle Construction to build the new Fire Station 2, to be located at 3070 W. 29th Street, Loveland. The construction budget for this project is included in 2013 and 2014. The projected shortfall amount is \$340,293. A supplemental appropriation will be required in 2014 for this amount, which will come from additional revenues and from additional repayment of Fire CEFs from the General Fund.

Councilor Shaffer moved to Award a Construction Contract to Golden Triangle Construction to Build the New Fire Station 2 in an Amount Not to Exceed \$1,

500,000 Which Shall Include Construction Up To and Including the Fire Station's Foundation, and, on the Condition of a Supplemental Appropriation in 2014 of \$340,293 for the Construction of Fire Station 2, to Increase the Contract to a Total Amount Not to Exceed \$3,222,331 to Complete the Full Scope of the Contract Including the Optional Fourth Bay, and to Authorize the City Manager to Execute a Contract on Behalf of the City Reflecting Those Terms and Conditions. Councilor Fogle seconded the motion which carried with all councilors present voting in favor thereof.

17. **ECONOMIC DEVELOPMENT** (presenters: Marcie Erion, Scott Mead)
EPIC RIVER, LLC. INCENTIVE AGREEMENT

Business Development Specialist, Marcie Erion and Epic River, LLC., Owner, Scott Mead, presented this item to Council. This is an administrative action. Epic River, a Larimer County based company located at 5110 Granite Street, is requesting an incentive of \$15,000 to offset expenditures that will arise as part of their company expansion and relocation to the Rocky Mountain Center for Innovation and Technology (RMCIT), located at 815 14th SW, Loveland, Colorado 80537. The Company currently has 15 employees and plans to add 10 new positions over the next 5 years. The average annual wage is \$88,000. An economic impact analysis projects the City will see new revenue from construction materials use taxes, real property taxes, business personal property taxes and sales taxes in excess of \$15,000 in slightly less than 5 years. The company is investing \$235,000 in the relocation. The City of Loveland will fund no more than \$15,000 from the Economic Development Incentive Fund contingent upon the execution of a five-year lease.

Councilor Shaffer moved to approve Resolution #R-106-2013 Approving an Incentive Agreement for LSJS Enterprises, a Colorado Limited Liability Company Doing Business as Epic River, LLC. Councilor Farley seconded the motion which carried with eight councilors voting in favor and Councilor Krenning voting against. Councilor Clark suggested Economic Incentive be a topic of discussion at the Council Goal Setting for 2014.

18. **ECONOMIC DEVELOPMENT** (presenter: Betsey Hale)
EL EVENTS ASSISTANCE FOR ELIGIBLE OUTSTANDING EXPENSES

Economic Development Director, Betsey Hale, presented this item to Council. This is an administrative action. In 2006 the City, Chamber of Commerce, Downtown Loveland Association and Larimer County collaborated to form Engaging Loveland, now known as EL Events. The mission was "to enhance and support the development of community wide events and celebrations and to enhance tourism and attendance." EL Events became insolvent earlier this year, and in August 2013, the EL Events Board requested the City consider paying bills outstanding from 3 community events (Artist Studio Tour held in 2012, the Snow Sculpture Event held in February 2013, and the BBQ Event held in 2013) sponsored by the City with lodging tax dollars. Lodging Tax Funds, not to exceed the amount of \$21,000, will be used to pay the outstanding bills.

Councilor Shaffer moved to Adopt a Finding that the Use of Lodging Tax Funds to Pay Eligible Outstanding Event and Marketing Expenses Incurred by EL Events to Hold 3 Community Events Sponsored by the City, Will Serve a Public Purpose by Providing the Significant Social, Cultural and Economic Benefits Set Forth Below in the City Council Cover Sheet Dated December 17, 2013, as Amended on the Record; and Approve the Use of Appropriated 2013 Lodging Tax Funds to Pay Such Eligible Expenses in an Amount Not to Exceed Twenty One Thousand Dollars (\$21,000.00). Councilor Clark seconded the motion which failed with four

councilors voting in favor and Councilors, Krenning, Shaffer, McKean, Taylor and Mayor Gutierrez voting against. City wide events management was suggested to be a topic of discussion for the Council Goal Setting for 2014.

19. HUMAN RESOURCES

(presenter: Julia Holland)

EXECUTIVE SESSION REGARDING FOLLOW UP WITH MUNICIPAL JUDGE

At 9:27 p.m. Councilor Shaffer moved that the City Council go into Executive Session, as authorized in CRS Sections 24-6-402(4)(f) and (4)(g) and in Loveland Charter Sections 4-4(c)(5) and (c)(6), for the purpose of considering a personnel matter, that being the annual performance evaluation of the Municipal Judge, and concerning this matter, to create, receive, consider and discuss documents not subject to public inspection under the Colorado Open Records Act, such as work-product documents. Councilor Krenning seconded the motion which carried with all councilors present voting in favor thereof. Councilor Taylor excused himself from the executive session, because he had another appointment.

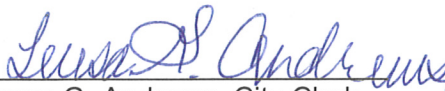
Council returned at 10:31.

Councilor Shaffer moved that the Human Resources Director and the City Attorney be directed to prepare a resolution to be presented at Council's January 7, 2014, meeting to increase the Municipal Judge's salary by 2% for 2014. Councilor Trenary seconded the motion with carried with seven councilors voting in favor and Councilor Krenning voting against. Councilor Taylor was absent.

ADJOURNMENT

Having no further business to come before Council, the December 17, 2013 Regular Meeting was adjourned at 10:32 p.m.

Respectfully Submitted,


Teresa G. Andrews, City Clerk




Cecil A. Gutierrez, Mayor